



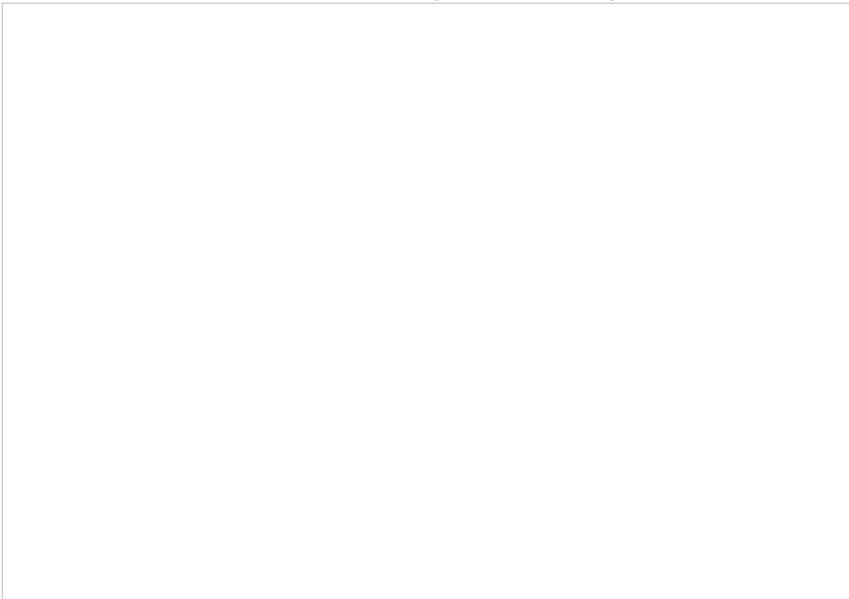
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Saudi Arabia's Crown Prince Visit to India

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Recently, **Crown Prince of Saudi Arabia Mohammed bin Salman** visited India.

This was the **first state visit** by the crown prince in India.



Outcome of Visit

- A number of memorandum of understandings(MoUs) were signed during the visit on investing in the **National Investment and Infrastructure Fund of India**, cooperation programme between Invest India and Saudi Arabia General Investment Authority (SAGIA).
- Other MoUs include tourism, housing, exchange of Audio-Visual Programmes.
- Saudi Arabia also agreed to join the **International Solar Alliance (ISA)**.
- Saudi Arabia has strongly condemned the terrorist attack on Indian security forces in Pulwama on 14 February.
- The two sides called for early adoption of the UN **Comprehensive Convention on International Terrorism (CCIT)**.

National Investment and Infrastructure Fund of India

- The NIIF is a sovereign fund owned by the government of India (49% ownership) along with global and domestic institutional players. The size of fund is Rs. 40,000 crore.
- The fund has an investment "mandate to invest in infrastructure assets and related businesses" that are projected to see "long term growth trajectory".

India-Saudi Arabia Relations

- **Strategic Partnership**

- Saudi Arabia is a **strategic partner of India** since the signing of the **Riyadh Declaration in 2010**.
- India is also one of the eight strategic partners with whom Saudi Arabia intends to deepen partnership in areas of political, security, trade and investment and culture.

- **Economic Relations**

Saudi Arabia is India's 4th largest trading partner bilateral trade stood at around US\$ 28 billion during 2017-18.

- **Energy Security**

- India imports more than 17% of crude oil and 32% of Liquefied Petroleum Gas (LPG) requirements from Saudi Arabia.
- Recently, Saudi ARAMCO in partnership with UAE has agreed to invest US\$ 44 billion in building Ratnagiri Refinery and Petro-Chemical project Ltd.
- Saudi Arabia also has a major role in India's **Strategic Petroleum Reserves (SPRs)**.

Strategic Petroleum Reserves

- Strategic petroleum reserves are **huge stockpiles of crude oil** to deal with any crude oil-related crisis like the risk of supply disruption from natural disasters, war or other calamities.
- India's strategic crude oil storages are currently located at Visakhapatnam (Andhra Pradesh), Mangaluru(Karnataka), and Padur (Karnataka).
- Recently, the government had announced setting up of two additional facilities at Chandikhol (Odisha) and Padur (Karnataka).

Diaspora Relations

There are about **2.7 million Indians living in Saudi Arabia**. They send **remittance of over US\$ 11 billion** annually. Saudi Arabia also facilitates Hajj pilgrimage to over 1,75,000 Indians every year, which is the largest number of pilgrims from any country.

Challenges to the India-Saudi relationship

- **The Saudi-Pakistan and India-Iran relationship:** Saudi Arabia's relation with Pakistan and India's relation with Iran are two important factors affecting the India-Saudi Arabia relationship.
 - **India expects Saudi Arabia to restrain Pakistan** from allowing its territory being used by terrorists targeting India.
- **Diaspora-related issues:** This includes the treatment of Indian workers in Saudi Arabia and **Saudi Arabia's Nitaqat Programme**, which aims at increasing the employment of Saudi nationals in the private sector, might limit employment opportunities for Indian expatriates.
- **Radicalization in India:** Many Saudi Arabia based agency have been blamed for **funding spread of fundamentalist Wahhabi and Salafist ideology in India.**
 - Saudi Arabia is considered to be the **primary supporter of a supposedly more rigid interpretation of Islam.** This has implications for how Islam functions in India.