New Agreements between India-UAE

Why in news?

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India and UAE has signed five new agreements related to energy sector, railways, manpower and financial services.

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What are the agreements signed?

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- A MoU between the Indian Consortium (OVL, BPRL & IOCL) and the Abu Dhabi National Oil Company (ADNOC) was signed for the acquisition of a 10% participating interest in the Abu Dhabi's offshore.
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- To cooperate in the field of manpower, India and the UAE signed a MoU that aims to institutionalise the collaborative administration of contractual employment of Indian workers in the Gulf country.
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- A MoU for technical cooperation in railways was also signed between the two sides, it aims at cooperation in infrastructure sector especially railways.
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- To deepen bilateral cooperation in the field of finance, a MoU between Bombay Stock Exchange and Abu Dhabi Securities Exchange was also signed.
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- A MoU between the Government of Jammu and Kashmir and DP World was also signed to establish multi-modal logistics park and hub in Jammu comprising warehouses and specialised storage solutions.
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What are the prospects of these agreements?

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- The concession on oil will be for 40 years from 2018 to 2057, with 60% of the participating interest will be retained by ADNOC and remaining 30% will be awarded to other international oil companies.
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- This is the first Indian Investment in upstream oil sector of UAE, transforming the traditional buyer-seller relationship to a long-term investor relationship.
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- Labour related MoUs will end the existing malpractices, combat trafficking and organise collaborative programs for education and awareness of contractual workers.
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- Railway related MoU will facilitate development of joint projects, knowledge sharing, joint research, and technology transfer and envisages formation of a Joint Working Group.
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- The financial MoU will enhance cooperation between both the countries in financial services industry and facilitate investment in financial markets by investors from both the countries.
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Source: The Hindu

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