

## INTRODUCTION & BRIEF ECONOMIC OVERVIEW

1. The United Arab Emirates (UAE) lies in the east of the Arabian Peninsula. It is bordered by Saudi Arabia to the west and south, and by Oman to the east. In the north, the UAE has a short frontier with Qatar and a coastline of about 650 km on the southern shore of the Persian (Arabian) Gulf, separated by a detached portion of Omani territory from a small section of coast on the western shore of the Gulf of Oman. The UAE is a member of the UN, WTO, OPEC, the Gulf Co-operation Council and the League of Arab States.

2. The United Arab Emirates was developed from a juxtaposition of Bedouin tribes to one of the world's wealthiest states in only about 50 years, boasting one of the highest GDP (PPP) per capita figures in the world. The UAE's economy is dominated by the petroleum produced primarily in the Abu Dhabi Emirate. The Emirate of Dubai, whose economy is centred more on business than on oil, serves as a commercial and financial hub for the region and leads the country in economic diversification. Non-hydrocarbon growth was benefitted from healthy tourism flows and increased activity in the construction, manufacturing, and financial services sectors. This more than offset a contraction in hydrocarbon growth from OPEC+ and UAE voluntary oil production cuts, resulting in overall GDP growth of 3.6 percent in 2023. Inflation moderated sharply to 1.6 percent in 2023. Fiscal and external balances remain high, supported by relatively high oil prices.

**TABLE-1**

### United Arab Emirates: Selected Economic Indicators, 2022-25

	2022	2023	Est. 2024	Proj. 2025
	(Annual percent change)			
<b>Output and prices</b>				
Real GDP	7.5	3.6	3.7	5.0
Real non-hydrocarbon GDP	7.1	6.2	4.9	4.2
CPI inflation (average)	4.8	1.6	2.2	2.0
	(Percent of GDP)			
<b>Public finances</b>				
Revenue	33.1	28.2	28.3	28.1
Expenditures	23.1	23.3	23.5	23.5
Net lending (+)/borrowing (-) (Revenue minus expenditures)	10.0	5.0	4.8	4.7
Nonoil primary balance 1/	-17.9	-18.7	-18.5	-18.0
Gross general government debt	32.1	32.5	31.3	30.7
	(Annual percent change)			
<b>Monetary sector</b>				
Broad money	9.0	18.8	10.4	8.7
Credit to private sector	4.2	6.2	6.0	6.3
	(In percent of GDP, unless otherwise indicated)			
<b>External sector</b>				
Current account balance	13.2	10.7	9.1	8.8
External debt	81.9	85.5	85.3	84.3
Gross official reserves (billions of U.S. dollars) 2/	135.3	186.3	199.7	212.1
In months of next year's imports of goods & services, net of re-exports	6.4	8.2	8.2	8.2

Sources: Country authorities; and IMF staff estimates and projections.

1/ In percent of non-hydrocarbon GDP. Excludes staff estimates of SWF investment income.

2/ Excludes staff estimates of foreign assets of sovereign wealth funds; includes the 2022 SDR allocation of SDR 2.2 billion.

## FOREIGN TRADE

3. As per recent available inputs on WITS (World Integrated Trade Solution), the four major merchandise export partners of UAE are Saudi Arabia, India, Iraq, and United States. On the other hand four major import partners of UAE are China, India, United States and Japan, Major five exported goods of UAE are (i) Petroleum oils and oils obtained from bituminous, (ii) Petroleum oils, etc, (excl. crude); preparation, (iii) Gold in unwrought forms non-monetary, (iv) Propane, liquified and (v) Transmission apparatus, for radioteleph incorpo. On the other hand major five imported goods are (i) Gold in unwrought forms non-monetary, (ii) Transmission apparatus, for radioteleph incorpo, (iii) Petroleum oils, etc, (excl. crude); preparation, (iv) Art. of jewellery and pts thereof of/o prec mtl and (v) Diamonds non-industrial unworked or simply sawn.

