



Indian Expatriate Community in Gulf Region

For Prelims: Types of Trade Agreements, India & Gulf Countries

For Mains: India and its Neighbourhood, Bilateral Groupings & Agreements, Significance of Indian-Gulf Relations

Source: IE

Why in News?

Recently, a devastating fire broke out in an apartment building near Kuwait City, resulting in the tragic loss of at least 49 lives, with around 40 of the victims being Indian nationals.

- The apartment building housed over 195 workers, the majority of whom were Indian nationals hailing from the states of Kerala, Tamil Nadu, and various parts of northern India.

Expatriate

- It is an individual **living and/or working in a country other than their country of citizenship**.
- The arrangement is often **temporary and for work reasons**.
- An expatriate can also be an **individual who has relinquished citizenship** in their home country to **become a citizen of another**.

What is the Current State of Workers in the Gulf Region?

- **Evolution of Indian community in Kuwait:**
 - The **1990-1991 Gulf War** has led to a mass exodus of the Indian community from Kuwait. After Kuwait's liberation, most members of the Indian community gradually returned and became the largest expatriate community in Kuwait.
 - Prior to the liberation war, the Palestinians constituted the largest expatriate community in Kuwait.
 - "**Kuwait's liberation**" refers to the **military operations in 1991 that resulted in the expulsion of Iraqi forces from Kuwait**. This event marked the end of the Gulf War, when a coalition led by the United States launched a military campaign to free Kuwait from Iraqi occupation. The successful liberation of Kuwait restored the country's sovereignty and independence.
- **Indians in Gulf Countries:**
 - According to data from the Government of India, as of 2021, there were approximately **8.9 million Indian migrants** residing in the Gulf countries.
 - **25% of overseas Indians** and **56% of NRI** reside in 6 Gulf countries (UAE, Saudi Arabia,

Kuwait, Qatar, Oman and Bahrain).

- **NRIs (Non-Resident Indians)** are individuals who hold Indian citizenship but live outside of India.
- **Overseas Indians or Overseas Citizens of India (OCIs)** are individuals from foreign countries with **ancestral ties to India**. They are **not considered Indian citizens** but are granted specific privileges akin to those of permanent residents in India.

▪ **Inward Remittances:**

- Of the total foreign inward remittances, **28.6%** originated from the **Gulf countries**, with **Kuwait** alone accounting for **2.4%** of these remittances.

▪ **Trade Relations:**

- The gulf region contributes to about **one-sixth** of India's total trade.
- In FY 2022-23, India's trade with GCC countries stood at around **USD 184 billion**, marking a **20% increase** as compared to FY 2021-22.

▪ **Partnership in Energy Cooperation:**

- The Government of India has announced plans to develop a comprehensive relationship with the GCC countries in the area of **energy cooperation**.
- This will involve encouraging **participation in India's strategic petroleum reserves**, **negotiating long-term gas supply agreements**, **seeking concessions in oilfields**, and collaborating on **renewable energy projects**.

Gulf Cooperation Council (GCC)

- **GCC is a regional organisation comprising 6 nations:** Saudi Arabia, the United Arab Emirates, Oman, Kuwait, Qatar, and Bahrain. The GCC was established in **1981**, with the **aim of promoting cooperation, integration, and interconnectivity** among its member states, based on their regional and cultural proximity.
- Presently, the **primary source of revenue for the GCC countries** is derived from the **export of oil**.
- The GCC member states have been **heavily reliant on their oil resources**, which have been the backbone of their economies for decades.

What are the Challenges Faced by Indian Diaspora and Migrants in Gulf Countries?

- **Kafala System:** It is a practice of **tying a migrant worker's visa to their employer (sponsor)**. It is prevalent in many Gulf countries. This creates a **power imbalance and misery to workers who face issues like confiscation of passports, difficulty changing jobs and exploitation and abuse by their employer**. This has led to **forced labour situations**.
- **Security Concerns:** In 2014, during the insurgency in Iraq, 40 Indian construction workers were abducted and killed by the [Islamic State of Iraq and Syria \(ISIS\)](#) which highlights the potential security risks faced by Indian workers in volatile regions.
- **Unsafe Working Conditions and Labor Exploitation:** Migrant workers, particularly in construction and manual labour sectors, often face **unsafe working environments with inadequate safety gear** and protocols. This can lead to accidents, injuries, and even fatalities.
 - In 2019, several Indian workers died due to **heatstroke** in the UAE, highlighting the dangers of working in extreme heat without proper precautions.
 - They also **face issues regarding non-payment of salaries, denial of overtime pay**, and longer working hours.
- **Limited Rights and Abuse:** Indian expatriates are **not granted citizenship or permanent residency in most Gulf countries** which restricts their ability to own property, access

social security benefits, and participate in political processes.

