

**GJEPC**  
INDIA

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**INDIA UAE CEPA**  
**UNLOCKING SIGNIFICANT OPPORTUNITIES**  
**FOR INDIAN EXPORTERS**



# EXECUTIVE SUMMARY

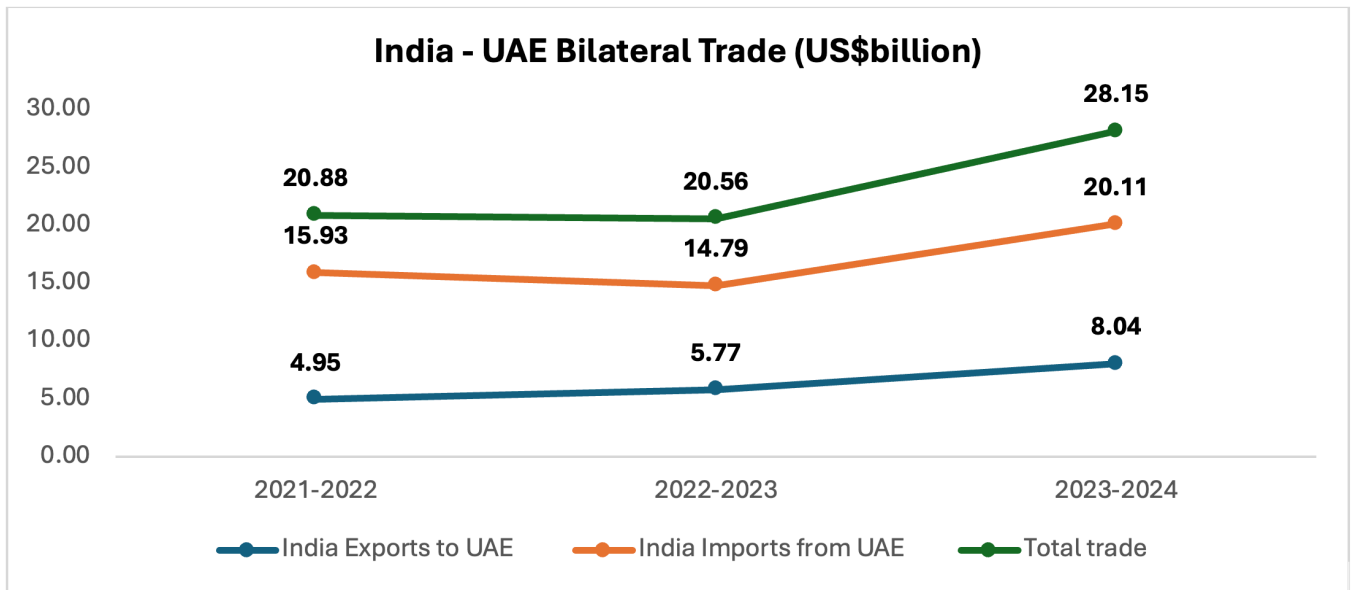
The India-UAE CEPA was formalized on February 18, 2022, and we commemorated the third anniversary of this trade agreement. On this significant occasion, we have evaluated the remarkable trade accomplishments attained by businesses from both nations. The CEPA has significantly enhanced the export opportunities for Indian jewellers and suppliers of metal products in the UAE. The trade between the two countries rose from US\$20.88 billion in FY2022 to US\$28.15 billion in FY2024 accounting a growth of around 35% during the said period. Exports of G&J products to UAE rose by more than 60% from US\$4.95 billion in FY2022 to US\$8.04 billion in FY2024. India imports of gem and jewellery also rose considerable from UAE from US\$15.93 billion to US\$20.11 billion during the said time period. The India-UAE CEPA has undeniably transformed trade dynamics, particularly for the gem and jewellery sector. However, to further enhance bilateral trade, GJEPC urges the strategic actions including - India should position itself as a manufacturing hub for UAE-based jewellers, while Indian retailers expand into Dubai; UAE investors should be encouraged to participate in Gem and Jewellery related infrastructure projects and recognising IJEX Dubai as a Designated Zone among others. With these measures, India-UAE bilateral trade can scale to US\$ 30 billion within five years, solidifying CEPA's

# 1. India-UAE (CEPA) Bilateral Trade Scenario

The signing of the Comprehensive Economic Partnership Agreement (CEPA) between India and the UAE represented a pivotal milestone in the economic partnership of the two countries. The India-UAE CEPA was formalized on February 18, 2022, and today we commemorate the third anniversary of this trade agreement. On this significant occasion, we have evaluated the remarkable trade accomplishments attained by businesses from both nations. The CEPA has significantly enhanced the export opportunities for Indian jewellers and suppliers of metal products in the UAE.

