Date: 18/02/2022
Ref: 1-78/2022

H.E. Piyush Goyal
Minister of Commerce & Industry, Consumer Affairs & Food & Public Distribution and Textiles
Government of India

Excellency,

With reference to the Comprehensive Economic Partnership Agreement (including Annexes, the “Agreement”), between the United Arab Emirates (“UAE”) and the Republic of India (“India”), the UAE confirms its understanding as follows:

The UAE is an independent, sovereign, federal State, with seven sovereign Member Emirates (“Member Emirates”), and pursuant to its Constitution, each Member Emirate retains full sovereignty, sovereign rights and exclusive jurisdiction over its natural resources and wealth of which the Energy Resources Sector is the subject matter of this letter. For the purposes of this letter, “Energy Resources Sector” shall mean all hydrocarbons such as oil, gas, and condensates, derivates and primary by-products thereof with respect to ownership, management, exploration, development and production, exploitation (including reservoir management), transportation, storage, refining and processing, and distribution up to and including retail distribution.

In recognition of the foregoing, the Agreement shall not grant any rights to India or create any obligations for the UAE or any of its Member Emirates with regard to the Energy Resources Sector. Accordingly, the Energy Resources Sector is excluded from all aspects and provisions of the Agreement, including the Chapter on Dispute Settlement (Chapter 15). All matters pertaining to the Energy Resources Sector of any of the Member Emirates are within the exclusive jurisdiction of the Member Emirates, and all determinations and decisions of each Member Emirate made by such Member Emirate’s competent authorities pertaining to the Energy Resources Sector (“Competent Authorities”) that are the subject of its jurisdiction shall be final, binding and not subject to review or challenge.
Subsequent to the date of entry into effect of the Agreement and in the event that the UAE with the concurrence of the Member Emirates’ Competent Authorities grants any rights excluded by this letter to a third country with respect to the Energy Resources Sector by a Regional Trade Agreement, such rights shall be granted to India.

Notwithstanding the above, in the event of a difference in the interpretation or application of the agreed scope of this letter, the UAE and India commit to have recourse to consultations. Consultations shall take place at the request of either Party to this letter. The provisions on Consultations set out in Chapter 15 of the Agreement (Dispute Settlement), Articles 15.6, except paragraph 8 (Consultations) shall apply mutatis mutandis. The Parties shall make every attempt through consultation to arrive at a mutually satisfactory resolution within 60 days from the request.

The UAE and India further agree that this letter shall constitute an integral part of the Agreement and that, in the unlikely event of any inconsistency between this letter and any provisions of the Agreement, this letter shall prevail to the extent of that inconsistency.

I would be grateful for your confirmation that India agrees with this understanding.

Sincerely yours,

Abdulla bin Touq Al Marri
Minister of Economy
Government of UAE