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SAUDI ARABIA'S CROWN PRINCE MOHAMMED BIN SALMAN VISIT TO INDIA WEF 19 TO 20 FEB 2019

BY

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Prime Minister Narendra Modi and Saudi Arabia's Crown Prince Mohammed bin Salman pledged to work together to curb terrorism and extremism in a joint statement. They condemned in the strongest terms, the recent terrorist attack on Indian security forces on 14 February, 2019 in Pulwama in Jammu & Kashmir.

Addressing the media after the delegation level talks between the two countries, PM Modi said, "The cruel attack in Pulwama last week underlines the anti-humanitarian threat the world is facing. To deal with it effectively, we agree that there is a need to put all possible pressure on countries supporting terrorism. It is necessary to destroy the infrastructure of terrorism and end its support system by giving strong punishment to the terrorists and their supporters." In reply, the Saudi Crown Prince said that terrorism and extremism are a common threat to both the nations and Saudi Arabia will cooperate with India on every aspect, including intelligence sharing. Both the leaders underlined the importance of comprehensive sanctioning of terrorists and their organisations by the United Nations

To enhance further cooperation in the Counter-terrorism efforts and benefit mutually from real-time intelligence sharing, the two sides agreed to constitute a 'Comprehensive Security Dialogue' at the level of National Security Advisors and set up a Joint Working Group on Counter-Terrorism.

They reiterated to continue the ongoing close cooperation on a range of security issues, particularly on maritime security, law enforcement, anti-money laundering, drug trafficking, human trafficking, illegal migration, and other transnational organized crimes. They agreed to work together with other Indian Ocean Rim Countries for enhancing maritime security, vital for the security and prosperity of both countries and safe passage for international trade.

List of agreements signed between Saudi Arabia and India Five MoU were signed between the two countries

Memorandum of Understanding on investing in the National Investment and Infrastructure Fund, Cooperation in the field of Tourism ,Housing, Framework Cooperation Program between Invest India of the Republic of India and Saudi Arabian General Investment Authority of the Kingdom of Saudi Arabia on Enhancing Bilateral Investment Relations. Cooperation on Broadcasting between Prasar Bharati, New Delhi, India and Saudi Broadcasting Corporation (SBC), Saudi Arabia for Exchange of Audio Visual Programme.

Saudi Prince said that there is a potential to invest USD 100 billion in India in areas like energy, refining, petrochemicals, infrastructure, agriculture, manufacturing, etc which reflects a huge vote of confidence in the Indian economy. During the visit Saudi Arabia also joined the International Solar Alliance. The two sides re-affirmed their deep commitment to strengthen the 'strategic partnership' envisaged in the 'Riyadh Declaration' of February 2010 and agreed for creation of Strategic Partnership Council led by the Honourable Prime Minister and His Royal Highness the Crown Prince, supported by ministerial representation covering the whole spectrum of strategic relationships. The two sides agreed on further deepening trade and investment cooperation between the two countries by aligning the Kingdom's Vision 2030 and its 13 Vision Realization Programs with India's flagship initiatives of "Make in India", "Start Up India", "Smart Cities", "Clean India", and "Digital India". Both sides agreed to expedite the implementation of first Joint Venture West Coast Refinery and Petrochemical Project estimated to cost US \$ 44 billion, which will be the largest green field refinery in the world to be implemented in one phase. The two sides agreed to hold the inaugural joint naval exercises at the earliest and agreed to cooperate and collaborate in joint defence production of spare parts for Naval and Land systems as well as supply chain development, in line with 'Make in India' and 'Vision 2030'. Both sides agreed that regional connectivity projects should be based on international law including respect for sovereignty and territorial integrity of states.

Saudi Arabia on Wednesday increased India's Haj quota by 25,000, the third hike in three years, taking the number of pilgrims from the country who can perform Haj to 2 lakh. Saudi Crown Prince Mohammad bin Salman also

ordered the release of 850 Indian prisoners lodged in jails in his country. The two sides emphasized on further enhancing people to people contacts and strengthening the cultural cooperation by organizing Cultural weeks - 'India Week in Saudi Arabia' and 'Saudi Arabia Week in India' at regular intervals, increase two-way tourism by addressing challenges with regard to consular and immigration related issues.