This is evident with the following facts:

1. There is a noteworthy rise in gem and jewellery bilateral trade between India and UAE post the signing of India-UAE CEPA. The trade between the two countries rose from US\$20.88 billion in FY2022 to US\$28.15 billion in FY2024 accounting a growth of around 35% during the said period.
2. India exports of gem and jewellery witnessed a continuous rise post signing the India-UAE CEPA. Exports of G&J products to UAE rose by more than 60% from US\$4.95 billion in FY2022 to US\$8.04 billion in FY2024.
3. India imports of gem and jewellery also rose considerable from USA from US\$15.93 billion to US\$20.11 billion during the said time period.



Source : GJEPC Research Division based on DGCIS Data

4. With this, UAE % share in India's exports rose from around 13% in FY2022 to around 25% in FY2024 and replaced hong Kong as the 2<sup>nd</sup> largest key export markets of India.

# Country-wise India's Gem & Jewellery Exports

Country	2021-2022	% Share	2022-2023	% Share	2023-2024	% Share
	US\$ Mill		US\$ Mill		US\$ Mill	
U S A	14,667.48	37.35	12,586.25	33.02	9,948.50	30.28
UAE	4,953.11	12.61	5,772.47	15.15	8,043.08	24.48
HONG KONG	9,379.20	23.88	8,736.38	22.92	6,727.40	20.48
BELGIUM	2,740.37	6.98	2,696.17	7.07	2,100.08	6.39
ISRAEL	1,474.12	3.75	1,279.76	3.36	792.17	2.41
Others	6054.17	15.41	7041.28	18.48	5241.68	15.96
<b>Total</b>	<b>39,268.45</b>	<b>100.00</b>	<b>38,112.31</b>	<b>100.00</b>	<b>32,852.91</b>	<b>100.00</b>

Source : GJEPC Research Division based on DGCIS

## 1.1 Exports of key G&J commodities to UAE witnessed a notable rise Post CEPA

The India-UAE Comprehensive Economic Partnership Agreement (CEPA) has facilitated duty-free access for exports of all gem and jewellery products from India, including gold, silver, and platinum jewellery, as well as polished diamonds (both natural and lab-grown) and polished precious and semi-precious stones. This development has motivated Indian exporters to increase their supply of various gem and jewellery items to the UAE, capitalizing on the enhanced market access provided by the agreement.

Consequently, India's exports to the UAE have experienced significant growth across all major gem and jewellery categories. In the fiscal year 2024, exports of Gold Jewellery, Worked Lab-Grown Diamonds, Worked Coloured Gemstones, and Platinum Jewellery surged by 102.21%, 58.16%, 17.19%, and 820.87%, respectively, amounting to US\$5622 million, US\$172.4 million, US\$9.34 million, and US\$23.39 million. This trend underscores the beneficial effects of the India-UAE CEPA agreement during the fiscal year 2024 (**Table No. 3**).

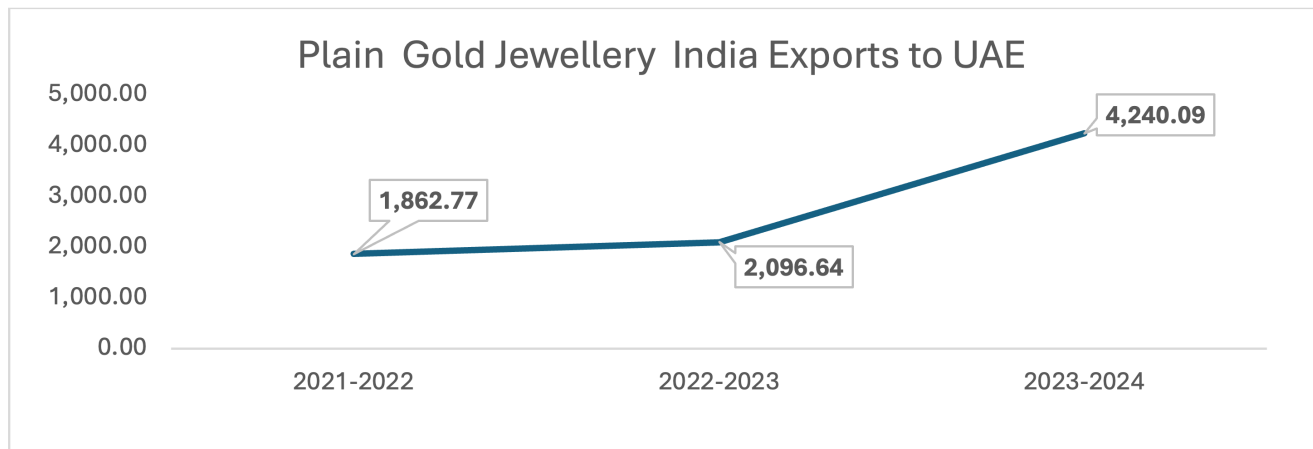
### India's G&J exports to UAE (FY 2022 and FY 2023) - Key commodities

