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## India's Oil Diplomacy and the UAE's Energy Vision 2030: Unity and Challenges

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### Abstract

This study examines the similarities and differences between the UAE's Vision 2030 and India's oil diplomacy, two crucial factors affecting the world's energy scenario in the twenty-first century. India, one of the biggest oil users in the world, has made energy security a top priority in its foreign policy, especially when it comes to fortifying its relations with oil-rich countries like the United Arab Emirates. India needs a steady and varied supply of energy to meet its expanding needs and its goals for renewable energy, which makes the UAE an essential partner in this respect. By diversifying its economy into industries like renewable energy, technology, and infrastructure, the UAE, on the other hand, hopes to lessen its reliance on oil and move toward a sustainable and inventive future. This paper examines how India's energy requirements and the UAE's economic change are complimentary, emphasizing the ways in which the two countries may work together on projects including infrastructure development, oil commerce, and collaborative renewable energy initiatives. The study looks at their energy partnership's past and present, with a particular emphasis on strategic agreements and projects related to oil production, exploration, and refining. Along with identifying obstacles like regional geopolitical instability, the changing global energy market, and the intricate transition to renewable energy sources, it also explores possible synergies that could be achieved, especially in technology transfer, renewable energy projects, and strategic oil reserves. These elements may make future collaboration between the two nations more difficult. The paper makes an argument that, in spite of these obstacles, India and the United Arab Emirates have a great deal of potential to strengthen their energy relations and accomplish their shared objectives of sustainable development and energy security. Both countries can improve bilateral ties and help create a more robust and diverse global energy system by overcoming these obstacles and utilizing their unique assets. The study sheds light on how the UAE's Vision 2030 and India's oil diplomacy may work together to forge a framework for sustained cooperation in a constantly evolving energy environment.

**Keywords:** India, UAE, Energy, Cooperation, Challenges.

## Introduction:

In addition to lowering the country's dependency on fossil fuels, the UAE's Energy Vision 2030 seeks to guarantee sustainable energy development<sup>1</sup>. Enhancing energy security, promoting economic expansion, and supporting environmental sustainability are the main objectives of the vision. Increasing the proportion of renewable energy sources, especially nuclear and solar, while enhancing energy efficiency is one of the main objectives in order to diversify the energy mix. According to this goal, the UAE Green Growth Strategy aims to produce 50% of its energy from renewable sources by 2050. Major projects like the Barakah Nuclear Power Plant, the first in the Arab world, and the Mohammed bin Rashid Al Maktoum Solar Park, one of the biggest solar projects in the world, have been started by the government<sup>2</sup>. Additionally, the UAE Energy Vision 2030 places a strong emphasis on the advancement of sustainable urban design, energy storage technologies, and smart grid development. It also encourages research and development to lower carbon emissions and boost renewable energy technology. By accomplishing these objectives, the UAE hopes to support international efforts to mitigate climate change and strike a balance between the demands of environmental preservation and economic growth. Such as, the Middle East Solar Industry Association (MESIA) noted in its *"Solar Outlook Report 2025"* that the United Arab Emirates was in the forefront of the regional solar energy market<sup>3</sup>. Also, within five years, Abu Dhabi seeks to achieve 30% renewable energy under the Abu Dhabi Vision 2030.

For India's energy security and economic development, oil diplomacy is essential, especially when it comes to its ties with the United Arab Emirates, a major oil producer. The UAE is a major supplier of oil to India, one of the world's biggest users. With an emphasis on long-term collaborations in oil and gas exploration, refining, and storage, India has deepened its energy connections with the UAE under the framework of the UAE's Energy Vision 2030<sup>4</sup>. Diversifying energy sources with a focus on sustainability and renewable energy is the goal of the UAE's Energy Vision 2030. This goal is in line with India's oil diplomacy with the UAE, which aims to balance the country's expanding energy demands with international efforts to promote greener energy. In order to support the UAE's efforts to integrate renewable energy sources, such as the Mohammed bin Rashid Al Maktoum Solar Park, India is investing in clean energy projects in the UAE, especially solar energy<sup>5</sup>. India also stores oil in the UAE's strategic storage facilities, demonstrating its cooperation in strategic oil reserves. This collaboration enhances both nations' energy security and guarantees India a steady supply of oil<sup>6</sup>.

