



MEI INDIA WATCH

(Monthly survey of India's relations with the Middle East)

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Compiled by

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Political Issues

Iran

1. Exempt Iran JV from sanctions: India to tell UN

New Delhi, Thursday, 9 September 2010

In a significant political signal to Iran, the Indian government has decided to make a case at the United Nations for exempting *Iran-o-Hind*, a 35-year-old Indo-Iran shipping joint venture, from the latest UN sanctions list. This is the only entity with Indian links that was placed under sanctions. Given the fresh impetus New Delhi is trying to provide to this bilateral relationship with Iran, *Iran-o-Hind* serves as an important symbol. India has decided to show some seriousness in prompting a rethink at the UN.

Source: *The Indian Express*, New Delhi

Full report: <http://www.indianexpress.com/news/exempt-iran-jv-from-sanctions-india-to-tell/679246/>

2. Now, an India-Iran-Afghanistan tri-summit

New Delhi, Tuesday, 21 September 2010

After months of under-the-radar discussion, India would be part of a regional initiative on Afghanistan along with Iran. Foreign ministers of India, Iran and Afghanistan are working on the margins of the UN General Assembly in New York to signal the start of this trilateral. The

formal proposal for the meeting came from Iran last week. Tehran has also sent a letter supporting New Delhi's candidature for a non-permanent member in the UN Security Council. The trilateral initiative would be an important breakthrough for India because it has been left out of every other regional effort at the behest of Pakistan.

Source: *Indian Express*, New Delhi

Full report: <http://www.indianexpress.com/news/now-an-indiairanafghanistan-trisummit/684954/>

Israel

3. 'India must terminate its defence ties with Israel'

New Delhi, Saturday, 25 September 2010

Leading Palestinians have called upon India to end its defence ties with Israel. Israeli scholar Ilan Pappé and Jamal Zahalka, an Arab Member of Knesset felt that Israel is not only selling arms that are being used against Palestinians, but also off-loading military hardware which did not work during its aggression on Lebanon. They regretted the perception that India's policy on Israel was not in sync with the wishes of people and acknowledged the waning enthusiasm among Arab governments for the Palestinian cause.

Source: *The Hindu*, Chennai

Full report: <http://www.hindu.com/2010/09/25/stories/2010092563391200.htm>

4. Aiyar's latest revolt: UPA depends on Israel, is ignoring Palestine justice

New Delhi, Saturday, 25 September 2010

Speaking at a conference on *A Just Peace for Palestine* on 24 September Rajya Sabha MP and Congress leader Mani Shankar Aiyar said that the UPA government's foreign policy has changed and is now against the country's long-held position on Palestine. He slammed his party and the UPA government saying that he was "sure" that he would not get support from his party in Parliament on forming a group of MPs on Palestine—an idea suggested by CPM general secretary Prakash Karat at the seminar.

Source: *Indian Express*, New Delhi

Full report: <http://www.indianexpress.com/news/aiyars-latest-revolt-upa-depends-on-israel-is-ignoring-palestine-justice/687661/>

5. IAF plans to induct 10 AWACS**New Delhi, Monday, 27 September 2010**

Having already procured three Airborne Warning and Control Systems (AWACS), the Indian Air Force is planning to induct 10 such systems. In the near future, the IAF would place fresh orders for two more Phalcon AWACS. It has plans to induct 10 such aircraft in its fleet in the long-run, to provide round-the-clock vigil across all frontiers. India inducted its first AWACS in Delhi this year and the second, in June. Officials said the third aircraft was expected to join the IAF fleet by December-end. The AWACS deal was initiated in 2004.

Source: *The Hindu*, Chennai**Full report:** <http://www.hindu.com/2010/09/27/stories/2010092757221800.htm>

Libya**6. Kashmir should be independent state: Gaddafi****Washington, Friday, 24 September 2010**

In a major diplomatic embarrassment to India, Libyan leader Muammar Gaddafi has supported the idea of an “independent state” for Kashmir and said that it should be a “Ba’athist state” between India and Pakistan. Stressing that there must be equality among member states, he noted that since India and Pakistan were both nuclear powers, if India had a seat then Pakistan would want one as well.

