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INDIA-UAE CEPA

Opportunities for precious metals sector

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SANJEEV DUTTA

Executive Director – Commodities
& Financial Services DMCC

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INDIA – DUBAI TRADE RELATIONSHIP

- Dubai and India share an extremely strong and long-standing trade relationship – India is currently Dubai's second largest trade partner.
- UAE-India Comprehensive Economic Partnership Agreement (CEPA) looks to boost bilateral trade to \$100 billion in five years, an increase of 66% from the current \$60 billion.
- Precious metals such as gold are a main focus for the two countries – the UAE accounts for roughly 10% of India's gold imports.
- Combined, gold, jewellery and diamonds accounted for 32% of Dubai's exports to India in H1 2021, and this is expected to grow substantially.
- Under the new CEPA, the UAE has scrapped import duties for jewellery exported to the UAE from India, giving Indian jewellers zero-duty access to the UAE market.
- Meanwhile, India has also agreed to a 1% reduction on duty on gold imports from the UAE for up to 120 tonnes of gold in the first year, rising to 200 tonnes in five years, providing the UAE with preferential rates over imports from the rest of the world.

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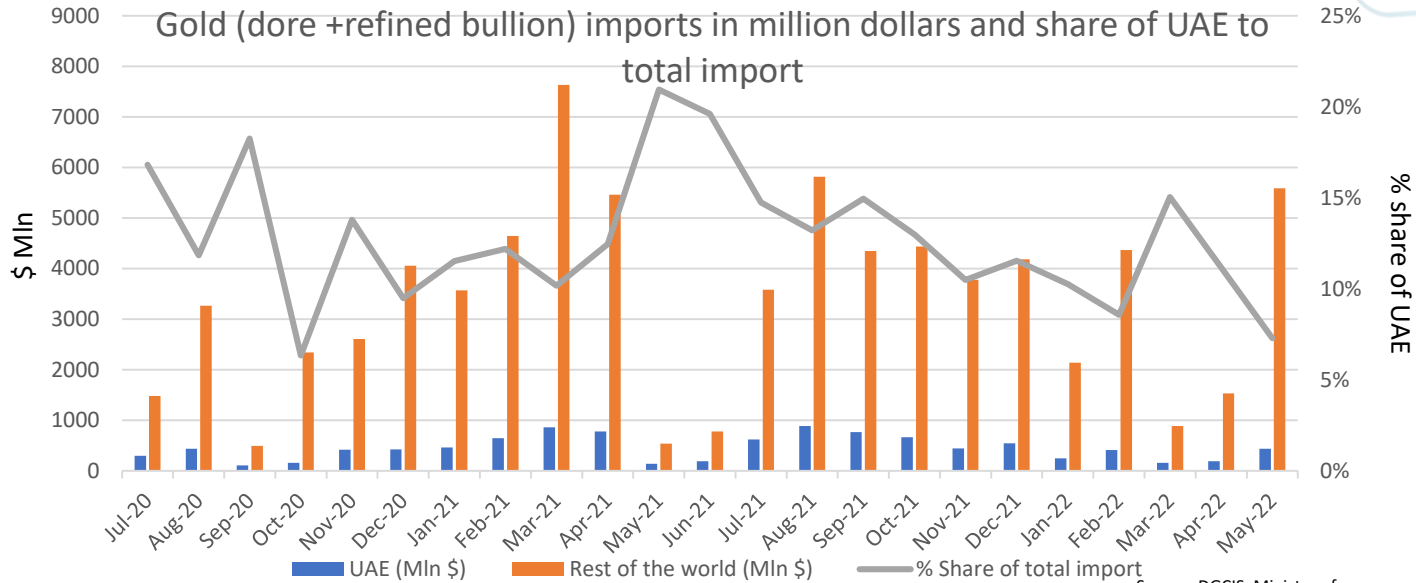


DMCC FACILITATES COMMODITIES TRADE BETWEEN DUBAI & INDIA

- DMCC facilitates trade by providing world-class trade infrastructure, and creating an ecosystem for global companies that increases the ease of doing business.
- Commodities are a core aspect of the bilateral trade between the UAE and India.
- DMCC is currently home to 3,385 Indian businesses, including Reliance Industries, Tata and McLeod Russel, and we are continuously looking to expand this impressive roster, making DMCC the preferred hub for Indian companies of any size.