## Literature Review

The discussion of India's oil diplomacy mostly focuses on its strategic imperatives, which are influenced by the nation's finite domestic resources and growing energy demands. India's reliance on oil imports, which account for more than 80% of its crude oil consumption, has prompted a proactive and multifaceted diplomatic strategy, especially in the Gulf area, according to scholars like Pant (2018) and Singh (2020). One of India's main suppliers of crude oil, the UAE has become a crucial ally in guaranteeing India's energy security. The bilateral agreements between the two nations pertaining to long-term supply contracts, storage infrastructure, and upstream and downstream investments are highlighted by Kumar (2021). The usage of Strategic Petroleum Reserves (SPRs) and India's cooperation with the United Arab Emirates to store and manage emergency oil supplies are examined in Sharma and Mehta's (2019) paper. Scholars also observe that India's energy diplomacy is becoming more and more important in promoting technical collaboration and renewable energy, which is in line with larger global environmental objectives (Jain & Prasad, 2022).

<sup>1</sup> UAE Ministry of Energy and Infrastructure. (2023). UAE Energy Strategy 2050.

<sup>2</sup> Emirates Nuclear Energy Cooperation (ENEC). (2022). Barakah Nuclear Energy Plant Overview.

<sup>3</sup> Middle East Solar Industry Association (MESIA). (2025). Solar Outlook Report 2025.

<sup>4</sup> Observer Research Foundation (ORF). (2022). India-UAE Energy Relations: A Strategic Partnership

<sup>5</sup> Observer Research Foundation (ORF). (2022).

<sup>6</sup> Observer Research Foundation (ORF). (2022).

The UAE's Energy Vision 2030 has drawn scholarly attention for its comprehensive approach to sustainable development, much like India's oil diplomacy. Al Mazrouei and Al Hammadi (2021) claim that the Vision presents a thorough plan for moving away from fossil fuels and toward a varied energy mix that heavily invests in nuclear and solar power. Megaprojects like the Mohammed bin Rashid Al Maktoum Solar Park and the Barakah Nuclear Plant are crucial in changing the energy environment of the United Arab Emirates, according to researchers like El-Katiri (2020). Furthermore, the UAE's initiatives in smart grid systems, green urban planning, and international energy forums demonstrate a forward-thinking model of energy governance. Scholars agree that partnerships with emerging economies like India are instrumental in achieving these goals, particularly through joint innovation, investments, and diplomatic collaboration (Khan, 2023).

### ***UAE's Vision 2030: Key Areas***

UAE has been the most innovative and ambitious nations. UAE has paved ways towards sustainability and globally connected future. UAE at this is transforming like never before. The UAE has set standards for various energy projects and smart cities.<sup>7</sup>

What is Vision 2030? Dubai and Abu Dhabi have been the major players. UAE's Vision 2030 is a strategic plan. It aims at creating a diversified economy. Vision 2030 was introduced in 2008, seeking to reduce reliance on oil. On the other hand, influencing sustainability and human capital development across various areas<sup>8</sup>.

Adnan Al Noorani, trusted advisor to the royal family claims that UAE will be the small Silicon Valley in the Middle East. Also, Gloria Guevara, Chief Special Advisor to Saudi's tourism ministry, says Vision 2030 is the sustainability agenda. According to Guevara Case of Neom is the first development. It is considered to be the turning point in Saudi's history. It seeks to reduce oil reliance and develop a vivid community. Vision 2030 claims upon growth with global competencies with sustainability and social impact. Government no longer support profitability if it does not align with social stability<sup>9</sup>.

UAE's Vision 2030 focuses on five key areas:

1. **Economic Diversification:**  
It focuses on reducing dependency on oil, and more on developing sectors like tourism, technology etc. Although UAE is a oil rich area but it also holds the capacity to provide much more to the tourists and residents as well, things which is beyond oil.
2. **Sustainable Development:**  
Under vision 2030 UAE seeks to pioneer renewable energy and eco-friendly projects. Its includes initiatives like solar energy project like the Mohammad bin Rashid Al Maktoum solar park and Abu Dhabi Vision 2030.
3. **Innovation and Technology:**  
Advancing technologies like AI, smart cities and space exploration has been a critical focus under the initiative. UAE has always been in the limelight for the longest or biggest projects of infrastructure building around the world. The quest for becoming a global hub of innovation has always motivated UAE. The government invests in research and development to grow the country's technological capacity.

<sup>7</sup> UAE Government Portal. (2025). UAE Green Agenda- 2030

<sup>8</sup> Abu Dhabi Economic Vision 2030.

<sup>9</sup> Middle East Economic Digest (MEED). (2023). UAE'S Vision 2030: A Sustainable Future

#### 4. Cultural and Social Development:

UAE beliefs in showcasing Emirati culture while seeking for global partnership. Thus, the UAE Vision 2030 encourages the development of arts and cultural heritage preservation. Over the years, UAE has made huge investments in museums, festivals and many culturally creative projects.

#### 5. Human Capital Development:

Investing in areas like education, healthcare, and skill development youth and women is at the heart of Vision 2030. It seeks to prioritise overall human development by grooming the key areas like education, and programs for preparing the future workforce for the future economic priorities.