Source: *The Deccan Herald*, Hyderabad**Full report:** <http://www.deccanherald.com/content/27025/kashmir-should-independent-state-gaddafi.html>

Saudi Arabia**7. Saudi amnesty scheme to benefit 30,000 Indians****Dubai, Tuesday, 23 September 2010**

Saudi Arabia has announced a six-month amnesty for hundreds of illegal foreigners overstaying their visas and that they would be allowed to leave the Kingdom without punishment. The amnesty would cover those who arrived in the Kingdom on Hajj, *Umrah* visits or any other type of visa which had expired, or violated Passport Department regulations. The number of people overstaying in the Kingdom has gone down considerably in recent months as a result of the new fingerprinting system and stricter *Umrah* rules. Reports suggest an estimated one to three million illegal residents in the Kingdom.

Source: *Zee News*, New Delhi**Full report:** <http://www.zeenews.com/news656822.html>

United Arab Emirates

8. UAE amnesty scheme to benefit 30,000 Indians

New Delhi, Wednesday, 22 September 2010

The United Arab Emirates have announced an amnesty scheme which would benefit nearly 30,000 Indians stuck in the Gulf country for violation of various immigration rules and regulations, a move welcomed by India. Overseas Indian Affairs Minister Vayalar Ravi said it would help people who violated various rules and regulations like overstaying or working there illegally. Such people currently number nearly 30,000.

Source: *The Indian Express*, New Delhi

Full report: <http://www.indianexpress.com/news/uae-amnesty-scheme-to-benefit-30-000-indians/686104/>

9. India, UAE discuss human rights issues

Dubai, Tuesday, 28 September 2010

Top officials from India and the United Arab Emirates (UAE) met in Dubai Tuesday (28 September) and discussed human rights issues affecting the Indian community in the region. Indian Ambassador M.K. Lokesh visited the headquarters of the Emirates Human Rights Association (EHRA) and met with its general secretary, Mohammed Hussein Al Hammadi. They discussed possibilities of cooperation between the Emirates and India to better serve the Indian community in the region and on raising awareness on human rights issues.

Source: *The Indian Express Buzz*, New Delhi

Full report: <http://expressbuzz.com/topic/india-uae-discuss-human-rights-issues/210752.html>

10. Hope for 17 Indians on death row in UAE

New Delhi, Thursday, 30 September 2010

Families of 17 youths on death row in the United Arab Emirates heaved a huge sigh of relief after a key witness deposing in the court failed to recognize any of them as the murderers. These 17 boys, 16 of whom are Punjabis and one a resident of Kaithal in Haryana, were sentenced to death this year for the murder of a Pakistani national which took place in January 2009. Following the intervention of the Indian government, the Shariat Court in Sharjah is currently hearing an appeal for mercy, which was heard on Wednesday (29 September) and has now been adjourned till October 13.

Source: *The Indian Express*, New Delhi

Full report: <http://www.indianexpress.com/news/hope-for-17-indians-on-death-row-in-uae/690354/>

Economic Issues

Israel

11. SBI Israel breaks even in 2nd year of operation

Tel Aviv, Thursday, 2 September 2010

State Bank of India's Israel branch has broken even in just second year of its operations, defying speculations by some analysts who saw it as an unwise move to open a branch at a time when other foreign banks were shutting down their offices in the country. SBI became the first bank to open a branch in the Israeli diamond exchange in June 2007 to encash on the burgeoning Indo-Israel trade.

