

India and United Arab Emirates Trade Relations: A Review

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Abstract: India signed Comprehensive Economic Partnership Agreement (CEPA) with United Arab Emirates (UAE) in 2022 augmenting their trading partnership. This study reviews trade flow between the two countries, pre and post implementation of the CEPA agreement. We assess the export and import commodities flowing between the two countries to review the trend in trade surplus and trade deficit. We explore various trade indices like Trade Complementarity Index, Trade Intensity Index, Revealed Comparative Advantage, and Hirschman Herfindahl Product Index to identify the trade characteristics between India and UAE. It is observed that the CEPA agreement yielded mixed results for both the countries. While the overall trade volume has increased, India's trade deficit with the UAE, although improved, it still persists. Moreover, although some trade indices have shown progress, others have not, indicating scope to further smooth the trade barriers for the two countries better harness gains from trade.

Keywords: Comprehensive Economic Partnership Agreement; India - UAE, Trade flows

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