- Domestic workers are vulnerable to **physical and psychological abuse** by employers.

What are the Measures taken by the Indian Government to Protect its Migrant Workers Abroad?

- **Bilateral Labour Agreements (BLAs):** The government has signed BLAs with several countries **to ensure the protection and welfare of Indian migrant workers.** These agreements **cover aspects like minimum wages, working conditions,** repatriation, and dispute resolution.
- **Pravasi Bharatiya Bima Yojana (PBBY):** This is a **mandatory insurance scheme** that provides life and disability cover to all **Emigration Check Required (ECR)** category Indian migrant workers going abroad for employment.
 - It provides coverage of up to **Rs. 10 lakh in case of accidental death or permanent disability** of Indian migrant workers abroad.
- **Minimum Referral Wages (MRW):**
 - MRW has been set by the Indian Government for Indian migrant workers abroad in nations that **do not have minimum wage laws.**
 - It ranges around USD 300 to 600.
 - It is the **lowest acceptable salary** set by the Indian government for its migrant workers (especially unskilled) going to specific countries.
 - It ensures migrant workers from India receive a minimum salary in certain countries.
 - This **prevents them from being exploited** by employers offering much lower wages than the norm.
 - The MRW rates are **advised by Indian missions in the destination countries,** considering the prevailing cost of living and wage rates prescribed by the relevant ministries. During the **Covid-19** pandemic, it was briefly lowered to protect Indian worker's jobs in the Gulf.
- **eMigrate System:** This is an online platform that **streamlines the emigration process.** It provides **pre-departure orientation, registers job contracts,** and tracks the status of migrant workers.
- **Migrant Resource Centers:** Set up in several states to provide information, counselling, and support services to prospective and returning migrant workers.
- **Grievance Redressal Mechanisms:** Platforms like the eMigrate system and the Overseas Workers Resource Centre allow migrant workers to file complaints and seek assistance from the government.
- **Repatriation Assistance:** In cases of distress or conflict, the **Indian government provides repatriation assistance to Indian workers abroad,** facilitating their safe return to India.
- **Restrictions on Women's Emigration:** **Women below the age of 30 years are not granted emigrant clearance for employment as housemaid, domestic worker, hairdresser, beautician, dancer, stage artist, labourers, or general workers.**

Gulf Region

- The lands around the Persian Gulf are shared by 8 countries namely, **Bahrain, Iran, Iraq, Kuwait, Oman, Qatar, Saudi Arabia** and the **United Arab Emirates (UAE).**
- These all eight countries are members of the **United Nations.**
 - UAE, Bahrain, Saudi Arabia, Oman, Qatar, Kuwait are members of the **Gulf Cooperation Council (GCC).**
 - Out of the Persian Gulf countries, Iran, Iraq, Kuwait, UAE and Saudi Arabia are members of the **Organization of the Petroleum Exporting Countries (OPEC).**
- **Strategic Importance:** The Persian Gulf is one of the most strategically important regions globally. This is due to two main reasons.
 - **Oil and Gas Reserves:** The Persian Gulf region holds the **world's largest proven reserves of oil and natural gas.** This has made the region a vital source of energy for many countries worldwide.
 - **Strategic Location:** The Persian Gulf is a **crucial shipping lane for oil exports** from

the region to other parts of the world. The **Strait of Hormuz**, a narrow waterway between **Iran and Oman**, is a chokepoint through which a significant portion of the world's oil travels.



Drishti Mains Question:

Discuss the challenges faced by Indian workers employed in other countries, and analyse the measures taken by the Government of India to address their issues and protect their interests.

UPSC Civil Services Examination, Previous Year Question

Q. Which of the following is not a member of 'Gulf Cooperation Council'? (2016)

- (a) Iran
- (c) Oman
- (b) Saudi Arabia
- (d) Kuwait

Ans: (a)