Framework Agreement on Economic Cooperation Between The Republic of India and The Member States of the Cooperation Council for the Arab States of the Gulf

The Government of the Republic of India, and

The Governments of the United Arab Emirates, the Kingdom of Bahrain, the Kingdom of Saudi Arabia, the Sultanate of Oman, the State of Qatar and the State of Kuwait, that are parties to the Charter of the Cooperation Council for the Arab States of the Gulf, hereinafter referred to as "GCC States" ;

(Herein after referred to as the Contracting Parties)

Considering the importance of the friendship already existing between them, and

Desiring to enhance and develop the economic cooperation between them on the basis of equality and mutual interest, and

Taking into consideration the laws and regulations in force in their countries,

Have concluded the following:

Article 1.

The Contracting Parties shall promote economic cooperation between them in various fields, and encourage the exchange of information and necessary technical expertise in those fields.

Article 2.

The Contracting Parties shall consider ways and means for expanding and liberalizing their trade relations including initiating discussions on the feasibility of a Free Trade Area between them, taking into account their international obligations and principles of the WTO.

Article 3.

The Contracting Parties shall seek to provide a climate favorable for furthering trade exchange between them through:

- Enhancing the exchange of information on foreign trade

- Encouraging business communications particularly between the institutions and organizations concerned with foreign trade

- Giving attention to training and technology transfer.

Article 4.

The Contracting Parties shall make appropriate arrangements for capital flows between them, setting up joint investment projects and facilitating corporate investments in various fields of economy, trade and industry.

Article 5.

The Contracting Parties shall encourage the exchange of visits of representatives, delegations and economic, commercial and technical missions between them and organizing temporary exhibitions and provide necessary facilities and assistance with a view to further economic cooperation.

Article 6.

A Joint Committee for Economic Cooperation shall be formed under this Agreement. This Committee shall convene alternatively in the countries of the two Parties on mutually agreed periodicity. Level of participation in the Committee will be specified in advance. Functions of the Committee shall be:

- Following up implementation of the provisions of this Agreement and other bilateral agreements or protocols made between the two Parties based on this Agreement.

- Handling any difficulties or disputes that might arise from interpretation/implementation of the provisions of this Agreement.

- Adopting recommendations for enhancing economic, commercial, technical and investment cooperation between the two contracting parties, and fostering their economic relations and increasing the volume of trade between them.

- The Joint Committee is authorized to set up any subcommittees or specialized working teams, at its discretion and when deemed necessary.

The Committee shall designate the duties and functions of such subcommittees and working teams, provided that said subcommittees and working teams shall submit their reports and recommendations to the Joint Committee.

GENERAL PROVISIONS

Article 7.

Without prejudice to the provisions of the GCC Charter and those of the GCC Economic Agreement, this Agreement and any measures taken hereunder, shall in no way affect the authority of GCC Member States to individually undertake bilateral activities with the Republic of India in the fields covered by this Agreement or conclude bilateral agreements with the Republic of India.

Article 8.

The provisions of this agreement may be amended with mutual consent of the Contracting Parties.

Article 9.

(1) This Agreement shall come into effect on the date of the receipt of the last notification by either Contracting Party indicating the completion of the internal legal procedures required to bring this Agreement into force.

(2) This Agreement shall remain valid unless either Contracting Party gives to the other written notice of its intention to terminate the Agreement at least six months in advance. Any obligations or commitments undertaken pursuant to this Agreement shall, however, remain valid and binding on the Parties.

IN WITNESS WHEREOF the undersigned being duly authorized, have signed this Agreement at New Delhi, on 9 Rajab 1425H, corresponding to 25 August, 2004, in two originals each in Hindi, Arabic and English languages, all texts being equally authentic. In case of divergence of interpretation, however, the English text shall prevail.

For the Government of The Republic of India

(Kamal Nath)

Minister of Commerce and Industry

For the Governments of the Member States of the Cooperation Council for the Arab States of the Gulf

(Mohammad Sabah Al-Salem Al-Sabah)

Foreign Minister State of Kuwait President-in-Office of the Ministerial Council of the Co-operation Council for the Arab States of the Gulf

(Abdulrahman Bin Hamad AlI-Attiyah)

Secretary General of the Council of the Co-operation Council the Arab States of the Gulf