Source: *The Financial Express*, Mumbai

Full report: <http://www.financialexpress.com/news/sbi-israel-breaks-even-in-2nd-yr-of-operation/676296/>

Kuwait

12. Ravi welcomes Kuwait decision to scrap sponsorship system

Dubai, Monday, 27 September 2010

The visiting Minister for Overseas Indian Affairs Vayalar Ravi has welcomed Kuwait's decision to scrap the sponsorship system for the recruitment of foreign labour, which is heavily loaded in favour of employers. Indians working in Kuwait would be a major beneficiary as the Gulf state plans to scrap its sponsorship system for foreign workers, a practice that has often been described as modern-day slavery. Under the present system, foreigners cannot enter, work in, switch jobs in or leave a Gulf country without the approval of a sponsor who has full control over their movements. Almost two-thirds of Kuwait's total population of 3.3 million people is expatriate workers, a large number of whom are Indians.

Source: *The Hindu*, Chennai

Full report: <http://www.thehindu.com/news/international/article799039.ece>

Oman

13. Oman to invest \$ 3 billion in fertiliser sector in India

Muscat, Sunday, 5 September 2010

Oman and India agreed to deepen their trade and investment partnership, including investing about US\$ 3 billion by Muscat for revival of fertilisers plants in India. The sixth session of the India Oman Joint Commission Meeting was led by Minister of Commerce & Industry Anand Sharma while Omani side was led by their Minister of Commerce & Industry Maqbool Ali

Sultan. The meeting reviewed the entire gamut of bilateral economic relations and means enhancing bilateral trade, which rose to US\$ 4.5 billion last year, even in face of severe recessionary pressure.

Bharat Petroleum Corporation Limited (BPCL) and Oman Oil Marketing Company agreed to collaborate and jointly study the possibility of setting up a lube blending plant in Oman and marketing in neighbour countries. The Government of Oman has also expressed its keenness for setting up super-speciality hospitals in India and diagnostic facilities in the form of joint-venture, for which Oman delegation would go to India shortly.

Source: *The Deccan Herald*, Hyderabad

Full report: <http://www.deccanherald.com/content/94224/oman-invest-3-billion-fertiliser.html>

14. 'India's anti-dumping move violates WTO law'

Dubai, Thursday, 16 September 2010

India's decision to impose anti-dumping duties on imports of polypropylene from Saudi Arabia and Oman violates World Trade Organization (WTO) rules and regulations, Gulf petrochemicals producers say. Abdulwahab Al-Sadoun, Secretary General of the Gulf Petrochemicals and Chemicals Association (GPCA) said that the Indian approach artificially inflated the normal value, leading to the determination of the anti-dumping margins. He noted the methodology employed by India was in breach of the WTO Anti-Dumping Agreement and the WTO legislation on Prevention of Unfair Competition in Importation and that the Indian decision would be struck down by a WTO dispute settlement panel.

Source: *The Deccan Herald*, Hyderabad

Full report: <http://www.deccanherald.com/content/97088/indias-anti-dumping-move-violates.html>

Saudi Arabia

15. Punj Llyod bags engineering contract from Saudi oil firm

Mumbai, Monday, 20 September 2010

Infrastructure major Punj Lloyd has secured an engineering and procurement contract from Saudi Arabian state-run oil company Saudi Aramco. The order was secured by the Indian firm's Saudi Arabia based subsidiary, Dayim Punj Llyod. In a release, Punj Llyod said the contract was for engineering, procurement and construction of offsite pipelines for Saudi Aramco's Yanbu Export Refinery Project (now called Red Sea Refining Company), being set up on the western coast of the middle-eastern country along the Red sea. The company manages the largest proven reserves of conventional crude oil and the fourth largest gas reserves in the world.

Source: *The Deccan Herald*, Hyderabad

Full report: <http://www.deccanherald.com/content/98006/punj-llyod-bags-engineering-contract.html>

United Arab Emirates

16. UAE should reduce dependence on Indian rice: Study

Dubai, Thursday, 16 September 2010

The UAE may look to reduce its dependence on India for 72 per cent of its rice imports, following a recent study by the UAE Ministry of Foreign Trade that suggested the country should reduce its reliance on one country for the food grain. According to 2009 statistics, the UAE relies on three main countries for 99 per cent of its rice imports, with India in the lead with a 72 per cent share, while rice from Pakistan accounted for 21 per cent and Thailand's contribution was 6 per cent.