4. UAE's total exports in 2019 were of the order of USD 389,428 million. It scaled up to USD 570,245 million in 2023. During the period from 2019 to 2023, Exports from UAE increased maximum by 26.80% in the year 2021 followed by another 21.28% increase in 2022. During the period from 2019 to 2023, the annual average compound rate of growth of exports was 10%.

5. UAE's total imports in 2019 were of the order of USD 288,447 million and which touched USD 470,536 million mark in 2023. Imports of UAE jumped by 40.72% in 2021 in comparison with 2020 just after facing a 14.38% decline in 2020. During the period from 2019 to 2023, the annual average compound rate of growth of imports was 13.01%.

6. UAE runs an overall Balance of Trade surplus from 2019 to 2023 that scaled to USD 100,981 in 2019 million and it was USD 99,709 million in 2023. During the period from 2019 to 2023, the annual average compound rate of growth of total volume of trade was 11.31%.

A snapshot of UAE's overall Trade Statistics is presented in **Table 2 and Figure 1 below.**

**TABLE - 2**  
**UAE'S TOTAL EXPORTS AND IMPORTS, VOLUME OF TRADE AND BALANCE OF**  
**TRADE BETWEEN 2019 TO 2023**

(Figures in USD Million)

Year	Exports	Percentage Growth in Exports	Imports	Percentage Growth in Imports	Volume of Trade	Percentage Growth in Vol. of Trade	Balance of Trade
2019	389428		288447		6,77,875		100981
2020	335297	-13.90	246961	-14.38	5,82,258	-14.11	88336
2021	425160	26.80	347529	40.72	7,72,689	32.71	77631
2022	515621	21.28	420493	21.00	9,36,114	21.15	95128
2023	570245	10.59	470536	11.90	10,40,781	11.18	99709

