

# **India & Oman**

## Why in News

Recently, a meeting of the **India-Oman Strategic Consultative Group** (IOSCG) was held with the first **high-level official visit** from Oman to India since the onset of **Covid-19 pandemic**.



# **Key Points**

- Partnership during Pandemic: India assured assistance to Oman in its requirement for Covid-19 vaccines. India had also facilitated food and medical supplies to Oman during the pandemic.
  - Previously both the countries have expressed satisfaction on the operationalisation of the Air Bubble arrangement between the two countries during covid-19.
    - <u>Air bubbles</u> (travel corridors or travel bubbles) are systems established between two countries that perceive each other to be safe and allow carriers of both the countries to fly passengers either way without any restrictions.
- **Comprehensive Review:** Both sides reviewed the entire spectrum of India-Oman relationship including in political, energy, trade, investment, defence, security, space, mining, Science & Technology, culture and consular fields.

### **India Oman Relations**

Background:

- The two countries across the Arabian Sea are linked by geography, history and culture and enjoy warm and cordial relations, which are attributed to historical maritime trade linkages.
- While people-to-people contact between India and Oman can be traced back 5000 years, diplomatic relations were established in 1955 and the relationship was upgraded to Strategic partnership in 2008. Oman has been a key pillar of India's West Asia Policy.

#### Political Relations:

- Visits at the highest level have been exchanged frequently between India and Oman. Ministerial level visits have taken place regularly.
- The Sultanate of Oman is a strategic partner of India in the Gulf and an important interlocutor at the <u>Gulf Cooperation Council</u> (GCC), Arab League and <u>Indian Ocean</u> <u>Rim Association</u> (IORA) fora.

#### Defence Cooperation:

- The Ministries of Defence of both countries review their relations annually under the aegis of **Joint Military Cooperation Committee** meeting.
- India and Oman conduct regular biennial bilateral exercises between all three services.

• Army exercise: Al Najah

• Air Force exercise: **Eastern Bridge** 

• Naval Exercise: Naseem Al Bahr

 Since 2008, Oman has been extending its support to Indian Navy's anti-piracy missions and Indian Naval Ships are regularly welcomed by Oman for Overseas Deployments.

#### Economic & Commercial Relations:

- India accords a high priority to expanding its economic and commercial ties with Oman.
  Institutional mechanisms like Joint Commission Meeting (JCM) and Joint Business
  Council (JBC) oversee economic cooperation between India and Oman.
- The bilateral trade and investment between India and Oman remain robust and buoyant.
  - India is among Oman's top trading partners.
    - For Oman, India was the 3<sup>rd</sup> largest (after UAE and China) source for its imports and 3<sup>rd</sup> largest market (after UAE and Saudi Arabia) for its non-oil exports in 2018.
  - Major items of India's exports to Oman include mineral fuels, mineral oils and products of their distillation; boilers, machinery and mechanical appliances; articles of iron or steel; electrical machinery and equipment, textiles and garments, chemicals, tea, coffee, spices etc
  - Main items of India's imports from Oman include fertilizers; mineral fuels, mineral oils and products of their distillation; bituminous substances etc.
- Indian financial institutions such as State Bank of India, Public Sector Undertakings such as Air India, Life Insurance Corporation(LIC), have presence in Oman. Indian companies have invested in Oman in sectors like iron and steel, cement, fertilizers, textile etc.
- India-Oman Joint Investment Fund (OIJIF), a JV between State Bank of India and State General Reserve Fund (SGRF) of Oman, a special purpose vehicle to invest in India, has been operational.
- Access to Duqm Port: Oman has allowed India, including its navy, access to its Duqm port, about 550 km south of the capital Muscat. The Port of Duqm SEZ is earmarked to be the Indian Ocean's largest deep-sea port.
- An agreement to develop Little India, an integrated tourism complex project in Duqm worth 748 million USD, has been signed between the two countries.

#### Cultural Cooperation:

 India and Oman have close cultural relations. The vibrant Indian expatriate community in Oman regularly hosts cultural performances and invites celebrity artists and

## singers from India.

- Indian Community in Oman:
  - The large, diverse and highly regarded expatriate Indian community in Oman is spread over the entire spectrum of professions. Thousands of Indians are working as doctors, engineers, etc.
  - There are many **Indian schools offering CBSE syllabus** catering to the educational needs of about **45,000** Indian children.

## **Way Forward**

- India does not have enough energy resources to serve its current or future energy requirements. The rapidly growing energy demand has contributed to the need for long term energy partnerships with countries like Oman.
- Oman's Duqm Port is situated in the middle of international shipping lanes connecting East with West Asia.
- India needs to engage with Oman and take initiatives to utilise opportunities arising out of the Duqm Port industrial city.

The Vision

Source:TH

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