Remodelling the UAE-India aviation partnership

Why in News?

Recently, Ambassador of the United Arab Emirates (UAE) endorsed the need for a better civil aviation cooperation between India and UAE.

What is the status of India – UAE civil aviation partnership?

- **UAE travel market** - UAE is India's most significant outbound travel market, with over 4.5 million Indian tourists visiting the UAE in 2023.

  India's aviation market is the world's third-largest domestic market in terms of passenger numbers.

- **India UAE aviation connectivity** - Every week, Indian carriers fly over 600 times to the UAE, while UAE carriers operate over 500 weekly services to India.
- **International connectivity** - Dubai and Abu Dhabi are key transit points for Indian travellers flying to Europe, the US, and Africa.
- **Current aviation agreement** – India UAE bilateral air service agreement was signed in January 2014.
- It enables airlines from both countries to operate a combined total of 66,000 seats weekly connecting Dubai to 15 cities in India.

What are the impacts of restrictive bilateral aviation agreement ?

- **High cost of airline ticket** - Mismatch between supply and demand has directly contributed to increased airline tickets prices.
- **Limited choices** – The restriction limits the number of airlines available for travel for the UAE and Indian travelling public alike.
- **Restricts travel ability** – Limited availability of airlines and high cost affect the ability of Indian citizens to travel abroad.
- **Economic impact** – It inhibits UAE-India economic partnerships in investment, trade.
- **Affects domestic growth** – Limited connectivity to only 15 cities , ignores key Indian growth centres, including Surat, Visakhapatnam, Indore, Tiruchirappalli and Patna to operate services.

What are the needs of broader India UAE aviation relationship?

- **Increasing demand** - Every 1% increase in Indian passport holders, a further 10 million Indians will seek to travel overseas, this situation will only grow more acute.

- **Economic partnership** – UAE and India have expanded cooperation through trade agreements such as the Comprehensive Economic Partnership Agreement (CEPA).
- **Economic growth** - A modernised aviation strategy will act as an economic multiplier, drive investment.
- **Trade development** - UAE is India's third-largest trading partner, and aviation boosts cargo exports such as electronics, textiles, and pharmaceuticals.

  Air cargo between India and UAE contributes 18% of India's total air freight movement.

- **Regional connectivity** – UAE investment in UDAN airport scheme to better connect Tier-2 and Tier-3 Indian cities and becomes a key pillar of regional and international connectivity and growth.
- **Indian aviation dream** - UAE will support, through new investments and partnerships, maintenance, repair, and overhaul (MRO) industry and make India global aviation powerhouse.
- **Tourism development** – Better connectivity between India and UAE promotes India's globally renowned tourism sector.
- **Develops India -UAE partnership** - Enhanced cooperation in the aviation sector unlock new avenues of mutually beneficial growth and integration in UAE-India partnership.

Reference

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