**Annual  
Compound  
Growth  
Rate**

**10.00**

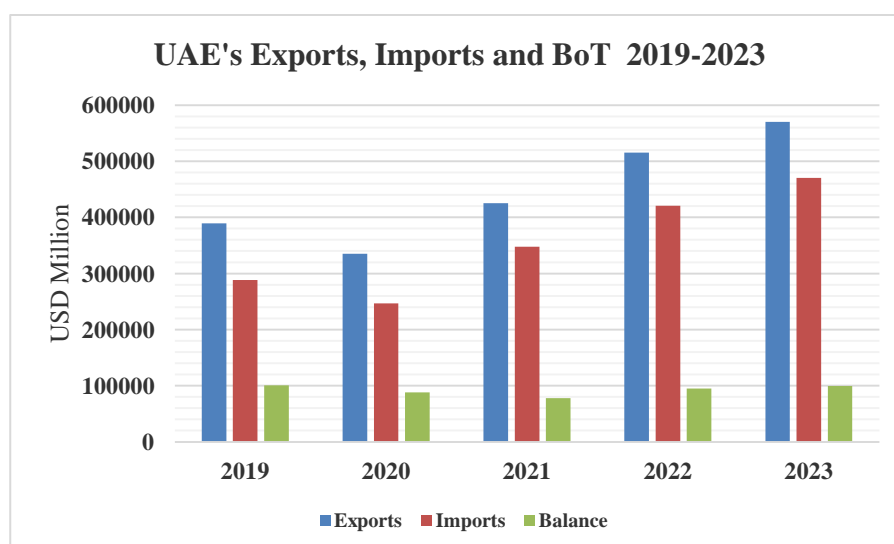
**13.01**

**11.31**

**NOTE : Figures relate to calendar year (January to December)**

**SOURCE : UN COMTRADE PUBLICATION**

**FIGURE-1**



## **BILATERAL TRADE WITH INDIA**

### **Merchandise Trade**

7. The India-United Arab Emirates (UAE) Comprehensive Economic Partnership Agreement (CEPA) completed three years of its signing on 18<sup>th</sup> February 2025. CEPA is a full and deep Agreement which was signed on 18<sup>th</sup> February 2022, during a virtual summit between the Hon'ble Prime Minister of India, Shri Narendra Modi and His Excellency the President of the UAE and Ruler of Abu Dhabi, His Highness Sheikh Mohamed bin Zayed Al Nahyan. It entered into force from 1<sup>st</sup> May 2022. UAE ranked 2nd as an export destination of India in FY 2024-25. India exported to UAE almost 8.38% of its total export value in FY 2024-25. In the same financial year imports from UAE was 12.26% of India's total import value. Almost 9.20% of India's total international trade value of goods was between India and UAE as recorded in DGCI&S data base for FY 2024-25. UAE was the 3rd major trading partner of India in FY 2024-25.

8. Indo- UAE total volume of bilateral trade in FY 2020-21 was of the order of USD 43,304.07 million. It scaled up to USD 1,24,388.58 million in FY 2024-25. The annual compound growth rate of total volume of trade during the period from 2019-20 to 2024-25 was of the order of 30.19%.

9. It appears from the available figures that between 2020-21 and 2024-25, India had a deficit Balance of Trade with UAE. Exports from India to UAE increased by 68.14% in FY 2021-22. The annual average compound rate of growth of Exports was 21.74%. On the other hand, imports from UAE to India remarkably increased by 68.39% in 2021-22 and 82.75% in FY 2024-25. During the period from 2020-21 to 2024-25, the annual average compound rate of growth of imports was 34.74%.

A snapshot of India's merchandise trade statistics w.r.t. UAE is presented in **Table 3 & Figure 2**.

TABLE - 3

**INDIA'S MERCHANDISE EXPORTS & IMPORTS w.r.t. UAE**  
**FY 2020-2021 to 2024-2025**

(Value in USD Million)

Year	Exports from India to UAE	Percentage Growth in Exports	Imports from UAE to India	Percentage Growth in Imports	Volume of Trade	Percentage Growth in Vol. of Trade	Balance of Trade
2020-21	16679.58		26624.49		43304.07		-9944.91
2021-22	28044.91	68.14	44833.92	68.39	72878.83	68.30	-16789.01
2022-23	31608.82	12.71	53232.42	18.73	84841.24	16.41	-21623.60
2023-24	35625.19	12.71	48018.10	-9.80	83643.29	-1.41	-12392.91
2024-25	36636.22	2.84	87752.36	82.75	124388.58	48.71	-51116.14

