

# India's PM Visit to Kuwait

For Prelims: <u>Gulf nations</u>, <u>International Solar Alliance</u>, <u>United Nations</u>, <u>Gulf Cooperation</u> <u>Council</u>, Order of Mubarak Al-Kabeer

**For Mains:** India's Foreign Policy and Relations with West Asia, India-Kuwait Bilateral Relations, Energy Diplomacy in India's Foreign Policy

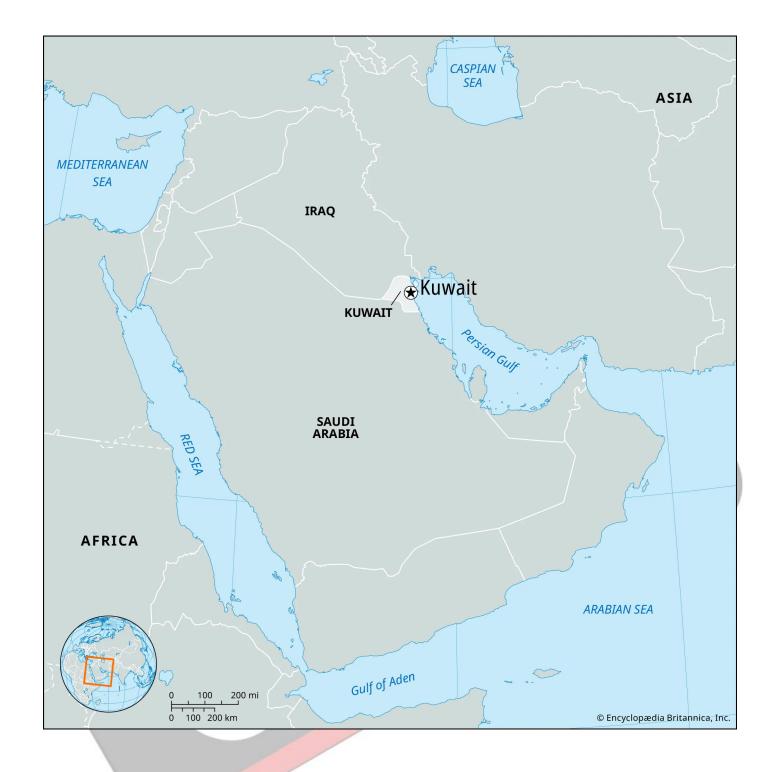
### Source: IE

# Why in News?

India and Kuwait have elevated their **bilateral relationship to a strategic partnership** during Prime Minister Narendra Modi's historic visit to the **Gulf nation**, marking the second visit by an Indian Prime Minister since **Indira Gandhi's** visit in 1981.

■ This visit signifies a renewed commitment to trade, defence, and broader cooperation between the two nations.





# What are the Key Highlights of the PM's Visit to Kuwait?

- Order of Mubarak Al Kabeer: PM Shri Narendra Modi was awarded the 'Order of Mubarak Al Kabeer,' the highest honor of Kuwait, in recognition of his contributions to strengthening bilateral ties.
- Strategic Partnership: The two sides elevated their relationship to a 'Strategic Partnership,' expanding collaboration across political, trade, defense, energy, and cultural domains
- **Defence Cooperation:** Signed an MoU on Defence Cooperation, focusing on joint military exercises, training, coastal defense.
- Cultural and Sports Cooperation: India and Kuwait signed a Cultural Exchange Programme for 2025-2029 and an Executive Programme on Sports Cooperation for 2025-2028.
- Joint Commission on Cooperation (JCC): A JCC was established to monitor bilateral relations, chaired by the Foreign Ministers of both countries.

- New Joint Working Groups (JWGs) were set up in key areas such as education, trade, investments, agriculture, and <u>counter-terrorism</u>.
- Technology and Emerging Sectors: Emphasised collaboration in semiconductors, <u>artificial</u> intelligence, e-Governance, and sharing best practices.
- Energy Cooperation: Both sides agreed to move from a buyer-seller relationship to a comprehensive partnership in the energy sector, with a focus on oil, gas, refining, and renewable energy.
- Multilateral Cooperation: Kuwait's membership in <u>International Solar Alliance (ISA)</u> was welcomed by India.
  - The PM of India congratulated Kuwait on its <u>Gulf Cooperation Council (GCC)</u> Presidency and emphasized the importance of concluding the <u>India-GCC Free Trade Agreement.</u>
  - Both leaders emphasized the need for a <u>reformed United Nations (UN)</u> to tackle global challenges effectively.

### Order of Mubarak Al-Kabeer

- It is conferred on Heads of State, sovereigns of foreign countries, and members of royal families.
- Instituted in **1974**, the award honors **Mubarak Al Sabah**, also known as **Mubarak Al-Kabeer**, who ruled Kuwait from 1896 to 1915.
  - Mubarak Al Sabah played a pivotal role in shaping Kuwait's future, securing greater autonomy from the <u>Ottoman Empire</u>.
- Previous recipients of the Order of Mubarak Al-Kabeer include notable figures such as Queen Elizabeth II, former US Presidents George HW Bush and Bill Clinton, King Salman of Saudi Arabia, and former French President Nicolas Sarkozy.







