

Brief Embassy Report on Bilateral Relations – ITJ Division, DGCI&S, Kolkata.

India-Kuwait Bilateral Relations

A. Introduction

1. India and Kuwait enjoy traditionally friendly relations, which are rooted in history and have stood the test of time. India has been a natural trading partner of Kuwait and until 1961, Indian Rupee was a legal tender in Kuwait. Till the discovery and development of oil, Kuwait's economy revolved around its fine harbour and maritime activities which included ship building, pearl diving, fishing and voyages to India on wooden *dhow*s carrying dates, Arabian horses and pearls that were traded for wood, cereals, clothes and spices. The year 2021-22 marked 60th anniversary of establishment of diplomatic relations between two countries.

2. India was one of the first countries to establish diplomatic relations with Kuwait following its independence from British Protectorate in 1961. Prior to establishment of diplomatic relations, India was represented by a Trade Commissioner.

B. Commercial Relations (Trade and Foreign Investment) – Recent facts & figures

3. As a trading country partner of India, and as per latest compiled and available statistics with DGCI&S, Indo-Kuwaiti relations have always had an important trade dimension. India has consistently been among the top trading partners of Kuwait. Total bilateral trade with Kuwait during FY 2023-24 was US\$ 10.68 billion. Indian Exports have increased from US\$ 1.56 billion in 2022-23 to US\$ 2.1 billion in 2023-24 with YoY growth of 34.7% with top Five export items being Aircraft parts, Cereals, organic Chemicals, Vehicles, Electric machinery. During FY 2023-24, Kuwait was the 9th largest oil supplier with about 3.0 % of India's total energy needs.

Export-Import statistics as per India's Ministry of Commerce data bank from 2019-20 to 2023-24 are as follows :

(US Dollar Billion)

Year	Total trade	Import	Export
2019-20	10.85	9.57	1.28
2020-21	6.26	5.21	1.05
2021-22	12.24	11.00	1.24
2022-23	13.81	12.25	1.56
2023-24	10.68	8.58	2.10

(Source: Department of Commerce, India)

4. Indian PSUs viz. TCIL, New India Assurance, LIC, Oriental Insurance have offices in Kuwait, in association with local sponsors, as per prevailing regulations. Indian private sector companies such as Air India, L&T, Shapoorji Pallonji, Kalpataru Power Transmission Ltd, TERI, WIPRO, Tata, Ashok Leyland etc. are also present in Kuwait with local tie-ups.

C. Other Major Areas of Cooperation :

- India and Kuwait have signed multiple Agreements/MoUs covering areas such as Education, Environment, Medical Cooperation and in science & technology.
- A Joint Working Group on the Hydrocarbons Sector was set up and its first meeting was held in Kuwait in December 2009. The last (6th) meeting was held virtually on 31 July 2023.
- India and Kuwait signed an MOU on Medical Cooperation in April, 2012. A Joint Working Group on Medical Cooperation (JWG) was set up and its first meeting was held in Kuwait in November 2013 and 2nd Meeting was held virtually in August, 2021. There is a sizable presence of Indian doctors and nurses in Kuwait who are regarded highly for their professionalism.
- Indians are the largest expatriate community in Kuwait (approximately 1 million), both in terms of number of Indian citizens and also workforce-wise. Labour and Manpower issues form an important part of our relations. There is an existing mechanism of a Joint Working Group (JWG) on Labour, Employment and Manpower Development to discuss these issues, which has been meeting regularly. The 7th JWG meeting was held virtually in 2021.
- India and Kuwait signed Bilateral Air services agreement in June, 2007. A weekly seat capacity arrangement of 12000 seats for carriers of each side is in place. From the Kuwaiti side, Kuwait airlines and Jazeera operates flights to Nine destinations whereas from Indian side, Air India, Air India Express and Indigo operates flights to Kuwait City. There are multiple ports of call in India (Delhi, Mumbai, Ahmedabad, Chennai, Goa, Kochi, Hyderabad, Bengaluru, Chennai).
- Institute of Scientific Research (KISR) led a two-member delegation to India in October 2019 and held fruitful discussions with various research institutions, including ISRO, CSIR, and IISC.
- There are 26 Schools in Kuwait following CBSE curriculum with over 60,000 students, mainly Indians and some Arab and South Asian expats as well. As per available information, there are not many Indian students pursuing higher education in Kuwait. Similarly, there are few Kuwaiti students in Indian Universities. 'India Corners' were setup in Gulf University for Science and Technology (GUST), Kuwait Technical College, and Kuwait College of Science and Technology in 2024.
- The MoU on Defence Cooperation is also in advanced stages of finalization. Around 15 agreements / MoUs are under different stages of finalization.
- Bilateral Investment Promotion Agreement signed with the State of Kuwait with the initial tenure of 15 years, came into force on 28 June 2003 and expired on 27 June 2018. The last round of negotiations for the new BIT have taken place in June 2023.

➤ Historically, India-Kuwait relationship has been anchored by close cultural contacts and mutual exchange. During the year 2021-22, Embassy celebrated 60th anniversary of establishment of diplomatic relations between India and Kuwait by organizing various events and over 200 cultural programmes were organized. Cultural events like ‘Splendors of India’ and ‘Namaste Kuwait’ were held in 2022. A ‘Festival of India’ was held in Kuwait in March 2023 under the aegis of Ministry of Culture, India. A new Culture Exchange Programme (CEP) has been agreed between both sides.

➤ The Indian community with a strength of approx. 1 million is the largest expatriate community in Kuwait and is regarded as the community of first preference among the expatriate communities. Professionals like engineers, doctors, chartered accountants, scientists, software experts, management consultants, architects; technicians and nurses; retail traders and businessmen are present in Kuwait, though a large proportion consists of unskilled and semi-skilled workers.

Source: www.mea.gov.in