

A strategic partnership with the Gulf

Old ties, new impetus

SUMMARY

Enhanced and more focused cooperation between the European Union (EU) and member states of the Gulf Cooperation Council (GCC) has become a priority for the EU, with a view to jointly addressing a series of global and regional challenges. Building on strong ties established over decades of a close trading and investment relationship, the EU is now seeking to put relations on a more secure footing, with new impetus and a much broader scope.

A joint communication on a strategic partnership with the Gulf, released on 18 May 2022, sets out a path for the EU to develop a closer partnership with the six GCC member states in several priority areas. These include: trade and investment; climate change; energy security and the green transition; global health; global development and humanitarian needs; and peace and stability.

On 20 June 2022, the Council approved conclusions on a strategic partnership with the Gulf. Along with the joint communication, these provide an operational roadmap in the abovementioned priority areas. Some experts have expressed concern that the substance of EU-GCC relations may not be sufficient to realise the ambitious plans set out in the joint communication. Others point to the unfulfilled potential of EU-GCC relations and welcome this new impetus.

Parliament welcomed the joint communication. Members of the European Parliament (MEPs) have maintained regular contacts with Gulf partners, especially through the activities of the Committee on Foreign Affairs (AFET) and the dedicated delegation for relations with the Arab Peninsula, and through frequent visits to the region. However, MEPs have on several occasions condemned human rights violations in GCC member states, notably Qatar Saudi Arabia and the UAE.



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Introduction

On 18 May 2022, the European Commission and the High Representative of the Union for Foreign Affairs and Security Policy (HR/VP) published a [joint communication on a strategic partnership with the Gulf countries](#) (the joint communication). This communication addresses a series of key policy areas and presents several proposals for enhancing the EU's cooperation with the Gulf Cooperation Council (GCC) and its member states. It aims to provide an operational roadmap towards a strategic partnership in a wide range of key policy fields, such as climate change and green transition, energy security and a strong response to global humanitarian and development needs, and global and regional security challenges. The possibility of involving other 'key Gulf countries' in the partnership 'as relations develop and mature' is mentioned. On 20 June 2022, the Council approved [conclusions](#) on a strategic partnership with the Gulf region, endorsing the joint communication.

Gulf States are at the heart of a [new balance of power](#) currently taking shape in the Middle East and North Africa. With the US's attention and commitment to the region [declining](#), GCC members have sought to expand their role in the region and beyond, and have looked for new partners, [including China, India, Israel and Russia](#), but also the EU. The EU, which has engaged with the Gulf region for many decades in partnership with the US, needs to adapt to the emerging multipolar regional order. The strategic location of the Gulf and its vast energy resources have also attracted growing interest from China, which has included the [region](#) in its '[One belt, one road initiative](#)', as well as [India](#).

Russia's war of aggression against Ukraine has shown that the once staunchly pro-Western Arab countries of the Gulf feel free today to diversify their foreign policy and find new political partners. Over the past decade, GCC member states have strengthened their ties with [Russia](#), seen in particular as a country with some influence over Iran, and thus capable of curtailing Iran's activities in the region. While all GCC member states [voted in favour](#) of the United Nations General Assembly (UNGA) resolution of 2 March 2022 condemning Russia's attack on Ukraine, as well as the UNGA vote on 12 October 2022 demanding that Moscow reverse course on its attempted illegal annexation of Ukrainian territories, the UAE [abstained](#) from a vote at the UN Security Council on 25 February 2022 that would have condemned Russia for its invasion of Ukraine. Gulf States have also given [assurances](#) to Moscow that they will not join Western nations in imposing sanctions on Russia.