# The ORDER of MUBARAK Al KABEER





2024 - Gu	ivana's Th	e Order O	f Excellence

- 2024 Barbados's The Order of Freedom
- 2024 Nigeria's Grand Commander of the Order
- 2024 Dominica's Dominica Award of Honour
- 2024 Russia's Order of St. Andrew the Apostle
- 2023 Greece's Grand Cross of the Order of Honour
- 2023 France's Grand Cross of the Legion
- 2023 Egypt's Order of the Nile
- 2023 Republic of Palau's honour Ebakl Award
- 2023 Papua New Guinea's the Order of Logohu
- 2023 Fiji's prestigious Companion of the Order of Fiji
- 2021 Bhutan's Order of the Druk Gyalpo
- 2020 US Government's Legion of Merit
- 2019 Bahrain's King Hamad Order of the Renaissance
- 2019 Maldives' the Order of the Distinguished Rule of Nishan Izzuddin
- 2019 United Arab Emirates' Order of Zayed Award
- 2018 Palestine's the Grand Collar of the State of Palestine Award
- 2016 Afghanistan's the State Order of Ghazi Amir Amanullah Khan
- 2016 Saudi Arabia's Order of King Abdulaziz

### **How are India-Kuwait Relations?**

- Historical Ties: India and Kuwait share a long-standing relationship, dating back to pre-oil times when maritime trade formed the foundation of Kuwait's economy.
  - The Indian Rupee was once the legal tender in Kuwait until 1961, emphasizing their strong economic ties.
  - Historically, Kuwait traded goods like dates, pearls, and Arabian horses with India.
     However, after the discovery of oil, Kuwait's economy shifted, with oil now contributing to about 94% of its state income.
- **Economic Partnership:** Kuwait is one of India's top trading partners, with bilateral trade valued at **USD 10.47 billion** in 2023-24.
  - Kuwait is India's 6th largest crude oil supplier, fulfilling 3% of the country's energy needs.

- Indian exports to Kuwait surpassed **USD 2 billion for the first time,** reflecting growing trade ties.
- Kuwait Investment Authority's investments in India exceed USD 10 billion.
- Indian Diaspora in Kuwait: With a population of around 1 million, the Indian community is the largest expatriate group in Kuwait.
  - The community plays a vital role in the Kuwaiti economy, particularly in sectors like healthcare, engineering, retail, and business.

# What is the Importance of Kuwait in India's Foreign Policy in West Asia?

- **Economic Contributions:** The remittances from Indian expatriates in Kuwait inject billions of dollars into the Indian economy, which is crucial for **economic stability and growth.**
- Economic Collaboration: Kuwait's Vision 2035, aimed at diversifying its economy beyond
  oil, presents opportunities for India to collaborate in emerging sectors such as renewable energy,
  infrastructure, and technology.
  - This aligns with India's development goals, particularly the Viksit Bharat 2047.
  - Additionally, the energy security from Kuwait is vital for India's industrial growth and domestic needs.
- **Geopolitical Influence:** Kuwait's location in the Middle East and its role in the **GCC** make it a key player in regional politics.
  - India's engagement with Kuwait helps it maintain a balanced and influential presence in West Asia
- Labour and Skill Development: Kuwait's demand for a skilled workforce, as part of its Vision 2035, aligns with India's strengths in skill development, offering a chance for more Indian workers to contribute to Kuwait's growth in various sectors, such as healthcare, technology, and infrastructure.

# What is the Gulf Cooperation Council?

- About: The GCC, established in 1981, is a regional political and economic organization consisting
  of six Arab states: Bahrain, Kuwait, Oman, Qatar, Saudi Arabia, and United Arab
  Emirates.
  - The GCC was established in response to regional tensions, notably the <u>Iranian</u> <u>Revolution (1979)</u> and the <u>Iraq-Iran</u> War (1980-1988).
    - It aims to promote unity and address shared challenges in the Gulf region.
- Organizational Structure: The Supreme Council is the highest decision-making body of the GCC, consisting of heads of state from each member country.
  - The **presidency of the Supreme Council rotates annually** based on the alphabetical order of member countries.
- Headquarters: Riyadh, Saudi Arabia.
- India's Relations with GCC: The GCC is a key trading and investment partner for India, with significant investments from the UAE and Saudi Arabia.
  - In FY 2023-24, India-GCC bilateral trade stood at **USD 161.59 billion**. India's exports were USD 56.3 billion and India's imports were USD 105.3 billion.
    - The GCC remains a key market for India's exports, including oil, and hosts a large Indian workforce.
    - The UAE ranks as India's 3rd largest trading partner and 2nd largest export destination.
  - Around **8.9 million Indian expatriates in the GCC** contribute significantly to **remittances**, which, despite a recent decline, remain a major income source for India.

### **Drishti Mains Question:**

In what ways do the India-Kuwait bilateral relations impact India's energy security and economic interests in the Gulf region?

# **UPSC Civil Services Examination, Previous Year Question**

## Prelims

- 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)

### Mains:

**Q.** The question of India's Energy Security constitutes the most important part of India's economic progress. Analyse India's energy policy cooperation with West Asian countries. (2017)

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