### ***India's Oil Diplomacy: Strategic Objectives and International Cooperation***

India has traditionally played a significant role in the world's energy markets as the third-largest importer of oil. India's economy and population are expanding quickly, making gas and oil demand essential to the country's energy security<sup>10</sup>. With a foundation in strategic interests, India's oil diplomacy seeks to provide a steady and varied energy supply to back its aspirational economic expansion. As a result of this diplomacy, India has developed close ties with important international figures and engaged with significant oil-producing areas, such as the Middle East, Africa, and Central Asia<sup>11</sup>. India's oil diplomacy is crucial in influencing global energy dynamics as a major stakeholder in the global energy environment, particularly as the nation transitions to a more renewable energy-focused energy system<sup>12</sup>.

#### The Energy Situation and Strategic Interests of India:

India has enormous energy demands, and as a result of urbanization, industrialization, and the growth of the middle class, its oil consumption is growing. India imports more than 80% of its crude oil from nations like Saudi Arabia, Iraq, the United Arab Emirates, and Iran since its local production cannot keep up with its demand. This high reliance on oil imports presents energy security challenges, particularly in a world where supply interruptions, price volatility, and geopolitical tensions can have a major impact on oil-dependent economies.

The main goal of India's oil diplomacy is to provide a steady and varied supply of energy. For India's economy to thrive and remain stable over the long run, this is essential. To meet this demand, the nation's energy strategy has changed in a number of ways:

##### 1. Energy Security:

India can reduce the risk of supply disruptions or price volatility by diversifying its energy imports, building strategic reserves, and preserving political and economic connections with important oil-producing nations.

##### 2. Geopolitical Leverage:

Energy security involves using gas and oil as tools of geopolitical power in addition to ensuring supply. India has a major geopolitical footprint, especially in the Middle East and Africa, because to its expanding relations with oil-rich nations<sup>13</sup>.

<sup>10</sup> IEA, 2023. World Energy Outlook, 2023. International Energy Agency

<sup>11</sup> S&P Global, 2023. India's Oil Diplomacy and Global Energy Strategy.

<sup>12</sup> World Energy Outlook

<sup>13</sup> Foreign Affairs India, 2023. Geopolitics of India Oil Diplomacy

## UAE AND India's Oil Diplomacy:

India now counts the United Arab Emirates as one of its most important energy partners, and the two nations' relationship has developed into a strategic energy cooperation. One of the biggest oil exporters in the world and a member of OPEC, the United Arab Emirates, is a major source of crude oil for India. Given the UAE's significant oil reserves and its advantageous location in the Persian Gulf, this collaboration is crucial to India's oil diplomacy.

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1. **Energy Security:** India can reduce the risk of supply disruptions or price volatility by diversifying its energy imports, building strategic reserves, and preserving political and economic connections with important oil-producing nations.
2. **Geopolitical Leverage:** Energy security involves using gas and oil as tools of geopolitical power in addition to ensuring supply. India has a major geopolitical footprint, especially in the Middle East and Africa, because to its expanding relations with oil-rich nations.

### **India-UAE energy relations**

1. **Trading and Investments:** India and the UAE have strong trading ties, with gas and oil serving as the foundation of their business dealings. One of India's main suppliers of crude oil is the UAE. Furthermore, India has made investments in the energy sector of the United Arab Emirates, including in the expansion of oil refining and storage facilities<sup>14</sup>.
2. **Strategic Petroleum Reserves (SPR):** India and the UAE have signed provisions to store crude oil in SPRs. India's energy security depends heavily on these reserves, which act as a buffer during supply interruptions. The assistance provided by the UAE in enabling these reserves, highlights the two countries' expanding energy cooperation<sup>15</sup>.
3. **Technology and Knowledge Exchange:** In the energy sector, the UAE has been a center of innovation, especially in the areas of renewable energy, smart grid technology, and oil exploration methods. The UAE and India engage in oil diplomacy through capacity building, technical expertise exchange, and collaborative development of new technologies for oil and gas extraction and refinement<sup>16</sup>.
4. **Energy Forums and Diplomacy:** The UAE and India frequently work together on global energy platforms like the International Solar Alliance (ISA) and the Abu Dhabi International Petroleum Exhibition (ADIPEC). These events give both nations the chance to interact with international energy players, talk about shared issues, and strengthen their energy cooperation<sup>17</sup>.