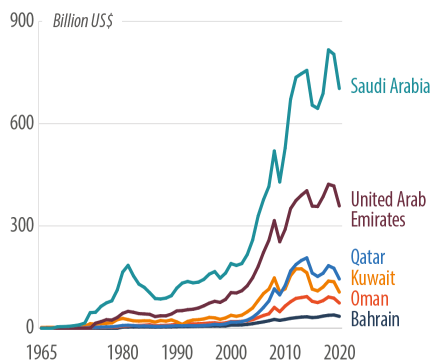
Moreover, for months after the invasion, and despite mounting US pressure, oil-producing GCC member states refused to [increase oil production](#) to regulate high prices, lower inflation and reduce Russia's leverage. [Leading politicians](#) in the US have started to call for a freeze of weapons sales and security cooperation with Saudi Arabia, a wholesale re-evaluation of the [US alliance with Saudi Arabia](#) and legislation to withdraw US troops from Saudi Arabia and the UAE.

The rationale behind the joint communication

The joint communication is the first strategic policy document covering EU-GCC relations. As such, it seeks to fill a major gap in the EU's foreign relations. More than 30 years ago, in 1989, the EU (or rather its predecessor, the European Economic Community) signed a [cooperation agreement](#) with the GCC countries, which created a first formal framework for relations. However, this document has become increasingly obsolete in light of the [spectacular economic growth](#) in most of the GCC countries and the emergence of new trading blocs such as China and India.

Over the past decade, the EU and GCC countries have frequently failed to find a joint perspective or adopt a common approach to emerging issues and crises, including the nuclear agreement with Iran, the wars in Syria, Yemen and Libya and, most recently, Russia's invasion of Ukraine. [Experts](#) go so far as to describe the relationship between the EU and the GCC countries as 'characterized by mistrust and misconceptions'. According to them, the Gulf perceives the EU's 'soft-power approach and value-loaded language' as 'naive and intrusive', while the EU considers the hard-power approach of Gulf States to foreign policy, and the limited recognition of fundamental rights and liberties, to be part of an 'outdated authoritarian political model'. So far, neither side has had

Figure 1 – Evolution of GDP (current US\$) in GCC member states since 1965



Source: [The World Bank](#), 2021.

'enough patience and leadership to bridge the divide'. In the meantime, individual Member States have managed their bilateral relations with GCC countries without the EU's involvement.

The joint communication provides the following reasons for the need to enhance relations with the Gulf States:

'The EU is a global actor that is taking the lead in addressing those challenges, from climate change to a human-centric approach to digitalisation that respects fundamental values. The Gulf is a dynamic neighbouring region and an important gateway between Europe, Asia and Africa. Its security, stability and prosperity bear direct consequences for the EU. For these reasons, both the European Union and the countries in the Gulf stand to gain from a stronger and strategic partnership building on an already long-standing relationship dating back to the 1989 Cooperation Agreement.'

The joint communication wants to see progress on economic cooperation and convergence, with the EU pledging to 'explore ways to deepen the economic partnership and to strengthen the existing EU-GCC Trade and Investment Dialogue to further facilitate regulatory cooperation; increase the protection of intellectual property rights including geographical indications; further strengthen the cooperation on customs and anti-fraud matters, including the fight against counterfeiting and smuggling; support renewable energy, energy and resource efficiency and digital trade; and promote sustainable and global supply chains'. As such, the joint communication proposes to continue – and, to the extent possible, deepen – sectoral dialogues with the GCC that are already taking place.

The joint communication also puts a lot of emphasis on security, highlighting that the 'wider Gulf region is volatile'. Plans to appoint a new [EU special representative for Gulf security](#) further point to a new emphasis on the security aspects of the relationship.

The Secretariat of the GCC [welcomed](#) the adoption of the joint communication, describing the Gulf countries as 'keen on the strategic partnership with the European side'. The statement welcoming the communication was critical of the delay in reaching an agreement on trade, attributing it to 'procrastination by the European side' (see below on EU-GCC commercial relations). The GCC declared itself ready to 'seize economic opportunities, capitalise on trade and investment cooperation, advance the tracks of free trade negotiations, and enhance coordination and partnership in facing challenges threatening global security and stability'.