Source: *The Deccan Herald*, Hyderabad

Full report: <http://www.deccanherald.com/content/96947/uae-should-reduce-dependence-indian.html>

Energy Issues

Iran

17. India mulls importing gas from Iran via sea: report

Dubai, Thursday, 9 September 2010

India is likely to resume negotiations for independently importing natural gas from Iran via a sea pipeline, according to a media report. "India has expressed willingness to restart negotiations through an international firm, to independently import natural gas from Iran via a sea pipeline," *Iran Daily* quoted Deputy Oil Minister and Managing Director of the National Iranian Gas Company (NIGC) Javad Owji as saying. Iran's Oil Ministry has not yet responded to the report. Earlier this year, Iran and Pakistan signed a deal to build the pipeline under which Tehran agreed to deliver 21.2 million cubic meters (750 million cubic feet) of natural gas per day to Pakistan beginning in 2014.

Source: *The Deccan Herald*, Hyderabad

Full report: <http://www.deccanherald.com/content/95246/india-mulls-importing-gas-iran.html>

Kuwait

18. Kuwait Petroleum may bid in upcoming NELP round with ONGC

New Delhi, Tuesday, 28 September 2010

Kuwait Petroleum Corporation (KPC) is likely to bid in the forthcoming round of New Exploration Licensing Policy (NELP) with state-owned ONGC, a company official said. Kuwait Foreign Petroleum Exploration Company (KUFPEC), a subsidiary of KPC, would join ONGC in

bidding for oil and gas blocks to be offered in the ninth round of NELP scheduled to be launched on October 15.

Indian Petroleum Minister Murli Deora said that India imports around 11.8 million tonnes of crude annually from Kuwait and is looking at increasing the volumes. Kuwait's Oil Minister Sheikh Ahmad al-Abdullah al-Sabah had said that his country is keen on entering into a long-term contract for supply of Kuwaiti crude oil to India. He also deliberated on using strategic crude oil storages being built in Mangalore and Vizag for storage of Kuwaiti crude.

Source: *The Deccan Herald*, Hyderabad

Full report: <http://www.deccanherald.com/content/100322/kuwait-petroleum-may-bid-upcoming.html>

19. ONGC offers Kuwait's KPC stake in Gujarat project

New Delhi, Tuesday, 28 September 2010

Oil and Natural Gas Corp (ONGC) offered Kuwaiti national oil firm a stake in its Rs 195 billion mega petrochemical project in Gujarat, even as the oil-rich Gulf nation expressed a desire to bid with Indian firm in the forthcoming round of NELP. "We discussed strategic partnership of Kuwait Petroleum Corp (KPC) in ONGC Petro-additions Ltd (OPaL)," ONGC chairman and Managing Director R S Sharma said after delegation level talks between visiting Kuwaiti oil Minister Sheikh Ahmad al-Abdullah al-Sabah and Petroleum Minister Murli Deora.

Source: *The Statesman*, Kolkata

Full report: http://www.thestatesman.net/index.php?option=com_content&view=article&id=343029&catid=40

Oman

20. India considering deepwater gas pipeline from Oman: Report

Dubai, Monday, 20 September 2010

India is actively considering building a 2,000-kilometre-long deepwater transnational gas pipeline from Oman for transporting natural gas sourced from Turkmenistan, Iran and Qatar, a leading industry official has said. As per the plan, the pipeline would originate from Oman and would end either in Gujarat or Maharashtra. The proposed sub-sea pipeline would meet the additional gas requirement of the UAE, Oman and India, besides easing gas transportation issues of producing countries like Turkmenistan, Iran and Qatar, Subodh Kumar Jain, Director of South Asia Gas Enterprise (SAGE), told Times of Oman.