Commodity Category	2021-22	2023-2024	% Growth
	US\$ Mill	US\$ Mill	
Cut & Polished Diamonds	1647.46	1,587.18	-3.66
Worked Lab Grown Diamonds	109.01	172.41	58.16
Plain Gold Jewellery	1862.77	4,240.09	127.62
Studded Gold Jewellery	917.48	1381.98	50.63
<b>Total Gold Jewellery</b>	<b>2780.25</b>	<b>5,622.07</b>	<b>102.21</b>
Silver Jewellery	11.55	8.65	-25.11
Coloured Gemstones, worked	7.97	9.34	17.19
Platinum Jewellery	2.54	23.39	820.87
Imitation Jewellery	14.54	6.07	-58.25
Others	379.79	613.97	61.66
<b>Total</b>	<b>4953.11</b>	<b>8043.08</b>	<b>62.38</b>

Source : GJEPC Research Division based on DGCIS

## 1.2 Plain gold jewellery exports to UAE rose manifold

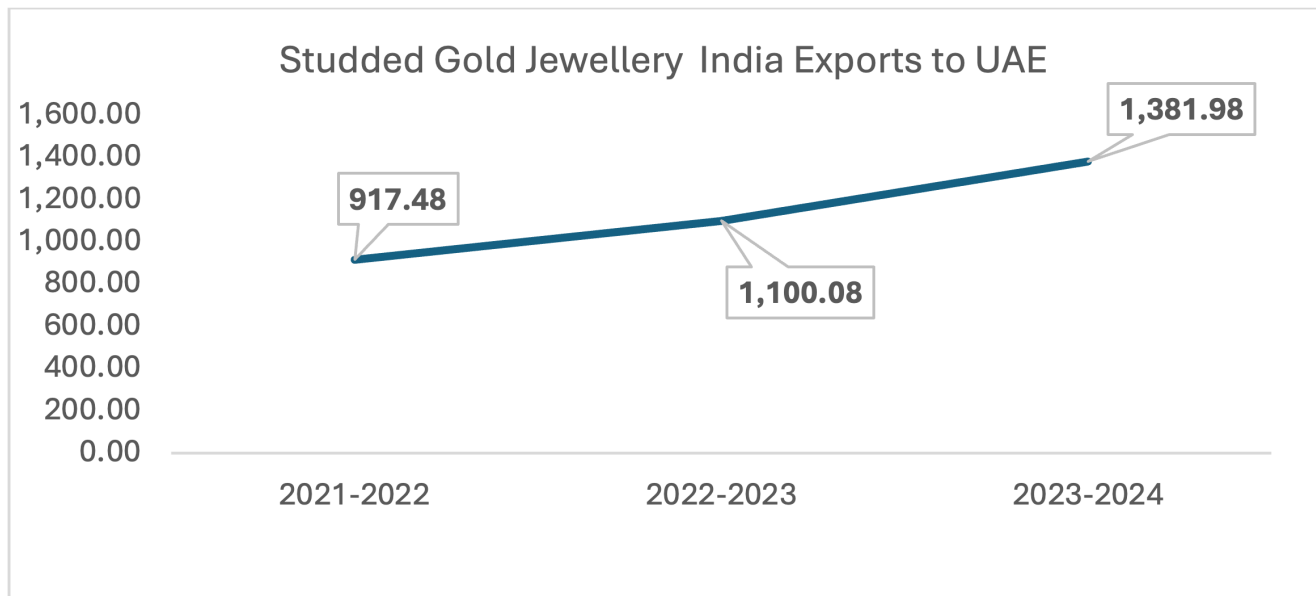
The export of plain gold jewellery to the UAE experienced a significant surge. Notably, there was an impressive increase of 127.62%, reaching a total of US\$4240.09 million in FY2024, in contrast to US\$1862.77 million recorded in FY2021-2022.