Both sides agreed to explore opportunities for cooperation in the area of payment systems including RuPAY for the benefit of Indian community in general and more particularly the Hajj/Umrah pilgrims.

India has been identified as one of the eight strategic partners with whom Saudi Arabia hopes to "deepen partnership" in terms of security, trade, investment and culture. In fact, the Gulf nation is India's fourth largest trading partner and in 2017-18 alone, bilateral trade was worth \$27.48 billion.

Saudi Arabia also ranked 15th in terms of country-wise foreign direct investment in India globally, second after United Arab Emirate among the Arab countries. Saudi Arabia is the 8th largest market in the world for Indian exports and is destination to more than 1.86% (2016-17) of India's global exports. On the other hand, Saudi Arabia is the source of 5.19% (2016-17) of India's global imports. For Saudi Arabia, as per 2016 data, India is the 4th largest market for its exports, accounting for 9.3 % of its global exports. In terms of imports by Saudi Arabia, India ranks 7th and is source of around 3.7 % of Saudi Arabia's total imports.

Earlier this month, the Union Cabinet chaired by Modi approved the signing of an Memorandum of Understanding (MoU) between India and Saudi Arabia on establishing a mechanism for investment in infrastructure in India. The MoU will be a step forward in engaging with the institutions of Saudi Arabia to attract a potential investment into the infrastructure sector in the country, creation of more jobs, growth of ancillary industries/sectors which is likely to lead to growth in GDP and overall economic prosperity.

Furthermore, as a precursor to the Saudi leader's India visit, a high-level delegation led by NITI Aayog CEO Amitabh Kant had visited Riyadh last week. The delegation, also including leading Indian CEOs, took part in extensive discussions with the Saudi Centre for International Strategic Partnerships (SCISP) as well as ministerial-level representations from 12 Saudi Ministries on possible opportunities of collaboration across sectors like energy, food processing, pharmaceuticals, infrastructure, mining, ICT, tourism, defence etc.

Tourism, in particular, is seen to be a mutually-beneficial field. In 2015, Indian nations travelling to Saudi Arabia accounted for 6.7% of the country's

total share.¹ Similarly, Saudi Arabia is one of the potential tourist generating market for India from Middle East. So the MoU in this area could be instrumental in increasing tourist footfalls for both nations.

Ties between India and Saudi Arabia, where millions of Indians are employed as migrant workers, have strengthened since Modi visited Riyadh in 2016 for the signing of a memorandum of understanding on cooperation with intelligence-gathering on money laundering and terrorism financing. During the visit Saudi Crown Prince Mohammed bin Salman said "The relationship between India and Arabian peninsula is in our DNA. "Indian people are part of building Saudi Arabia."

India describes Saudi Arabia as a "key pillar" of its energy security. It provides about 17 percent of India's crude oil and about a third of its liquefied natural gas. The relationship is likely to become more significant as a deadline nears for India to comply with U.S. sanctions against Iran, one of India's main oil providers.

The tour is part of a pivot to rising Asia as a growing oil market and a retort to the West where the crown prince has faced harsh criticism over the Khashoggi affair. Saudi Arabia is engaged in a war in Yemen which has resulted approximately 6,800 civilian fatal casualties. 20 million Yemenis face a danger of famine from the power struggle between Sunni-dominated Saudi Arabia and Shia rebel group Houthis. The catastrophic ramifications of the war has led to the House of Representatives voting to end the American military assistance for Saudi Arabia's war in Yemen. Visit to Asian countries may be seen in the light of above.

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¹ <https://www.businesstoday.in/current/corporate/pm-modi-crown-prince-mohammed-bin-salman-meet-5-major-agreements-india-saudi-may-sign-today/story/320454.html>