The current state of EU-GCC institutional relations

The GCC, founded in 1981, is an intergovernmental [political and economic](#) alliance that brings together the six neighbouring countries of Bahrain, Kuwait, Oman, Qatar, Saudi Arabia and the UAE. [Security motives](#) were the main reason for the bloc's creation. Following the outbreak of the eight-year war between [Iran and Iraq](#) in the 1980s, the countries of the Arabian Peninsula were looking for [regional integration](#) with a view to addressing potential security threats. GCC member states had plans to create a customs union and a single currency. However, plans to form a Gulf Union that includes a common market and a common currency have not materialised so far.

The GCC [initiated](#) the relationship with the EU, seeking closer cooperation with its predecessor, the EC, and taking the European integration process as a model for economic integration and cooperation among member states. The first EC-GCC joint ministerial meeting took place in 1985 and was followed by several rounds of negotiations. These led to the signing of a Cooperation Agreement on 15 June 1988, which entered into force on 20 February 1989.

The Cooperation Agreement created a [Joint Council](#) and a Joint Cooperation Committee, establishing regular 'Senior Official Meetings' and 'Ministerial Meetings' between the EU and the GCC countries. A series of dialogues were also launched, focusing on more specific topics, including economic relations, climate change, energy, environment and research. A [trade and investment dialogue](#) was launched in 2017, and an [economic diversification dialogue](#) in 2018, to discuss direct assistance by the EU to GCC countries in their economic diversification strategies, based on the exchange of EU experience and expertise. The latter dialogue has been successful in identifying new business opportunities and areas of economic cooperation between the two regions.

An [enhanced EU-GCC political dialogue](#) was launched in [December 2020](#); the most recent meeting took place in October 2022. The most recent EU-GCC Joint Cooperation Committee took place in Riyadh on 3 February 2021, followed by an [EU-GCC Ministerial Joint Council meeting in Brussels](#) on 21 February 2022. At the [meeting in February](#), the two sides endorsed a joint cooperation programme for 2022-2027. This programme envisages enhanced relations in a wide range of areas, including political dialogue, regional security, counterterrorism, trade and investment, energy, climate change, education, health and cybersecurity, and to strengthen coordination in multilateral forums.

There are four EU Delegations accredited to the six GCC countries (in Saudi Arabia, which also covers Bahrain and Oman, in the UAE, in Kuwait, and in Qatar).

EU-GCC commercial relations

The 1989 Cooperation Agreement included a [commitment](#) from both sides to enter into negotiations on a Free Trade Agreement (FTA). Negotiations began in 1990, but it was only in 2003, with the creation of a [GCC customs union](#), that a region-to-region FTA would have been feasible. Expectations were high in 2007 and 2008 that an agreement would be reached, but the GCC unilaterally suspended [negotiations](#) in December 2008. According to [experts](#), reasons for the [failure of negotiations](#), for which both sides blamed the other, included allegations that Gulf States were subsidising sectors for import substitution, notably petrochemicals, and the EU's insistence on including human rights clauses in its trade agreement (see box).

In 2017, the two blocs launched an informal [EU-GCC dialogue on trade and investment](#) (the [fourth round](#) of talks took place in January 2022), through which the EU hoped to share experience and expertise to assist GCC countries with economic diversification. Some [analysts](#) believe the idea of restarting FTA talks, which emerged in 2020, was due to competition with the UK, which was getting ready to negotiate an FTA with the GCC countries. The GCC countries are in ['the midst of a \\$3.5trn energy bonanza'](#), and thus provide an attractive [export market](#) for goods and services from the UK, as well as EU Member States. For their part, the GCC countries are interested in Western technology and expertise as they diversify their economies after decades of relying on hydrocarbon revenues.