**Annual  
Compound  
Growth  
Rate**

**21.74**

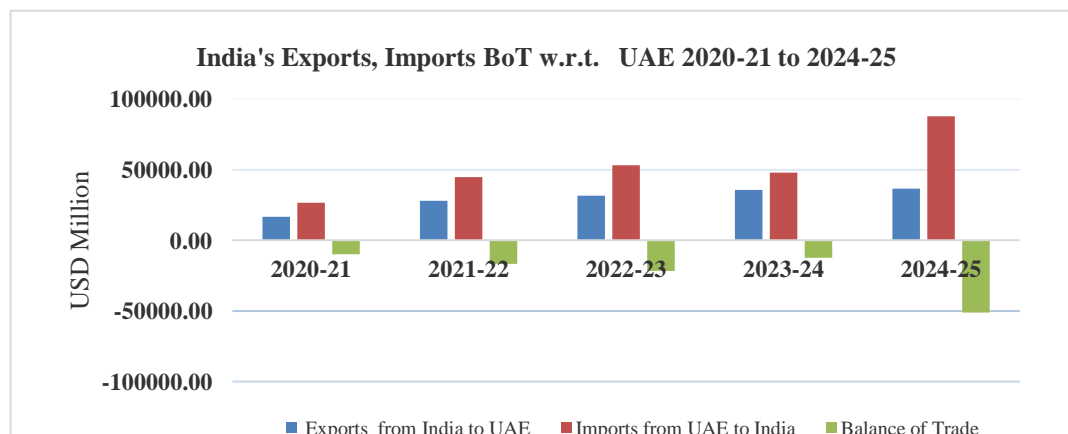
**34.74**

**30.19**

**NOTE** : Figures relate to Financial Year (April to March)

**SOURCE** : DGCI&S, M/o C&I

FIGURE-2



10. Additionally, from Tables 4 & 5 presented below the following are stated:

- Petroleum Products, Gold & Other Precious. Metl. Jewellery** and **Telecom Instruments** are occupying the top three slots in India's exports to UAE in the year 2024-25. Petroleum Products occupying the 17.45% share of export value of India to UAE.
- Petroleum: Crude, Petroleum Products** and **Gold** are the three major commodities in India's imports list from UAE in the year 2024-25. **Petroleum: Crude** with a share of 31.59% of total imports from UAE recorded in 2024-25.

TABLE -4

**INDIA'S MAJOR ITEMS OF MERCHANDISE EXPORTS TO UAE  
2020-21 TO 2024-25 AND THEIR GROWTH RATES**

(Value in USD Million)

Sl. No.	Name of the Merchandise Commodities	Value of Exports					Annual Growth Rates			
		2020-21	2021-22	2022-23	2023-24	2024-25	21-22 over 2020-21	22-23 over 2021-22	23-24 over 2022-23	24-25 over 2023-24
1	Petroleum Products	2709.10	5721.32	8055.35	6744.52	6393.99	111.19	40.80	-16.27	-5.20
	Share in total export	16.24	20.40	25.48	18.93	17.45				
2	Gold and other Precs. Metal Jewellery	1498.78	2799.46	3219.90	5658.71	5484.62	86.78	15.02	75.74	-3.08
	Share in total export	8.99	9.98	10.19	15.88	14.97				
3	Telecom Instruments	1004.78	2116.17	2708.40	2661.44	2848.09	110.61	27.99	-1.73	7.01
	Share in total export	6.02	7.55	8.57	7.47	7.77				
4	Pearl, Precs. Semi Precs. Stones	1197.29	2129.73	2464.21	2316.38	2070.08	77.88	15.71	-6.00	-10.63
	Share in total export	7.18	7.59	7.80	6.50	5.65				
5	Aircraft, Spacecraft and Parts	28.58	11.28	16.88	406.20	1699.34	-60.53	49.65	2306.40	318.35
	Share in total export	0.17	0.04	0.05	1.14	4.64				
6	Ship, Boat and Floating Structures	396.51	1061.05	582.08	922.95	1107.19	167.60	-45.14	58.56	19.96
	Share in total export	2.38	3.78	1.84	2.59	3.02				
7	Products of Iron and Steel	315.59	413.69	463.88	580.99	860.57	31.08	12.13	25.25	48.12
	Share in total export	1.89	1.48	1.47	1.63	2.35				
8	Iron and Steel	765.31	1650.75	1050.54	648.86	704.06	115.70	-36.36	-38.24	8.51
	Share in total export	4.59	5.89	3.32	1.82	1.92				
9	Motor Vehicle/Cars	229.50	349.00	492.75	536.23	654.67	52.07	41.19	8.82	22.09
	Share in total export	1.38	1.24	1.56	1.51	1.79				
10	RMG Cotton Incl. Accessories	677.01	752.79	619.97	571.65	595.54	11.19	-17.64	-7.79	4.18
	Share in total export	4.06	2.68	1.96	1.60	1.63				
	Total exports to UAE	16679.58	28044.91	31608.82	35625.19	36636.22	68.14	12.71	12.71	2.84

NOTE : Figures relate to each Financial Year (April to March)

SOURCE : DGCI&S, M/o C&I

TABLE -5

**INDIA'S MAJOR ITEMS OF MERCHANDISE IMPORTS FROM UAE  
2020-21 TO 2024-25 AND THEIR GROWTH RATES**

(Value in USD Million)

