



# **MEI INDIA DIGEST**

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## **Visit of the President to the Middle East, November 2010**

The nine day long visit of Indian President Pratibha Patil to the United Arab Emirates and Syria (21-29 November) aimed at strengthening both political and economic ties with the Middle Eastern States, came to an end with a visit to ancient city of Aleppo. In the first leg of her visit, President Patil landed in the UAE, a country which has a very special significance for India. The trade turnover between two countries currently stands at US\$ 43 billion making it one of India's largest trade partners.<sup>1</sup> The UAE has also emerged as the top destination for India's exports with a 13.41 per cent share of country's total exports in 2009-10. It also ranks among the top five suppliers of crude oil to India.<sup>2</sup> Remittances to India from the UAE in 2008-09 were about US\$ 12 billion, accounting for a third of all money sent to India from the Gulf Cooperation Council (GCC) countries.<sup>3</sup>

The President said she believed trade and investment would guide the relations between the two countries in the coming years and urged the business community in the UAE to invest in the growth story of India. For his part, President Sheikh Khalifa bin Zayed Al Nahyan assured that

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<sup>1</sup> President Patil leaves UAE for Syria, *The Economic Times*, 26 November 2010.  
<http://economictimes.indiatimes.com/news/politics/nation/President-Patil-leaves-UAE-for-Syria/articleshow/6993609.cms>

<sup>2</sup> President Patil arrives in UAE, *The Hindustan Times*, 21 November 2010.  
<http://www.hindustantimes.com/President-Patil-arrives-in-UAE/Article1-629338.aspx>

<sup>3</sup> Patil assures large Indian Diaspora in UAE of all help, 22 November 2010.  
<http://www.calcuttanews.net/story/710697>

attempts have been made to further strengthen bilateral relations in petroleum sector not just bilaterally but also in third countries.<sup>4</sup>

Even though no agreements were signed during the visit, an appeal was launched by President Patil to revive the India-UAE Joint Business Council and increase the frequency of exchanges between the two apex commerce and industry chambers. She also pointed out that, "India has already started negotiating a Free Trade Agreement with the Gulf Cooperation Council countries, and we are hopeful of finalizing it in the near future."<sup>5</sup> The UAE also came out in strong support for India's bid for a permanent seat at the UN Security Council.<sup>6</sup> She also praised the efforts being made by the UAE in the field of education and expressed hope that India will succeed in its process of bridging the gap in quality of education in villages and cities.<sup>7</sup>

During the visit, the President visited Abu Dhabi, Dubai and Sharjah. The 1.75 million strong Indian expatriate community, it is the largest in the Emirates. To cater to their needs, a 24 hour help line was inaugurated at the Indian Workers' Resource Centre, which would provide round the clock help and counselling services for Indian workers in the UAE. Besides this, the President also inaugurated the Indian Islamic Center in Abu Dhabi which was first conceived 28 years ago during the tenure of the then Prime Minister Indira Gandhi.<sup>8</sup>

After the conclusion of the five day visit to UAE, the President proceeded to Syria. This was the first visit by an Indian President to the country since 1947. Wide ranging discussions with top leaders were held during the visit where issues of bilateral as well as international concern were raised.

In her address at the banquet hosted by Syrian President Bashar Al Assad, the Indian President expressed her support for return of Golan Heights to Syria.<sup>9</sup> She also reiterated India's stand on

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<sup>4</sup> President Patil leaves UAE for Syria, *The Economic Times*, 26 November 2010.  
<http://economictimes.indiatimes.com/news/politics/nation/President-Patil-leaves-UAE-for-Syria/articleshow/6993609.cms>

<sup>5</sup> Need for reactivating India-UAE Joint Business Council: President Patil, *Sify News*, 23 November 2010.  
<http://sify.com/news/need-for-reactivating-india-uae-joint-business-council-president-patil-news-international-klxsaqjcgcd.html>

<sup>6</sup> President Patil Leaves UAE, Heads to Syria, *Outlook*, 26 November 2010.  
<http://news.outlookindia.com/item.aspx?702591>

<sup>7</sup> Patil lauds UAE's visionary leadership in education, *Dubai News*, 24 November 2010.  
<http://www.dubainews.net/story/711605>

<sup>8</sup> President Patil inaugurates Indian Islamic centre in Abu Dhabi, *DNA*, 23 November 2010.  
[http://www.dnaindia.com/india/report\\_president-patil-inaugurates-indian-islamic-centre-in-abu-dhabi\\_1470993](http://www.dnaindia.com/india/report_president-patil-inaugurates-indian-islamic-centre-in-abu-dhabi_1470993)

<sup>9</sup> Indian president backs Syria's claim on the Golan Heights, *The Ha'aretz*, 27 November 2010.

the peace process and backed the Arab Peace Plan ‘which calls for withdrawal of Israel to pre-1967 borders, along with the recognition of Israel, and the establishment of the State of Palestine with East Jerusalem as its capital.’<sup>10</sup> She expressed hope that both Israel and Palestine would live side by side in peace.

While India thanked the host country for supporting its candidature as a non-permanent member of UN Security Council for 2011 – 12,<sup>11</sup> Syria expressed its support for India’s candidature to a permanent seat in the UN Security Council.<sup>12</sup> Both the countries also agreed that high level ministerial meetings should continue in future to further encourage development of relations.