Contrary to what might have been expected, the joint communication does not mention a possible re-opening of FTA talks. However, it wants to see a strengthening of EU-GCC cooperation on trade and investment, through the existing EU-GCC trade and investment dialogue, with a view to 'exploring possibilities of reaching a common understanding on possible negotiations for a trade agreement'. However issues that have so far stood in the way of progress on a EU-GCC FTA are still unresolved. In line with established EU practice and policy, EU Member States can be expected to

Diplomatic setbacks

The public discourse of some EU institutions has at times alienated GCC countries, unwittingly undermining diplomatic efforts. As an example, the European Parliament's resolution of September 2021, which called on EU Member States to boycott the high-profile Dubai Expo on [human rights grounds](#), has resulted in a [tangible chilling](#) of the EU's diplomatic relations with the UAE, even hampering efforts to engage precisely on human rights and fundamental freedoms. At the same time, the resolution was fully in line with the EU's position on human rights. More recently, the UAE [summoned](#) the acting head of the EU mission to the UAE to explain [controversial comments](#) made by the HR/VP, Josep Borrell, describing them as 'inappropriate and discriminatory' and as contributing 'to a worsening climate of intolerance and discrimination worldwide'.

continue to vocally and strongly condemn human rights abuses, and to seek binding clauses on labour and human rights in any agreement.

In the joint communication, the EU also pledges to consolidate bilateral economic partnerships with each GCC country, complementary to the existing EU-GCC trade and investment partnership. The joint communication also highlights the importance of economic diversification, inviting the EU and its Member States to share 'best practices with the GCC countries on how to stimulate a conducive business environment for small and medium sized enterprises in sectors such as digitalisation, energy, the green economy and sustainable tourism, and on supporting the alignment of study curricula and developing and supporting an entrepreneurial culture'. All GCC countries have adopted strategic 'visions', including economic plans that aim to diversify their economies and help countries move away from heavy dependency on oil and gas revenues ([Bahrain Economic Vision 2030](#), [Kuwait Vision 2035](#), [Oman Vision 2040](#), [Saudi Arabia Vision 2030](#), [Qatar National Vision 2030](#), [United Arab Emirates Vision 2021](#)).

Economic diversification is the subject of a separate [EU-GCC Dialogue on Economic Diversification](#), launched in 2018. The overall objective of the dialogue is to use EU experience to help GCC member countries diversify their economies and to move away from dependence on the hydrocarbon sector.

The joint communication refers to the Commission's economic diversification project with the Gulf States as contributing to the aims of the communication and, in this context, announces that the EU intends to support the creation of an EU Chamber of Commerce in the GCC countries to enhance business cooperation. Other economic-related proposals in the joint communication include: (a) enhanced cooperation on transport issues, including regulatory aspects, safety, traffic management, interconnections and social and environmental standards; (b) strengthening cooperation on aviation and space issues; and (c) eased exchanges on youth employment and business creation.

Human rights in EU trade agreements

All of the EU's external action, trade policy included, should reflect its fundamental values – such as democracy, human rights and the rule of law – which are clearly enshrined in the Treaties. In line with this, the EU has taken steps to ensure that human rights obligations apply to its trade agreements, and that trade agreements promote respect for human rights more broadly. In this way, the EU uses its leverage as the world's biggest trading bloc to promote respect for human rights, together with its trade partners. Today, human rights feature prominently in most of the EU's agreements, commercial and non-commercial ones, with third countries. The main mechanism for incorporating human rights into the EU's bilateral agreements consists of an '[essential elements](#)' human rights clause that enables one party to take appropriate measures in case of serious breaches by the other party. The clause, which also covers democratic principles and often the rule of law, is more than just a legal mechanism enabling the unilateral suspension of trade commitments in times of crisis. It enshrines the parties' commitments to human rights and thus puts EU relations with third countries on a solid regulatory footing, opening the path to dialogue and cooperation on human rights issues.

Trade relations with the GCC countries

For statistics on the GCC's economic performance and EU-GCC trade, please consult the EPRS/Globalstat publication ['The Gulf region: Economic indicators and trade with EU'](#).

The economic performance of the Gulf monarchies has registered stunning results over the last three decades. Compared to the beginning of negotiations of an EU-GCC FTA in the 1990s, the size of all GCC economies increased manifold and they have gradually increased in developing competitive service and financial sectors in addition to their traditional hydrocarbon economic basis. Their interest as a destination market for the EU's goods and services has thus increased over the years.

