

STRENGTHENING TIES WITH ARABS AMID PAK TENSIONS

India En route to Boost Gulf Trade

Announcement on FTA with Oman likely this mth; trade pacts with Qatar, GCC also under consideration

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New Delhi: India is deepening its economic ties with the Gulf, finalising trade deals, in the backdrop of enduring tensions with Pakistan. Most of the Gulf nations had taken a neutral stance during India's latest conflict with Pakistan while urging restraint and de-escalation.

To start with, India may soon ink a free trade agreement with Oman, its oldest strategic partner in the region. Negotiations for the India-Oman FTA are almost complete, and an announcement is expected this month, said people in know of the development.

New Delhi is "seriously considering" similar pacts with other Gulf countries such as Qatar, the people said.

Qatar — whose Emir visited New Delhi this February and is looking to make major investments in India — stayed neutral during the India-Pakistan conflict.

India already has a trade deal with the

UAE. It is also negotiating an FTA with the Gulf Cooperation Council (GCC) to further enhance cooperation in trade, energy, investment, and security with the region. The GCC comprises Saudi Arabia, the UAE, Qatar, Kuwait, Oman and Bahrain.

Talks for the India-Oman Comprehensive Economic Partnership Agreement (CEPA), formally began in November 2023.

"Only a few issues are left to be resolved with Oman and an announcement could be made this month," said one of the persons cited above.

India's goods exports to Oman reached \$4.42 billion during the April-February period of FY25, while imports were at \$4.52 billion.

India's key imports are petroleum products and urea — together accounting for more than 70% of the import bill. Propylene and ethylene polymers, pet coke, gypsum, chemicals, and iron and steel are the other key imports from the Gulf nation.

