

Keynote Address by H.E. Mr. Piyush Srivastava
Ambassador of India to the Kingdom of Bahrain

at the 'INDO-MIDDLE EAST E-Exhibitions'
organised by Federation of Indian Export Organisations (FIEO)
(14 December, 2020)

President of Federation of Indian Export Organisations (FIEO);

Vice President, FIEO;

Director General & CEO of FIEO;

My colleagues, Ambassadors and the representatives from our Missions in other GCC countries;

Joint Secretary (WANA), Government of India;

Business community from India, Bahrain and other Middle East countries;

Ladies & Gentlemen!

A very good afternoon to all of you!

1. Firstly, let me thank Federation of Indian Export Organisations for organising this E-Exhibition for Middle East region. FIEO has been in the forefront designing and evolving policies and measures to increase exports and reach a fair balance of trade for India.

2. **Middle East region has been a significant trade partner of India** in view of the trade openness, proximity to India, the presence of huge Indian diaspora and the size of economies. India's total export to the Middle East region reached USD 51.12 billion in the year 2019-20.

Friends,

3. **India is one of the top 10 trading partners of Bahrain** with bilateral trade hovering around **US\$ 1 bn** in past few years. Bahrain has a sizeable presence of Indian diaspora engaged in all spheres of economy at various levels. There are more than 3000 companies registered in Bahrain with Indian partnership.

4. So the connect with Bahrain is not just civilizational and bilateral, but it's a thriving and evolving economic relationship. Bahrain recognises the importance and contribution of Indians in its infrastructural development in spheres ranging from construction to digitisation to

medical expertise to IT and fintech. The list of mutually benefitting arenas is endless and this reflects in the Look East Policy adopted by Bahrain in recent times, with specific focus on India.

5. Despite the small size of Bahrain, the **bilateral investments** between India and Bahrain are impressive, i.e. US\$ 1.7 bn by India into Bahrain and US\$ 180 mn by Bahrain into India. Bahrain is the 4th largest investor in India after UAE, Saudi Arabia and Oman from this region.

6. Financial services account for almost 40% of India's investment in Bahrain followed by real estate and hospitality sector. Fintech remains an important sector for Bahrain and the Kingdom has **Bahrain FinTech** Bay as the leading **FinTech** Hub in the Middle East. Central Bank of Bahrain has taken initiatives towards financial digital transformation by establishing a dedicated Fintech & Innovation Unit. CBB provides a regulatory framework for encouraging start-ups and fintech firms. Post Covid, the importance of Fintech has grown exponentially in terms of facilitating distance working, digitised or cashless payment and expanding access of capital to small business owners.

7. Bahrain and India have good collaboration in the **health sector**. Apollo and KIMS hospitals are present in Bahrain, while investment in Nephroplus, the largest network of dialysis centres in India, is one of the major projects of US\$ 500 million portfolio investment committed by Invest Corp of Bahrain. In the post Covid-19 scenario, this sector has offered further opportunities. Opportunities exist in establishment of pharmaceutical manufacturing units not just to serve Bahrain but also to cater to the demands of the entire GCC region. Given our expertise and huge global presence in the pharmaceutical sector, Bahrain appears to be keen on inviting Indian pharmaceutical companies. There was enthusiastic participation of over 90 companies from India and Bahrain in the virtual B2B session on pharmaceutical sector organised by this Mission the last week of October 2020.

8. Some of the other opportune sectors include **education, food security, energy including solar energy, hospitality (including for our Hotel chains to come to Bahrain) and large infrastructure projects**. Work on Bahrain Metro is undergoing and a tender for its construction is expected in 2021. Related project services in the arena provide ample scope for Indian expansion in the region.

9. I would agree with my colleagues that our companies do need to look into the areas of packaging as well as food sector targeting the local community apart from Indian community.

10. In all these and other areas Bahrain could easily be a stepping stone or a gateway to the MENA region.

11. Bahrain has a **welcoming investment environment** and provides for 100% foreign ownership. According to the World Bank, Bahrain having enacted a host of business reforms focussing on attracting investment in 2019, is the 4th most improved economy in the region.

12. I would like to conclude by saying that despite being a small economy, Bahrain offers valuable opportunities for businesses and the best market access to growing Gulf economies and beyond. It has a dedicated Economic Development Board to facilitate information on regulation and other processes related to the entry in the market. Bahrain is a gateway to the US\$ 1.3 tn market in Middle East and must be pursued in the light of its welcoming and tolerant society, friendly relations with India, a dynamic and vibrant Indian community, highly competitive taxation system and a favourable regulatory environment. Bahrain's FTA with US offers additional opportunities and benefits to our companies, willing to invest in Bahrain.

Thank you once again for inviting me to this event.

I wish the organisers and participants of this e-Exhibition all success. I am sure that this will result into some concrete partnerships between India and Bahrain and other Middle East countries in the area of trade and investment. Embassy remains committed to provide all assistance and support to FIEO and other industry organisations as well as the businesses from both sides to further bilateral trade and economic cooperation.