In 2021, the six member countries of the GCC region together represented about 2.6 % of [EU trade](#) with all countries outside of the EU (€113.5 billion out of a total of ca. [€4 000 billion](#)); as such, for the

EU, the GCC countries do not represent a very significant trade partner. However, GCC countries have been an important source and destination of [investment](#) for EU Member States.

The EU is the second biggest trading partner of the GCC (after China, with 16.7 %), representing 10.9 % of the GCC's total trade with the world in 2021. The EU also ranked as the GCC's second import partner, after China (17.3 % of the GCC's imports came from the EU in 2021). In 2021, the EU was the fifth biggest export partner of the GCC (6.9 % of the GCC's exports went to the EU). Total EU-GCC trade in goods in 2021 amounted to €113.5 billion. GCC exports to the EU were worth €40 billion, led by fuel and mining products (€25 billion, 61.9 %) and chemicals (€6.1 billion, 15.3 %). The EU's exports totalled €73 billion, dominated by machinery and transport equipment (€26.3 billion, 36.1 %), chemicals (€12 billion, 16.5 %) and agriculture and raw materials (€8.3 billion, 11.5 %).

Commission to designate the UAE as a high-risk country for money laundering

The European Commission [indicated](#) on 24 October 2022 that it is planning to designate the UAE as a high-risk third country for money laundering. Since 2020, the [Commission](#) has met with the UAE authorities on four occasions in the context of a structured dialogue to encourage the country to remedy deficiencies in its anti-money laundering framework. In September 2022, the NGO [Transparency International](#) called on the Commission to act, after reports that several members of the Russian political elite, and businesspeople with close ties to the Kremlin, have taken advantage of the UAE's financial system to hide their wealth. The Financial Action Task Force (FATF) has described the UAE's extensive involvement in financial, economic, corporate and trading activities, and its involvement in oil, diamond and gold exports, as posing significant risks for money laundering. In March 2022, the FATF placed the UAE on its list of [jurisdictions under increased monitoring](#).

A partnership for green transition and sustainable energy security

All GCC countries are among the highest emitters of CO² per capita in the world; Saudi Arabia is among the [top 10 emitters of CO²](#). Moreover, CO² emissions continue to grow rapidly in almost all GCC countries (except Qatar). At the same time, the Gulf is one of the [regions](#) most exposed to climate change, with the real risk that higher temperatures will make parts of the Arabian Peninsula uninhabitable. According to [some estimates](#), even if the rest of the world were to heat up by 2 degrees, the Gulf region might see an increase of 4-5 degrees. The coastal regions of the Persian Gulf may also be at risk of flooding if sea levels rise further. Consequently, GCC countries take climate change very seriously (but are also ramping up [capital investment](#) in oil and gas and raising output).

At the same time, the GCC countries are endowed with some of the best solar and wind resources in the world, and thus have [considerable potential](#) to lead the transition towards sustainability and decarbonisation. Several GCC countries are [mapping out](#) agendas to launch a hydrogen economy, with Saudi Arabia, Oman and the UAE, in particular, planning to supply Europe and other regions of the world with the new fuel. Indeed, Saudi Arabia has announced [plans](#) to become the world's largest hydrogen producer. European companies are already involved in supplying the relevant technology and expertise to the region.

The EU is looking to the Gulf region as a producer and supplier of decarbonised energy, including renewable [hydrogen](#) and electricity. The EU is already working on a [Mediterranean Green Hydrogen Partnership](#), and is hoping to form green hydrogen partnerships with Gulf countries. In the joint communication, the EU puts forward a set of proposals that aim to enhance cooperation in the area of green transition and sustainable energy security, and this area is likely to emerge as a new central focus for EU-GCC relations.

