

Press Release:

India-UAE to tap businesses in food processing & agriculture: TPCI

- *India need to capitalize on food & agritech investment from UAE: Consul General of India, Dubai*
- *UAE-India food corridor is slated to attract investments of **US\$ 7 billion** from the UAE*

31st August 2021, New Delhi: Trade Promotion Council of India (TPCI), organised a webinar on India-UAE, trade & investment opportunities in agri and food- processing in association with the Consulate General of India (CGI) Dubai, on August 29, 2021.

Speaking on the webinar, Dr. Aman Puri, Consul General of India, Dubai said, “Dubai can be a gateway for our companies in agri and food- processing sector to take our products and services global. We should not look at the UAE as just a market of 10 million consumers rather view it as a springboard for the entire Middle East & North Africa (MENA) region.”

Further Dr Puri said, “It is important for Indian exporters to create clear projects for UAE investment to flow into India. Feedback from UAE investors is that they are looking for clear investable projects. Post-COVID, it is important that we realise this opportunity.” There is an investible surplus, both governments are committed, other stakeholders are committed. What is needed is clear investable projects to be identified and irritants, bottlenecks and hurdles to be identified and addressed by both the public and private sector, he added.

India’s food exports to UAE were US\$ 1.89 billion in 2020 calendar year and imports were at US\$ 363 million. Last year, the two nations made a resolve to treble their bilateral trade volume in food and agritech sectors in the next five years.

Mr. Saleh Abdullah Lootah, Chairman, Food & Beverage Manufacturing Business Group, Dubai stated, “The food sector is among the main priority sectors for the UAE. It comes number three after oil & gas and real estate. The government is taking new initiatives with the sector especially to support food security, after COVID-19 and the challenges that the food sector went through after this pandemic due to our limited resources in food production.”

Next speaker, Mr Suresh Kumar, Chairman, Indian Business and Professional Council, Dubai emphasised, “Dubai quickly announced the construction of a US\$ 1.5 billion food park in 2019. They have already got vertical farming, and realised that vertical farming reduces water consumption by 95%. Embracing vertical farming, smart farming, aeroponics, hydroponics, IoT, etc. resulted in a 53% increase in output.

Additionally, Mr Kumar added, “Given the capital intensive nature of the Emirates, funding and capital infusions should not be an issue. All the Sovereign Wealth Funds have an investable capacity of around US\$ 1.2 trillion. This is growing at around 18% per annum. This will continue for a long time, even when oil and gas run out.”

Mr. R. Senguttuvan, Chairman of Sectoral Committee on Food Processing & Packaging Technology, TPCI said, “China is the largest exporter of packaging material globally. Pandemic-driven isolation of China has forced packaging companies to re-visit their supply chain vulnerabilities, thus accelerating sourcing to other countries, India being a major beneficiary.” He also emphasised that India and UAE have strong collaboration opportunities in integrated food supply chain solutions, agricultural trading platforms, sustainable packaging solutions, biocompostable packaging for QSRs, environment-friendly packaging for e-commerce and food delivery.

Mr. Sanjay Grover, Vice Chairman of Sectoral Committee on Food Processing & Packaging Technology, TPCI and Vice President – International Business Division, Kirloskar Pneumatic Company Ltd., stated, “India needs to look at conversions of the strong India-UAE ties into strong decisions that will help us achieve a future shared vision over the next 20-30 years.

There is a landmark change in the nature of food processing in India. We are now moving towards value added food, processed and ready to eat food. It will be a plus point for Indian companies tapping the UAE as our entrepreneurs are now being aligned to these food habits.

Food and Beverage industry has to have an end-to-end value chain perspective from farm to fork, including production, processing and logistics. UAE and India will find common challenges in this regard. India is building up, with large chains of cold storages, transportation, quality of produce, etc and both countries can help each other going forward.”

Mr. Abhishek Poddar, Vice Chairman, Food & Beverage Sectoral Committee, TPCI and MD, Nani Agro Foods said, “The Indian food processing market is expected to double from US\$ 263 billion in 2019-20 to US\$ 535 billion in 2025. The massive pace of

urbanization in India has been accompanied by the rise in dual-career households, consequently fuelling a trend towards packaged foods, dairy, snacks, ready-to-cook and ready-to-eat products.”

He added on the growth strategy going forward, “Overseas investments in food processing facilities may be an option for Indian companies to consider, due to a rise in preference for localized food supply post-COVID. This strategy can have long term benefits, as it will help Indian companies be closer to the markets, build their brands and understand customer requirements better.”

Mr. Ashok Sethi, Director, Trade Promotion Council of India, pointed out, “India’s share in UAE’s F&B imports from the world is 12.9%, which flags not just our level of bilateral trade, but the opportunity to grow this number. Potential products that India can export to the UAE are black fermented tea, mangoes, apples, fresh and dried oranges, tomatoes (fresh and chilled), fresh and dried bananas and fresh grapes.”

UAE is India’s third largest trading partner with bilateral trade of US\$ 59.1 billion in 2019-20. UAE has initiated attempts for a broader India-Gulf Cooperation Council dialogue on reviving talks for their bilateral Free Trade Agreement. Talks for an India-UAE bilateral FTA have already begun.

India wants to work very closely with the UAE as a reliable partner in food security, and the UAE-India food corridor is slated to attract investments of **US\$ 7 billion** from the UAE.

For any further information, contact:

SAMEER PUSHP

DIRECTOR-

MEDIA & CORPORATE COMMUNICATIONS

9, 2nd Floor, Scindia House, Connaught Circus,

New Delhi- 110001, India

T: (91) 11 40727281

M: (91) 9811229110

E: sameer.pushp@tpci.in

W: www.tpci.in