Sl. No.	Name of the Merchandise Commodities	Value of Import					Annual Growth Rates			
		2020-21	2021-22	2022-23	2023-24	2024-25	21-22 over 2020-21	22-23 over 2021-22	23-24 over 2022-23	24-25 over 2023-24
1	<b>Petroleum: Crude</b>	<b>7360.73</b>	<b>12304.83</b>	<b>16840.67</b>	<b>8958.44</b>	<b>27723.56</b>	<b>67.17</b>	<b>36.86</b>	<b>-46.80</b>	<b>209.47</b>
	Share in total import	27.65	27.45	31.64	18.66	31.59				
2	<b>Petroleum Products</b>	<b>4361.47</b>	<b>7859.82</b>	<b>10209.10</b>	<b>8216.23</b>	<b>20546.86</b>	<b>80.21</b>	<b>29.89</b>	<b>-19.52</b>	<b>150.08</b>
	Share in total import	16.38	17.53	19.18	17.11	23.41				
3	<b>Gold</b>	<b>4194.89</b>	<b>5839.46</b>	<b>3089.09</b>	<b>7647.29</b>	<b>16833.87</b>	<b>39.20</b>	<b>-47.10</b>	<b>147.56</b>	<b>120.13</b>
	Share in total import	15.76	13.02	5.80	15.93	19.18				
4	<b>Pearl, Precs. Semi-Precs Stones</b>	<b>5093.95</b>	<b>9890.45</b>	<b>10148.57</b>	<b>9356.29</b>	<b>7688.99</b>	<b>94.16</b>	<b>2.61</b>	<b>-7.81</b>	<b>-17.82</b>
	Share in total import	19.13	22.06	19.06	19.48	8.76				
5	<b>Aircraft, Spacecraft and Parts</b>	<b>3.89</b>	<b>38.91</b>	<b>1881.98</b>	<b>1175.54</b>	<b>2475.89</b>	<b>900.26</b>	<b>4736.75</b>	<b>-37.54</b>	<b>110.62</b>
	Share in total import	0.01	0.09	3.54	2.45	2.82				
6	<b>Other Precious Base Metals</b>	<b>2.20</b>	<b>9.42</b>	<b>1173.85</b>	<b>12.48</b>	<b>1772.00</b>	<b>328.18</b>	<b>12361.25</b>	<b>-98.94</b>	<b>14098.72</b>
	Share in total import	0.01	0.02	2.21	0.03	2.02				
7	<b>Plastic Raw Materials</b>	<b>827.21</b>	<b>1200.09</b>	<b>1666.09</b>	<b>1633.79</b>	<b>1292.31</b>	<b>45.08</b>	<b>38.83</b>	<b>-1.94</b>	<b>-20.90</b>
	Share in total import	3.11	2.68	3.13	3.40	1.47				
8	<b>Copper and Prods. Made of Copper</b>	<b>432.02</b>	<b>457.07</b>	<b>451.58</b>	<b>517.94</b>	<b>1065.22</b>	<b>5.80</b>	<b>-1.20</b>	<b>14.70</b>	<b>105.66</b>
	Share in total import	1.62	1.02	0.85	1.08	1.21				
9	<b>Residual Chemicals and Allied. Prods.</b>	<b>55.70</b>	<b>74.32</b>	<b>151.97</b>	<b>133.28</b>	<b>915.26</b>	<b>33.43</b>	<b>104.48</b>	<b>-12.30</b>	<b>586.72</b>
	Share in total import	0.21	0.17	0.29	0.28	1.04				
10	<b>Bulk Minerals and Ores</b>	<b>396.90</b>	<b>713.58</b>	<b>772.23</b>	<b>807.33</b>	<b>871.21</b>	<b>79.79</b>	<b>8.22</b>	<b>4.55</b>	<b>7.91</b>
	Share in total import	1.49	1.59	1.45	1.68	0.99				
	<b>Total import from UAE</b>	<b>26624.49</b>	<b>44833.92</b>	<b>53232.42</b>	<b>48018.10</b>	<b>87752.36</b>	<b>68.39</b>	<b>18.73</b>	<b>-9.80</b>	<b>82.75</b>

NOTE : Figures relate to each Financial Year (April to March)

SOURCE : DGCI&S, M/o C&I

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