India-Kuwait Investment Conference
"Unleashing Synergies"
May 8th 2023

Remarks of Ambassador of India

H.E Mr Muhammad Othman Al Aiban, Minister of Commerce and Industry / H.E Mr Mohammad Alenizi, Under-Secretary, Ministry of Commerce and Industry,
H.E Mr. Ghanem Al Ghenaiman, Managing Director, KIA,
Mr. Diraar Alghanem, Board Member, KCCI,
Mr. Saleh Al-Selmi, Chairman UIC,
Mr. Gurvinder Singh Lamba, Chairman, IBPC,
Distinguished Speakers and panelists from Kuwait,
Distinguished delegates from India,
Friends from media
Ladies and Gentlemen

Good morning,

I welcome you all to today's India-Kuwait Investment Conference, 'Unleashing Synergies'. I take this opportunity to thank all our partners, the Indian Business and Professional Council (IBPC) who has worked tirelessly with the Embassy over the last few months, the KCCI and the Union of Investment companies (UIC) for making this event possible today. I also acknowledge the support and presence of Managing Director of Kuwait Investment Authority (KIA) and his team for this Conference. I thank the representatives from

Department for Promotion of Industry and Internal Trade of India, Invest India, National Investment and Infrastructure Fund (NIIF) and Confederation of Indian Industry (CII), for travelling all the way from India for participating in this Conference. I deeply appreciate the presence of distinguished representatives of big business houses, investment companies, government officials, other organizations and our friends from media, who could be the possible end-users of this Conference. And last but not the least, my Embassy team for their hard work in putting all this together.

Ladies and Gentlemen,

2. This is not a normal investment promotion event; because it is one between one of the oldest and most active erstwhile maritime trading countries in the region with an ambitious Vision 2035 and the fastest growing major economy in the world. And I say that because there is an enormous change actually taking place in both our countries and in our capabilities. And the challenge for us is, how do we see that as an opportunity, how do we actually find the connects, the touch points, the viability, the business case, really to make the best of it.

3. History is just not history but a beacon of learning from our successes and failures in the past. The history of India-Kuwait relations is a history worth repeating in its new avatar. Merchants and traders from India and Kuwait have known each other for longer than 200 years and their understanding, trust and confidence in each other has shaped our bilateral relationship as it stands today. It was pre-oil era, even before the modern means of transport and communication were available. The circumstances may have changed over time but the essence of that collaboration remains. I am always struck with the tremendous warmth and nostalgia that is discernible in the minds of the senior Kuwaitis on their connection with India. That kind of goodwill is not brought out by transactional superficial exchanges, but it is formed by decades and decades of sustained, respectful and mutually beneficial exchanges. That spirit of the bygone era of cross-Arabian ocean trade has a lot to offer us today. Investment cooperation is one such area of immense potential and the last few years have shown how this win-win cooperation can benefit both sides, ensuring good returns for one and capital and infrastructure development for other. That is why it is important to find the synergies between the growth stories of our two countries, which have been historically connected not only through peoples but through constant exchange of goods, ideas and culture.

Friends,

4. One will have a natural and simple question that if one has to invest somewhere, why India? Apart from historical, cultural and people to people connect, does India offer a political and financially attractive investment climate for safe and good returns. I would say a big Yes on many accounts. And my reasons are manifold and the following.

- India is the fastest growing major economy in the world, 5th largest economy currently, 3rd largest in terms of purchasing power parity and projected to be a USD 5 trillion economy by 2030. Expected to be the only major economy to keep growing at well above 6% per annum in the foreseeable future, and thus will remain one of the major growth engines of the world.

- India's FDI inflows have increased 20 times in the last 20 years, with cumulative FDI inflow of USD 871 bn. Highest FDI inflow in last FY of USD 84.8 bn.

- India's "Make in India" initiative is to position itself as a major global manufacturing hub, a bigger trader, and a stronger service provider. The Productivity linked Investment scheme with an outlay of USD 26 bn in 13 priority sectors is a major step in this regard .

- India's large and growing middle-class population.

- Massive infrastructure drive underway that opens up possibilities for investments in various infrastructure sectors of India. The doubling of national Highways, electrification of rail-lines, airports and capacity augmentation of sea-ports in the last 9-10 years, is a good indicator.

- Digital transformation and leader in Fin-tech.

- There are many other technical, financial and regulatory reasons as to why one should look seriously at India. I leave it to my distinguished subject experts from India to give you statistics and analysis of the same.

What would be the India in 2047 on completion of 100 years after independence (and in the next 25 years of the Amrit Kaal period) as per current projections:

- 2nd largest economy in the world– with estimated GDP of USD 26 trillion

- A developed country with an estimated USD 15000 GDP per capita

- A significant advantage owing to its strong domestic demand, digitalization, largest talent pool globally, financial inclusion, global competitiveness, and sustainability transition.

Friends,

5. In the last 9-10 years, the Government of India, again I say this particularly for the benefit of our Kuwaiti colleagues, has undertaken a number of significant economic reforms. And these are actually of interest to you, if you are looking and evaluating opportunities in India, because they do include incentivizing production, in doubling down on infrastructure and logistics, in rationalizing taxation, in moving the economy from the more informal to the organized sector, and in cleaning up and resourcing the financial system. We would like our friends in Kuwait to appreciate this transformation which is underway, because its compounding strength will enable both of us to strengthen each other's strategic autonomy, if we can translate this into economic cooperation.

6. Though today is a day of speaking about investment cooperation, it is also a fact that investments are inextricably linked to trade as well. Apart from the traditional hydrocarbon exports to India and imports of food and some other engineering items and chemicals from India, our trade

basket has been rather limited. Our bilateral trade, in the range of 12 billion USD today, has a huge scope for diversification. Clearly, there are very good possibilities in pharmaceuticals and medical devices, automobiles and related spares, electronics goods and components, high efficiency solar PV modules, textiles & apparel, white goods, ceramics and so on. I would encourage the captains of Kuwaiti businesses present here today to look at the quality and cost competitiveness that Indian products offer today.

Ladies and Gentlemen,

7. India's economic partnership has grown tremendously with countries in the Gulf region particularly over the last few years. Two years ago, India-UAE Comprehensive Economic Partnership Agreement (CEPA) was signed. We expect positive developments with regard to India-GCC FTA negotiations as well. All these provide greater possibilities for a stronger India-Kuwait economic partnership.

8. With Kuwait, we have one of the oldest and strongest links in the region. We have stood with each other in global forums, in our times of need and have always stepped ourselves for dealing with challenges together. Most recently, we fought Covid-19 pandemic together that was a true demonstration of friendship and solidarity. We would like to

see more Kuwaiti businesses establish a foothold in India and make it their regional hub. And we are ready to extend all possible facilitation. Today, we will also hear from those who have made this possible.

9. I am fully convinced that we will be able to tap and unravel the unrealized potential of bilateral trade and investments in near future. We have all the necessary ingredients for a strong and robust trade and investment cooperation whether it is the political will and foresight, economic strength, investment climate, geographical proximity, cultural affinity and dynamic people to people contacts. One of the main impediments has been the information exchange gap and I am sure today's event will go a long way in addressing it.

I thank you for your attention.

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