Source : GJEPC Research Division based on DGCIS

## 1.3 Export of studded gold jewellery to UAE: Rising Trends

The increasing trend in the export of studded gold jewellery has been significant, with figures escalating from US\$917.48 million in FY2022 to US\$1,382 million in FY2024, reflecting a growth rate exceeding 50% during this timeframe.

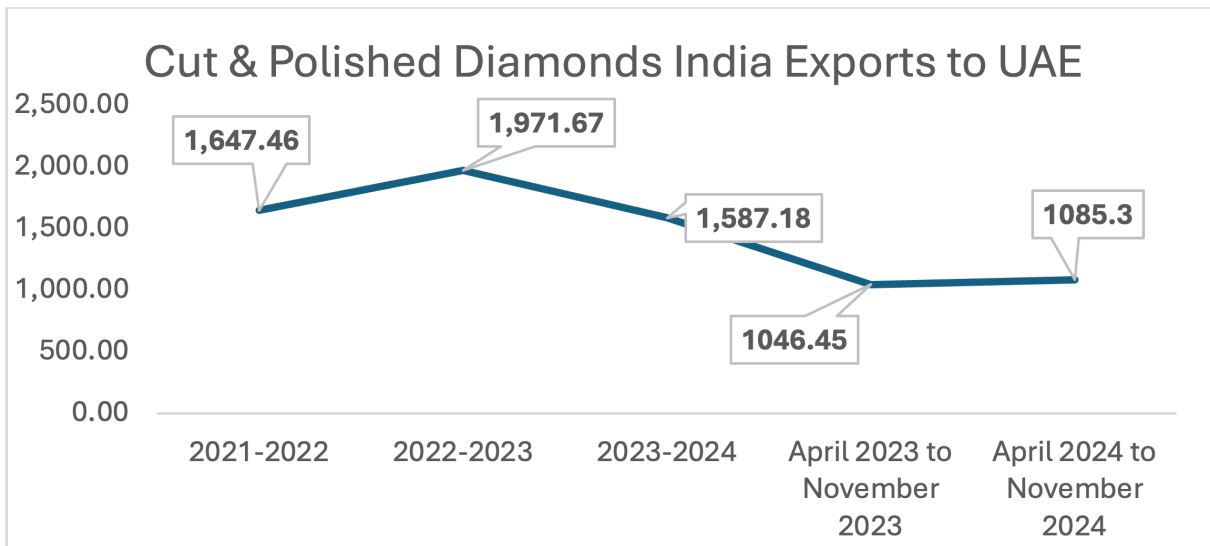


Source : GJEPC Research Division based on DGCIS

# 2. Diamonds exports witnessed a rise

Polished diamonds have emerged as a significant commodity that experienced an increase in the UAE, reflecting the favorable effects of the India-UAE Comprehensive Economic Partnership Agreement (CEPA). Previously, this commodity faced a 5% import tariff in the UAE; however, the removal of this duty has led to a substantial rise in exports, which surged from US\$1,647.46 million in FY2021-2022 to US\$1,971.67 million in FY2022-2023. Nevertheless, due to a decline in demand for natural diamonds, India’s polished diamond exports to the global market, including the UAE, decreased in the subsequent fiscal year, FY2023-2024. Recently, during the period from April to November 2024, despite this volatility, exports of natural diamonds experienced an increase of approximately 3.71%, reaching US\$1,085.3 million compared to the same period in 2023.

