

3. President Of UAE Visit to India – Polity

President of the United Arab Emirates Sheikh Mohamed bin Zayed Al Nahyan paid an official visit to India

Defence and Security

Strategic Defence Partnership (LoI)– India and the UAE signed a Letter of Intent to work towards a Strategic Defence Partnership, signalling intent to deepen defence cooperation beyond routine exercises into structured, long-term collaboration.

Operational significance– This can widen cooperation in maritime security (IOR), counter-terrorism, intelligence coordination, defence industrial collaboration and training—areas where both sides have converging interests.

Strategic messaging– India also indicated that defence engagement with the UAE does not imply direct Indian involvement in Middle East conflicts, reflecting India's preference for security partnerships without entanglement.

Energy

\$3 billion LNG deal– India signed a \$3 billion LNG supply agreement with the UAE; Reuters reports ADNOC Gas will supply 0.5 million metric tonnes per year for 10 years to HPCL, strengthening long-term energy contracting.

It matters for India

1. Enhances energy supply predictability through long-tenor contracts.
2. Supports India's strategy of diversifying gas sourcing and building resilience in fuel supply chains.

Trade and Economic Targets

Trade expansion goal– Both sides committed to doubling bilateral trade to around \$200 billion within a defined time horizon, indicating an ambition to take CEPA-driven trade expansion into the next phase.

CEPA momentum– The visit reinforces the trend of rapidly expanding merchandise and services flows under CEPA, particularly in gems and jewellery, petroleum products, engineering goods, food items, and logistics-enabled re-exports (exam point- "trade facilitation + investment deepening").

Nuclear Cooperation (Advanced Nuclear + SMRs)

New domain cooperation– The visit outcomes indicate a push towards cooperation in advanced nuclear technologies, including large reactors and SMRs, and collaboration on advanced reactor systems and operations/maintenance.

Strategic significance

1. Aligns with the global pivot towards firm, low-carbon baseload electricity.
2. SMRs add policy relevance due to their promise of modular deployment, lower land footprint, and grid flexibility (while noting that commercial scale-up remains uneven globally).

Investment and Industrial Development

Dholera Special Investment Region (SIR)– A Letter of Intent on investment cooperation between Gujarat and the UAE for developing the Dholera SIR signals sub-national economic diplomacy linked to industrial corridors, manufacturing clusters, and logistics-led growth.

Implication for India– strengthens access to Gulf capital for long-gestation infrastructure and industrial projects, which typically need patient financing.

Technology– Supercomputing and AI Compute

C-DAC–G42 supercomputing cluster (in principle)– India's C-DAC and UAE's G42 agreed in principle to collaborate on establishing a supercomputing cluster in India, with clear relevance for AI compute capacity, scientific R&D, and advanced manufacturing simulation.

Strategic value for India

1. Reduces compute constraints for AI research and strategic applications.
2. Potential to catalyse a broader ecosystem- data centres, research partnerships, skilling pipelines, and AI startups.

Space Cooperation

IN-SPACE-UAE Space Agency Lol- A Letter of Intent to enable space industry development and commercial collaboration strengthens India's positioning as a cost-effective and credible space partner while supporting UAE's ambitions in the space economy.

Significance of the Visit

Strategic and Geopolitical Significance in a Fragmented Gulf - The visit occurred amid shifting alignments and rivalries in West Asia and the Gulf, where states are recalibrating partnerships for security and autonomy.

For India- it reinforces India's growing role as a net security provider in the IOR, particularly through maritime stability, anti-piracy, and protection of sea lanes.

For UAE- it signals diversification of strategic partnerships beyond a single security umbrella, aligning with UAE's preference for strategic autonomy.

Economic Diplomacy and "CEPA-Plus" Trajectory - The trade target pushes the relationship from "CEPA implementation" to CEPA-plus outcomes—i.e., scale-up in investment, industrial partnerships, and technology co-development rather than only tariff-led trade gains.

Regional De-escalation Incentives and Iran Factor - UAE has strong incentives to prevent escalation involving Iran due to regional economic vulnerability (energy routes, investor confidence, shipping risk premiums). India's balanced diplomacy can be framed as a stabilising external actor with credibility across camps (exam framing- "de-risking through multi-alignment").

People-Centric Ties- Diaspora as Strategic Capital - A large Indian expatriate community strengthens

1. remittance flows,
2. labour market interdependence,
3. cultural and educational linkages,
4. and creates a constant policy focus on worker welfare and mobility architecture.

Challenges in India-UAE Ties

Trade Structure and Deficit Concerns

Energy-driven trade imbalance- India's import bill rises with high hydrocarbon imports, producing a structural deficit even if non-oil trade improves.

Regional Instability Spillovers - West Asian instability raises risks for

1. Indian diaspora safety,
2. shipping costs/insurance,
3. continuity of investment projects,
4. and logistics routes (including IMEC-linked assumptions).

Labour Mobility and Welfare - Persistent issues include

1. contract enforcement, wage disputes,
2. recruitment costs,
3. working conditions,
4. legal aid and grievance redress.

These can become politically salient and require steady diplomatic engagement.

Foreign Policy Divergences – UAE’s regional alignments may not always align with India’s balancing approach (e.g., India’s ties with Iran; India’s regional security calculus). This is best managed through “issue-based convergence” rather than expectation of full alignment.

Way Forward

Build a “4-Pillar Delivery Framework”

Pillar 1- Defence deliverables

1. move from LoI to a structured framework agreement;
2. focus on maritime domain awareness, joint exercises, defence industry collaboration.

Pillar 2- CEPA-plus trade and investment – identify 5–6 priority sectors (food parks, logistics, renewables, semiconductors/AI, pharma, defence manufacturing).

Pillar 3- Energy transition cooperation

1. LNG + long-term contracts in the near term;
2. scale green hydrogen/ammonia and grid-scale storage partnerships over the medium term.

Pillar 4- People-centric governance – strengthen labour mobility agreements, skilling pathways, welfare monitoring, and legal support systems.

Source- [https://www.mea.gov.in/bilateral-](https://www.mea.gov.in/bilateral-documents.htm?dtl/40601/Joint_Statement_Visit_of_President_of_the_UAE_His_Highness_Sheikh_Mohamed_bin_Zayed_Al_Nahyan_to_India_January_19_2026)

[documents.htm?dtl/40601/Joint Statement Visit of President of the UAE His Highness Sheikh Mohamed bin Zayed Al Nahyan to India January 19 2026](https://www.mea.gov.in/bilateral-documents.htm?dtl/40601/Joint_Statement_Visit_of_President_of_the_UAE_His_Highness_Sheikh_Mohamed_bin_Zayed_Al_Nahyan_to_India_January_19_2026)

