

Qatar Tribune

India-Qatar trade & investment ties have immense potential for growth in many sectors, says ambassador

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INTENSE developmental activities in Qatar amid preparations for 2022 World Cup along with labour reforms on the one hand, and easing of Foreign Direct Investment regulations in India on the other, can go a long way in strengthening ties between the two countries, says Indian Ambassador to Qatar HE P Kumaran. In an interview with Qatar Tribune's Satyendra Pathak, the ambassador reveals the promising side of the India-Qatar relationship in diverse fields.

Q. It has been almost 15 months since you assumed charge as the Indian ambassador to Qatar. How has your journey been so far?

It has been an honour and a pleasure to be a part of recent developments that have contributed to the growing partnership between our two countries, illustrated amply by the exchange of visits at the highest level in recent years. HH the Emir visited India in March 2015 and the prime minister of India visited Qatar in June 2016. Soon after this, the prime minister of Qatar visited India in December 2016. We are in the process of following up on a number of key decisions taken and agreements signed during these visits. Our trade and investment ties, which are already impressive, have significant potential for further growth. We look forward to some Ministerial visits in the coming months.

I am happy to work closely with our Qatari partners, both in the government and private sectors, who are equally enthusiastic and upbeat about promoting our mutually-beneficial partnership. I admire the warm and welcoming nature of the Qatari people. They, along with the large and well-regarded Indian community, make me, and my family, feel completely at home in Qatar. I don't miss any opportunity to express my gratitude to the Government and the people of Qatar for their support and patronage of the Indian community in Qatar.

Q. You are known as a 'People's Ambassador' in the large Indian expatriate community in Qatar. What makes you so popular among expats in Qatar?

The welfare and wellbeing of the Indian community in Qatar is a matter of priority for the Embassy of India. I ensure that the embassy adopts a proactive approach to address the grievances of Indian workers satisfactorily by the concerned authorities in Qatar. We organise medical camps for low-income workers from time to time in different cities in Qatar. The embassy also regularly organises consular camps in cities outside Doha for the benefit of Indian nationals living there. We rely extensively on social media platforms, the embassy website and more recently, the newly-inaugurated FM channels to disseminate useful information to the Indian community. I also hold a monthly 'Open House' for any Indian national who wishes to meet me regarding any problem he/she faces. This is usually held on the last Thursday of each month.

Recent reforms introduced to labour laws in Qatar are of great interest to us. These include the setting up of the Exit Permit Grievances Committee in the Ministry of Interior, streamlining the recruitment process, formation of labour dispute settlement committees, bringing domestic-sector workers under a legal framework similar to other workers, creation of a support fund to settle the salary dues of workers of financially-distressed companies and also the proposal to institute a system of minimum wages for various categories of workers. These initiatives indicate Qatar's willingness to address labour issues in a constructive manner. We look forward to the implementation of these reforms at the earliest, so that our blue-collared workers can benefit from them.

Q. India and Qatar enjoy robust bilateral ties. What major initiatives have you undertaken to further strengthen the relations?

In the last three years, the Government of India has introduced major reforms to our Foreign Direct Investment (FDI) policy in a number of sectors. As a result, FDI inflows into India in 2016-17 were \$60.1 billion, making India the number one destination for FDI in the world. Qatar's investments in India are currently estimated at \$1 billion. Qatar Foundation's earlier investment in Bharti Airtel, amounting to about \$1.25 billion, are said to have been profitable. We understand that recent Qatari investments have been in the area of real estate, particularly affordable housing, in India. The large and diversified Indian economy, and the consistently high growth-rates achieved over many years, offers significant opportunities for foreign investors, including from Qatar, in a number of sectors. We have invited Qatari investments in our infrastructure, railways, tourism, agricultural infrastructure, cold storage, warehousing and dedicated agro-ports. We have also signed a MoU between Qatar Investment Authority (QIA) and India's National Infrastructure and Investment Fund (NIIF), to enable foreign investment in India's infrastructure sector, which requires a total investment of more than \$1.5 trillion in the next 20 years. On the other hand, 24 fully-owned Indian companies and an estimated 6000 Qatar-India joint ventures operate in various sectors of the Qatari economy. Qatar Petroleum's decision to expand LNG output from the North Field to 100 million tonnes, liberalisation of visa regulations, changes introduced to Company Law, the new Free Zone regulations and the proposed Permanent Residency scheme for longstanding foreign residents are developments that offer exciting new opportunities. A number of Indian trade delegations have visited Qatar in recent months, to participate in trade exhibitions and explore business opportunities. Similarly, we would welcome Qatari companies to visit trade events in India to identify the best possible partners for collaboration.

Q. India is one of Qatar's major trade partners. However, the volume of trade currently is tilted heavily in

favour of Qatar. What steps are you taking to bridge this trade gap? India-Qatar bilateral trade is about \$10 billion per year, making India Qatar's third largest trading partner. Out of this total figure, Qatar's exports are in the range of \$9 billion and India's exports account for \$1 billion. Qatar's key exports to India are LNG, LPG, chemicals and petrochemicals, plastics, aluminium and copper articles, while India's key exports to Qatar are cereals, vegetables, fruits, processed food products, electrical and other machinery, plastic products, iron and steel products and automobiles. For the last couple of years, there was a reduction in the value of overall trade, largely due to the reduced oil and gas prices in world markets. Both sides have been taking active steps to further expand the economic and commercial partnership. It has been decided to set up a Qatar-India Joint Business Council. We are working to select the Council members on both sides and hope to convene the first meeting at an early opportunity.

Q. Qatar has started importing a lot of food products from India since the siege was imposed on the country almost eight months ago. How much have food exports from India to Qatar increased in the second half of 2017 compared to the same period in 2016?

There has been a substantial increase in Qatar's imports from India in recent months, facilitated by the opening of direct shipping lines linking Indian ports with Qatar. The increase, we understand, has been in the area of food products and vegetables, pharmaceuticals, steel products and construction materials. We will have a better idea of the details once our annual trade statistics become available in April 2018.

Q. What initiatives are you taking to increase the volume of trade between the two countries in 2018? Are there any specific areas you want to focus on?

Indian corporates look at Qatar as a promising market and are today pursuing collaborations in a number of areas, including infrastructure, information and communication technology, energy and other areas, to the benefit of both sides. The extensive infrastructure development in Qatar as it prepares to host the FIFA World Cup in 2022, and the acknowledged competences of India's corporate sector, offer attractive avenues for cooperation. The huge potential for significantly increasing Qatar's investment in the Indian economy, taking advantage of the high growth rates projected for the coming years and the new business-friendly policy environment, also presents a win-win scenario for both countries.

Indian companies have invested nearly \$1.8 billion in Qatar. We expect that recent changes introduced to Company Law and new regulations related to free zones will attract more Indian companies to work in Qatar.

Q. India has expressed willingness to buy more LNG from Qatar. What is the progress on this?

With its huge and growing energy needs, India values Qatar's vital partnership in the energy sector. Qatar is the largest exporter of LNG and LPG to India, while it is the 12th largest exporter of crude oil to India. Qatar's exports to India amount to nearly \$10 billion per year, making India the third largest export destination for Qatari products. Our petroleum minister is on record as having said that India plans to increase the share of natural gas in India's energy mix, currently at about 7%, to 20% by 2030. Qatar will therefore continue to be a key partner in our energy security calculus for many years to come. India also offers an expanding market for Qatar's petrochemical products.