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India's monthly gold imports from UAE and as a share of trade with the rest of the world



Source: DGCI, Ministry of commerce

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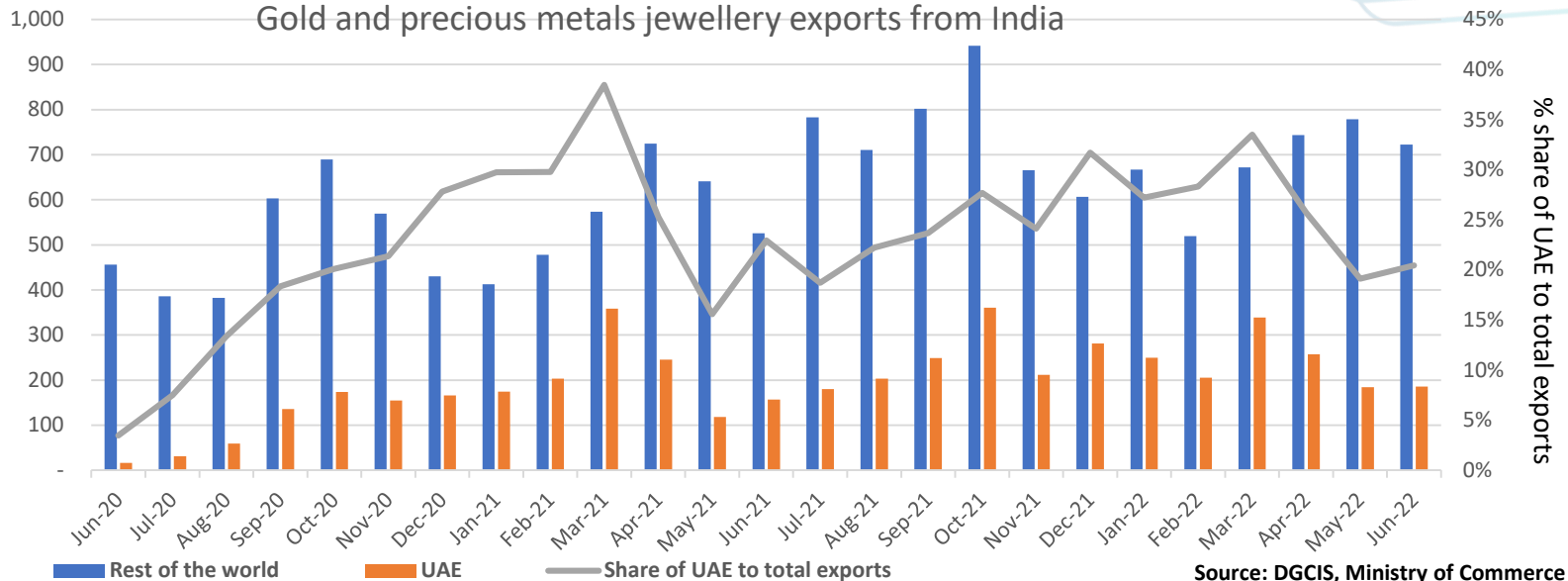
WHAT UAE HAS TO OFFER FOR INDIA



- UAE Good Delivery- certified for governance, responsible sourcing and technical parameters.
- UAE Good Delivery is operated by the Executive Office – UAE Bullion Market Committee which is chaired by the Ministry of Economy.
- Three refiners together produce approx. 500 tonnes of UAEGD bars.
- Oversight by an Independent Governance Committee- experts from South Africa, UK, USA, India and UAE.
- You deal with suppliers certified for compliance standards of global acceptance.
- UAE has tight guidelines on AML and TF with public access tools to verify who you are dealing with.

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India's exports of gold jewellery to UAE and as share of trade with rest of the world



Source: DGCIS, Ministry of Commerce

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HOW DO WE MAKE THE INDIA-UAE TRADE GROW

- At 120 tonnes share of UAE could still remain same, how do we improve on those volumes?
- When Indian regulations make it feasible to export bullion we can work on cross –recognition of the India Good Delivery standards that are in line with OECD's RSG.
- A single brand is accepted for delivery on the Indian exchanges, while exchanges are accepting delivery from refiners who are yet to be certified for reasonable assurance. We are open to discuss the point of contention.
- DMCC is happy to work together with Indian refiners for accreditation and can work on payment for the service in INR

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