There was a clear focus on increasing bilateral economic ties which received an impetus during the visit of President Assad in 2008 to New Delhi. However, the trade levels still stand at a paltry US\$ 530 million which President Patil herself described as being ‘far below potential.’<sup>13</sup> The formation of India-Syria Business Council during the visit is expected to strengthen the economic ties especially in power, phosphate, oil and telecom sectors. India already has a presence in the power sector in Syria with Tishreen Power Plant by BHEL being upgraded. Minister of State for Power Bharatsinh Solanki announcing that public sector companies like NTPC and the Power Grid Corporation could be potential participants in future projects.<sup>14</sup>

India is setting up an IT Centre of Excellence in Damascus in the memory of the Syrian scholar monk Severus Sebokht ‘who recognised with appreciation the skill of Indians in computing’<sup>15</sup> and would be opened shortly. The President announced that the number of scholarships for Syria under the ITEC programme would be increased from the present 45 to 90.<sup>16</sup>

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<http://www.haaretz.com/news/international/indian-president-backs-syria-s-claim-on-the-golan-heights-1.327233>

<sup>10</sup> Speech of the President of the Republic of India, H.E. Smt. Pratibha Devisingh Patil at the banquet hosted in her honour by the President of Syria, H.E. Dr. Bashar Al-Assad, 27 November 2010.

<http://presidentofindia.nic.in/bqsp271110.html>

<sup>11</sup> Syria pins hopes on India to highlight Arab cause at U.N. Security Council, *The Hindu*, 29 November 2010.

<http://www.hindu.com/2010/11/29/stories/2010112962621400.htm>

<sup>12</sup> President Concludes Visit to Syria, *Outlook*, 29 November 2010.

<http://news.outlookindia.com/item.aspx?703038>

<sup>13</sup> India, Syria launch joint business council, *The Tribune*, 28 November 2010.

<http://www.tribuneindia.com/2010/20101129/biz.htm#1>

<sup>14</sup> Syria pins hopes on India to highlight Arab cause at U.N. Security Council, *The Hindu*, 29 November 2010.

<http://www.hindu.com/2010/11/29/stories/2010112962621400.htm>

<sup>15</sup> Speech by Her Excellency the President of India Shrimati Pratibha Devisingh Patil at the Syrian Indian Business Summit, 28 November 2010.

<http://presidentofindia.nic.in/sp281110.html>

Syria was also urged to 'cut delays in granting approvals to projects' while Damascus called for 'big involvement' by Indian companies in the infrastructure projects in Syria besides Information Technology, Research and Development, pharmaceutical and energy sector.<sup>17</sup> The state-owned ONGC Videsh Limited is already engaged in the oil sector in Syria where along with IPR international it has been exploring oil and natural gas in Block 24 near Deir-e-Zor in northern Syria. The development of Abu Khashab and Rashid discoveries in Block-24 has now been approved by the Syrian government.<sup>18</sup>

The trade in phosphates was discussed as Syria is a rich producer and India imports the salt which is essential to maintain the nutrient balance of agricultural soil.<sup>19</sup> In October, both the countries signed a memorandum of understanding (MoU) for long-term cooperation and setting up of joint venture projects in Syria in the phosphate sector.<sup>20</sup>

Meanwhile, a power project awarded to Bharat Heavy Electricals Ltd. is being partially funded by India through a US\$ 240 million line of credit; and Apollo International of India is in the process of upgrading a steel plant in Hama, for which also India has extended a line of credit of US\$ 25 million.<sup>21</sup> India has decided to advance a US\$ 100 million third Line of Credit to be used in Syria in sectors to be mutually agreed on.<sup>22</sup> This is expected to encourage Indian companies to invest at a larger scale in the country.

The President also visited the International Centre for Agriculture Research in the Dry Areas (ICARDA) in the ancient city of Aleppo.<sup>23</sup> During her visit, President Patil visited Aamal, a non-

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<sup>16</sup> Statement by the President of the Republic of India H.E. Smt. Pratibha Devisingh Patil to the press, 27 November 2010. <http://presidentofindia.nic.in/pr271110.html>

<sup>17</sup> India, Syria launch joint business council, *The Tribune*, 28 November 2010. <http://www.tribuneindia.com/2010/20101129/biz.htm#1>

<sup>18</sup> Director Report, *Oil and Natural Gas Corporation Limited*, March 2010. <http://money.livemint.com/IID91/F100312/DirectorsReport/Company.aspx>

<sup>19</sup> President Concludes Visit to Syria, *Outlook*, 29 November 2010. <http://news.outlookindia.com/item.aspx?703038>

<sup>20</sup> India and Syria sign MoU for new phosphate JV, *Industrial Minerals*, 12 November 2010. <http://www.mineralnet.co.uk/Article/2715134/India-and-Syria-sign-MoU-for-new-phosphate-jv-to-meet-.html>

<sup>21</sup> Pratibha in Syria, to focus on economic ties and investment, *The Hindu*, 26 November 2010. <http://www.thehindu.com/news/national/article915170.ece>

<sup>22</sup> India, Syria Launch Joint Business Council, *Outlook*, 28 November 2010. <http://news.outlookindia.com/item.aspx?702884>

<sup>23</sup> President Concludes Visit to Syria, *Outlook*, 29 November 2010. <http://news.outlookindia.com/item.aspx?703038>

governmental organisation which works with children with disabilities and has been founded by first lady Asma al-Assad. On that occasion she donated Rs 2 million for the cause.

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