## India Exports of cut and polished diamonds to UAE - US\$ million

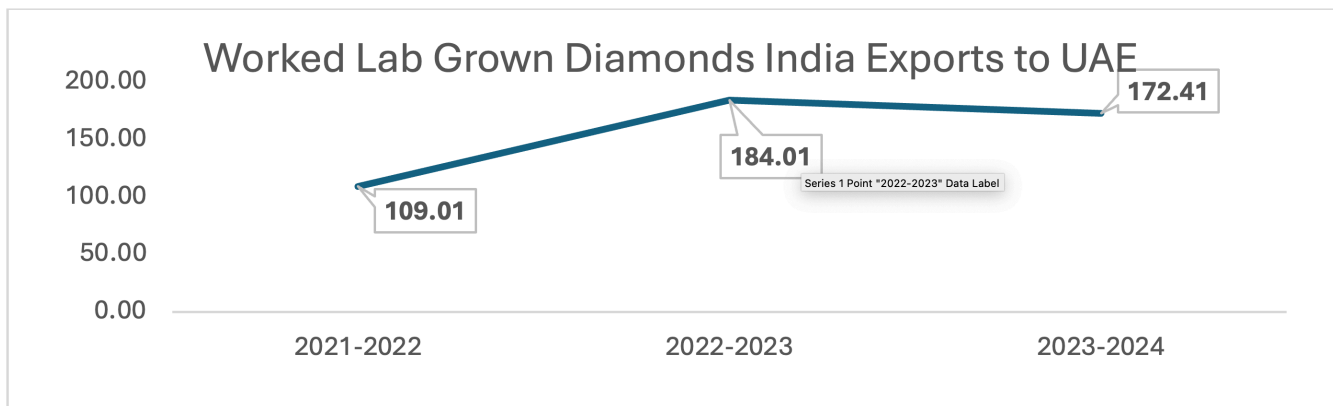


Source : GJEPC Research Division based on DGCIS

### 2.1 Export of lab grown diamonds to UAE: Rising Trends

Exports of lab grown diamonds also recorded a growth of 2.01% to US\$170.97 million in FY2024 from US\$167.60 million in FY2023

## India Exports of lab grown diamonds to UAE - US\$ million



Source : GJEPC Research Division based on DGCIS

## 2.2 Import of gold bar (HS Code-7108) from UAE: Rising Trends

India has experienced an upward trend in imports from the UAE, particularly in gold bars. In this context, India has implemented a preferential duty of 1% under the Tariff Rate Quota (TRQ) mechanism for gold imports originating from the UAE.

Going by the gold bar imports from UAE trends, India's imports of unwrought gold in terms of value and quantity have shown a significant rise in recent times.

### Import of Gold Bar (HS Code-7108) from UAE in value terms (US\$ bn)

Gold Bar Imports	Imports from World		% Growth	Imports from UAE		% Growth
	Qty in Tons	US\$ MN	US\$ MN	Qty in Tons	US\$ MN	US\$ MN
2020-2021	651.24	34603.93		70.58	4194.89	
2021-2022	879.01	46165.49	34.97	99.76	5839.46	41.34
2022-2023	678.3	35016.09	-22.83	52.81	3089.09	-47.06
2023-2024	795.25	45542.07	17.24	119.75	7647.17	126.76
April 23 - Nov 23	567.66	32,925.16		74.68	4,679.18	
April 24 - Nov 24	491.27	37,385.41	-13.46	122.62	9,979.93	64.19

Source: DGCI&S



# Strategic Implications for India's G&J Sector

The CEPA agreement has created a conducive environment for Indian jewellers to expand their footprint in the UAE, a key global jewellery hub. The removal of import duties has enhanced India's competitive edge, boosting long-term trade partnerships and ensuring continued growth in exports.

With UAE's rising importance as a key market, Indian exporters must leverage CEPA's benefits by further strengthening business collaborations and diversifying product offerings. The agreement's success underscores its potential as a model for future trade deals, fostering sustained economic growth for both nations.

## GJEPC Recommendations

The India-UAE CEPA has undeniably transformed trade dynamics, particularly for the gem and jewellery sector. However, to further enhance bilateral trade, GJEPC urges the following strategic actions:

**Manufacturing-Retail Integration:** India should position itself as a manufacturing hub for UAE-based jewellers, while Indian retailers expand into Dubai, replicating the successful Hong Kong-Mainland China model.

**Investment in Manufacturing:** UAE investors should be encouraged to participate in India's jewellery parks, mega CFCs, and infrastructure projects, fostering greater value addition.

**IJEX Dubai as a Designated Zone:** To streamline trade, recognising IJEX Dubai as a Designated Zone will allow smoother imports under CEPA for businesses not registered in the UAE.

**Ease of Doing Business:** Addressing consignment-based exports, exhibition shipments, and import clarity will further strengthen India's competitiveness.

With these measures, India-UAE bilateral trade can scale to US\$ 30 billion within five years, solidifying CEPA's role as a game-changer for the industry.

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