India's oil diplomacy is essential to maintaining both its economic expansion and energy security. India's diplomatic relations with major oil-producing nations, especially the United Arab Emirates, are becoming more and more important as the country's reliance on oil imports grows. Strategic investments, knowledge exchange, and a shared aim in securing steady oil supply and energy security characterize the India-UAE energy collaboration. Although there are many obstacles to overcome, including geopolitical unpredictability, fluctuations in oil prices, and the global trend toward renewable energy, India's oil diplomacy offers substantial chances for development, cooperation, and sustainable energy in the long run.

<sup>14</sup> Ministry of External Affairs, Government of India. (2023). India – UAE Bilateral Relations Overview.

<sup>15</sup> Observer Research Foundation (ORF). (2022). Strategic Petroleum Reserves and India's Energy Security.

<sup>16</sup> International Renewable Energy Agency (IRENA). (2023). Innovation and Technology in the Energy Sector

<sup>17</sup> International Solar Alliance. (2024). Annual Report on Solar Energy Collaboration.

India's oil diplomacy will remain a crucial instrument in determining its energy future and its place in the global energy market as it negotiates these possibilities and challenges.

### ***Challenges to India- UAE Energy Relations***

Despite having similar energy objectives, India's oil diplomacy and the UAE's Energy Vision 2030 confront a number of structural and strategic obstacles. The disparity in long-term energy priority is one of the primary obstacles. Diversification away from reliance on oil is emphasized in the UAE's Vision 2030 through investments in clean technology, hydrogen, and renewable energy<sup>18</sup>. India, on the other hand, still depends largely on fossil fuels to cover its expanding energy needs; more than 55% of its energy comes from gas and oil<sup>19</sup>. This discrepancy might cause problems with long-term alignment.

The Gulf region's geopolitical instability, which includes tensions with Iran, the spillovers from the Red Sea battle, and the volatility of the world oil price, is another major obstacle. These elements can complicate India's attempts to guarantee steady and reasonably priced oil imports by upsetting supply networks and jeopardizing energy security<sup>20</sup>.

Moreover, barriers to technology transfer and investment continue to exist. Although the UAE might be a partner for India's clean energy goals, cooperation in high-tech fields like carbon capture or green hydrogen necessitates mutual confidence, regulatory coherence, and significant financial commitments—areas that are still in the early stages of development<sup>21</sup>.

Additionally, India must strike a diplomatic balance as it competes with other Asian nations, especially China and Japan, for the UAE's energy investments and oil supplies. A strategic problem is maintaining priority access without being too dependent or diplomatically outpaced<sup>22</sup>.

Last but not least, changes in domestic policies in both nations—such as changes to tax laws, carbon pricing, or subsidy reforms—can affect the patterns of bilateral energy investment and trade, adding uncertainty to long-term alliances.

Overall, India and the UAE have solid energy links, but coordinating their future goals in the face of shifting global dynamics, local interests, and geopolitical unpredictabilities is a difficult task.

### ***Conclusion***

A confluence of strategic objectives between two quickly changing economies is demonstrated by the UAE's Energy Vision 2030 and India's oil diplomacy. Both countries acknowledge the significance of sustainability and energy security as pillars of economic expansion and worldwide significance. India, one of the biggest energy consumers in the world, has made a concerted effort to diversify its energy supplies through strategic alliances, particularly with reputable suppliers like the United Arab Emirates. By making significant investments in renewable energy and lowering its reliance on fossil fuels, the UAE is reinventing its energy landscape through Vision 2030. With common interests in clean energy, innovation, and strategic oil reserves, this reciprocal interdependence—India needing a steady supply of oil, and the UAE looking for reliable long-term partners—creates a robust energy partnership that is both transactional and cooperative.

But the road ahead is not without its difficulties. India has to strike a balance between the need to expedite its green transformation, global geopolitical concerns, and its rising energy consumption. The UAE also has to handle the infrastructure and financial challenges of transitioning from an oil-based economy to one

<sup>18</sup> UAE Ministry of Energy and Infrastructure. (2021). Energy Strategy 2050.

<sup>19</sup> International Energy Agency. (2023). India Energy Outlook.

<sup>20</sup> Singh, A. (2022). Middle East Geopolitics and India's Energy Security. ORF.

<sup>21</sup> Sharma, V., & Reddy, M. (2022). India-UAE Clean Energy Partnership. TERI.

<sup>22</sup> Joshi, R. (2023). Asian Energy Diplomacy in the Gulf. Brookings India.

powered by innovation and renewable energy. Navigating global market instability, technology changes, and climate pledges is a challenge that both nations must overcome. However, their shared goal and unity pave the way for collaborative innovation, pooled funding, and sustainable development leadership. India and the UAE's collaboration is a testament to how bilateral cooperation can be a model for 21st-century global energy diplomacy that is forward-looking, flexible, and based on mutual benefit as they continue to build upon their complementary capabilities.

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