Source: *The Economic Times*, New Delhi

Full report: <http://economictimes.indiatimes.com/news/news-by-industry/energy/oil--gas/India-considering-deepwater-gas-pipeline-from-Oman-Report/articleshow/6594250.cms>

Saudi Arabia

21. Kingdom, India strive to boost energy ties

Riyadh, Tuesday, 28 September 2010

According to the Indian Ambassador Talmiz Ahmad, Saudi Arabia and India have set up a new vision of energy partnership, while New Delhi continues to engage in aggressive oil diplomacy with oil producers to ensure stable energy supply at affordable prices. India's energy demand, which would more than double by 2030, has even prompted Indian companies to own oil producing assets in seven countries, whose current cumulative investments exceed \$12 billion. Ahmad, who writes and lectures regularly on Islam and politics of West Asia, was delivering a keynote lecture at the International Energy Forum (IEF) in Riyadh on Monday (27 September).

Source: *Qatar Morning Post*, Doha

Full report: <http://www.qatarmorningpost.com/news/newsfull.php?newid=420318>

Miscellaneous

22. No AI flights for Hajj this year, Saudi carriers win bids battle

New Delhi, Monday, 6 September 2010

For the first time ever, Air India may not operate any flights for the Hajj this year and it would only be the nodal agency for flights. While a MoU is yet to be signed between the ministries of Civil Aviation and External Affairs, three Saudi airlines, including Saudi Arabian Airlines and NAS Air, have been selected by a process of “competitive bidding”.

Source: *The Indian Express*, New Delhi

Full report: <http://www.indianexpress.com/news/no-ai-flights-for-haj-this-year-saudi-carriers-win-bids-battle/677728/>

23. Hajj: Airlines will have to pay penalty for cancelled flights

New Delhi, Friday, 10 September 2010

The government has, for the first time, decided to introduce a penalty clause in the agreement to be signed with Saudi Arabian carriers that won the bid to carry out Hajj operations this year. The penalty clause specifies that in the event of cancellation of a flight during the Hajj, the airline would be liable to pay compensation or any other penalty specified by authorities, said a source. Last year, pilgrims had to face harassment as the flights originating from Saudi Arabia got delayed for over 12 hours due to massive congestion at the airport. Beginning this year, the embarkation points have been increased from 19 to 21, adding Bhopal and Goa on the Hajj map.

Source: *The Indian Express*, New Delhi

Full report: <http://www.indianexpress.com/news/haj-airlines-will-have-to-pay-penalty-for-cancelled-flights/679760/>

24. SC backs MEA on Hajj Policy

New Delhi, Wednesday, 22 September 2010

The Supreme Court of India endorsed the Ministry of External Affairs' Hajj Policy 2010, banning new private tour operators from applying to ferry over 45,000 pilgrims even as the Saudi deadline to send the list of registered operators was over on 25 August. The Supreme Court stayed a recent Kerala High Court judgment, which termed the government's policy to the extent that it avoided new players from joining as "arbitrary". The Ministry had contended that the High Court judgment encroached into the government's exclusive right to form policies for the pilgrimage logistics as per an annual bilateral agreement between India and Saudi Arabia.

Source: *The Indian Express*, New Delhi

Full report: <http://www.indianexpress.com/news/sc-backs-mea-on-haj-policy/685630/>

25. Israeli professor to talk on 'Holocaust Literature'

Mysore, Monday, 27 September 2010

Diti Ronen, a Jewish poet, Professor at Bar-Ilan University, Israel, would visit the English Department of the University of Mysore on Monday (27 September). She is slated to deliver a series of lectures on "Holocaust Literature" for a month. The release said Dr. Diti Ronen, born in Tel-Aviv, is a Jewish Israeli poetess, a scholar and a teacher. She is the author of three poetry books — *Little Bird* (Bar-Ilan University, 2010), *Inner Moon, Notebook* (Hakibbutz Hame'uhad, 2002), and *With the Slip Showing* (Gvanim, 1999). A daughter of a Holocaust survivor, Ronen is named after her grandmother, who was killed in Auschwitz. This crisis of identity leads her to repeatedly try, in her work, to somehow mend the catastrophe that tore her family apart.

Source: *The Hindu*, Chennai

Full report: <http://www.hindu.com/2010/09/27/stories/2010092755490600.htm>

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