



## Strengthening India-Saudi Arabia Strategic Partnership

**For Prelims:** West Coast Refinery Project, [India-Middle East-Europe Economic Corridor](#), India-Saudi Strategic Partnership Council (SPC)

**For Mains:** India- Saudi Arabia Relations, Significance of the India-Middle East-Europe Economic Corridor in the context of India's economic and strategic interests

[Source: TH](#)

### Why in News?

Recently, after the launch of the [India-Middle East-Europe Economic Corridor](#), the Prime Minister (PM) of India welcomed the Crown Prince of Saudi Arabia on a state visit.

- During this significant visit, the two nations discussed various aspects of their strategic partnership and agreed to set up a **joint task force to expedite the West Coast refinery project.**



### What were the Outcomes and Agreements Resulting From the Visit?

- **Strategic Partnership Acknowledgment:**

- The PM of India highlighted Saudi Arabia's pivotal role as **"one of the most important strategic partners of India."**
- Both leaders emphasized the importance of their partnership, particularly as two rapidly growing nations contributing to regional stability.
- **India-Saudi Strategic Partnership Council (SPC):**
  - The PM of India and the Crown Prince of Saudi Arabia co-chaired the inaugural meeting of the **India-Saudi Strategic Partnership Council (SPC).**
  - Discussions covered a wide range of areas, including **defence, energy, security, education, technology, transportation, healthcare, tourism, culture, space, and semiconductors.**
    - This reflects the comprehensive nature of the economic cooperation between India and Saudi Arabia.
- **West Coast Refinery Project Acceleration:**
  - This trilateral project, involving ARAMCO(oil company of Saudi Arabia), ADNOC(oil company of the United Arab Emirates) and **Indian Companies**, is set to receive a USD 50 billion investment.
  - A **joint task force** was established to expedite the West Coast refinery project.
  - The task force will work on channeling the promised USD 100 billion investment from Saudi Arabia for this project.
  - The West Coast refinery project is **India's first and largest greenfield refinery.**
    - The project is located in **Ratnagiri, Maharashtra** and is expected to have a production capacity of **60 million tonnes per annum. When completed, it will be one of the world's largest refineries.**
    - The project encompasses various critical facilities, including marine storage and port infrastructure, crude oil terminals, storage and blending plants, desalination plants, utilities, and more.
- **Bilateral Agreements and Cooperation:**
  - Eight agreements were signed during the visit, strengthening cooperation across various sectors.
    - Notable agreements include **collaboration between the [Central Vigilance Commission of India](#) and the Saudi Oversight and **Anti-Corruption Authority****, as well as cooperation in technology, education, and agriculture.
  - An agreement was signed between the **National Institute of Technology of India and the Saline Water Conversion Corporation of Saudi Arabia.**
- **Assurance of Crude Oil Supply:**
  - Saudi Arabia affirmed its commitment to being a **"reliable partner and exporter of crude oil supplies" to India**, ensuring energy security.
- **Defence and Anti-Terror Cooperation:**
  - Both nations pledged to enhance cooperation in **defence and [anti-terrorism efforts](#).**
    - A special emphasis was placed on preventing access to **"missiles and drones" for terrorist activities.**
    - Plans were discussed to strengthen the tourism segment of bilateral relations, aligning with Saudi Arabia's ongoing reforms.
- **Geopolitical Significance:**
  - The visit holds geopolitical significance as it occurred after Saudi Arabia ended hostilities with Iran through a deal negotiated by China.
  - **[Saudi Arabia's recent membership in the BRICS](#)** (Brazil, Russia, India, China, and South Africa) further underscores its global engagement.

## What is the India-Saudi Strategic Partnership Council (SPC)?

- **About:**
  - The SPC is a **high-level mechanism established between India and Saudi Arabia in 2019**, to guide and enhance their bilateral relationship.
  - It consists of two sub-committees, addressing various aspects of cooperation:
    - Committee on Political, Security, Social, and Cultural Cooperation.
    - Committee on Economy and Investments.
  - **India is the fourth country with which Saudi Arabia has formed such a strategic partnership, after the UK, France and China.**

- **Operation:**
  - The SPC operates at four functional levels:
    - Summit level, involving the Prime Minister and Crown Prince.
    - Ministerial-level engagements.
    - Senior Officials Meetings.
    - Joint Working Groups (JWGs) to facilitate detailed discussions and action plans.
- **Key Functions:**
  - The SPC serves as a **comprehensive platform to foster collaboration across a wide range of sectors.**
  - It facilitates in-depth discussions, policy formulation, and coordination at various levels to implement joint initiatives effectively.
  - JWGs under each committee focus on specific areas of cooperation, ensuring a well-structured approach to bilateral relations.

## How has India's Relations with Saudi Arabia been?

- **Oil and Gas:**
  - Saudi Arabia is currently **India's second-largest supplier of crude oil** (Iraq has been India's top supplier).
    - India **imports more than 18% of its crude oil requirement** and India imports most of its **Liquefied petroleum gas** from Saudi Arabia
- **Bilateral Trade:**
  - Saudi Arabia is **India's fourth largest trade partner** (after the USA, China and UAE).
  - Bilateral trade in FY22 was valued at USD 29.28 billion, with significant imports and exports.
- **Cultural Linkages:**
  - [Hajj pilgrimage](#) and **digitization of Hajj processes** reflect the significant cultural ties.
  - India participated as the '**Guest of Honour**' at the Saudi National Festival of Heritage and Culture in 2018.
- **Naval Exercise:**
  - In 2021, India and Saudi Arabia started their first-ever Naval joint exercise called the [Al-Mohed Al-Hindi Exercise](#).
- **Indian Community in Saudi Arabia:**
  - The 2.6 million-strong Indian community in Saudi Arabia is the largest expatriate community in the Kingdom and is highly respected for its contributions to Saudi Arabia's development.

## UPSC Civil Services Examination Previous Year Question (PYQ)

### Prelims

**Q. Which of the following is not a member of 'Gulf Cooperation Council'? (2016)**

- (a) Iran
- (b) Saudi Arabia
- (c) Oman
- (d) Kuwait

**Ans: (a)**

**Exp:**

- The **Gulf Cooperation Council (GCC)** is an alliance of 6 countries in the Arabian Peninsula – Bahrain, Kuwait, Oman, Qatar, **Saudi Arabia** and the United Arab Emirates. Iran is not a member of the GCC.
- It was established in 1981 to promote economic, security, cultural and social cooperation between

the members and holds a summit every year to discuss cooperation and regional affairs.

- **Therefore, option (a) is the correct answer.**

### **Mains**

**Q.** The question of India's Energy Security constitutes the most important part of India's economic progress. Analyse India's energy policy cooperation with West Asian countries. **(2017)**

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