An EU-GCC [clean energy technology network](#) has been in place for the last 10 years. New proposals include setting up a dedicated EU-GCC energy and climate expert group to intensify policy dialogue on the green transition at regional and bilateral level, and holding an annual EU-GCC ministerial meeting on the green transition, complemented by a related private sector initiatives (e.g. Green Business Forum), to identify further tangible joint initiatives. The EU would also like to set up a dedicated facility allowing expertise to be exchanged on the policy areas relating to the green

transition, the circular economy and sustainable growth models, to help operationalise EU-GCC cooperation on the green transition.

The EU is also hoping to encourage Gulf States to invest in climate adaptation and mitigation in the wider Middle East, as well as in Africa, including through the EU's [Global Gateway](#) initiative. Through the Global Gateway, the EU is proposing to invest up to €300 million in infrastructure development around the world, financed jointly by the EU and its Member States.

In the immediate future, however, the EU is counting on GCC countries to help replace Russian oil and gas, which is increasingly subject to [EU sanctions](#) (oil) or [Russia's cuts](#) in supplies (gas). [Experts](#) estimate that the share of Europe's imports in oil and gas from the Gulf countries could rise from under 10 % today to over 20 %.

A partnership for regional stability and global security

As a microcosm of conflicts playing out in the Middle East at large, the security environment in the [Persian – or Arab – Gulf](#) has been fragile for decades. Tensions between Saudi Arabia and Iran, the UAE and Iran, and the US and Iran have, on several occasions, pushed the Persian Gulf region to the brink of war in recent years. Saudi Arabia and Iran have been engaged in a dialogue since 2021; however, tensions remain.

For decades, the US has provided security in the region. However, in recent years the US has been reluctant to provide military support to its regional allies – Saudi Arabia and the UAE, in particular – as they came under attack from Iranian proxies. Some GCC countries have taken the lead to look for new security partners, including [Israel](#). GCC member states have also sought to improve [relations with Iran](#), in an effort to reduce tensions.

The joint communication notes that preserving peace, security and stability in the wider Gulf region is a key priority for the EU. The President of the European Commission, Ursula von der Leyen, repeated this message in her [speech](#) to the IISS Manama Dialogue, delivered on 18 November 2022. However, while the communication lists certain areas in which the EU would like to see closer cooperation with GCC countries on security, it does not propose a larger security concept for the region, or direct military assistance. The only EU Member State with a military presence in the GCC countries is France, which has a [permanent military base](#) in the UAE. In early 2022, France helped the Emirati air forces with aerial surveillance and in efforts to detect and intercept drone strikes or cruise missiles targeting the UAE.

The EU [is planning](#) to appoint a new EU special representative for Gulf security, supported by an annual EU-GCC political-military dialogue, consultations on multilateral issues, and sectoral ministerial meetings. In addition, the EU envisages a new cooperation mechanism on maritime security, as well as enhanced cooperation on counter-terrorism, countering violent extremism, and cyber security. In the fight against crime and terrorism, the EU has already established cooperation with one GCC member state: in 2016, Europol signed an [agreement](#) with the UAE on strategic cooperation in the fight against serious crime and terrorism.

The nuclear agreement with Iran

The EU's most important contribution to regional stability in the wider Gulf region has been [its role](#) in the negotiations that led to the [adoption](#) of the nuclear agreement with Iran, the Joint Comprehensive Plan of Action (JCPOA), and its role in efforts to save the agreement. Many experts believe that failure to revive the JCPOA might trigger a nuclear arms race in the Middle East. The joint communication notes that a return to the JCPOA by the US and resumption of the full implementation of all JCPOA commitments by the US and Iran could provide a platform for further efforts to reduce tensions and build confidence in the wider region.

However, prospects for the revival of the JCPOA have dimmed significantly following reports that Iran is supplying drones to Russia, which Russia has used in lethal attacks on civilians in Ukraine. UN Security Council Resolution 2231 (2015), which was adopted unanimously in 2015 to endorse the JCPOA, includes a [ban on activities](#) related to ballistic missiles, which is set to expire in October 2023. The [US, France and the UK](#) have argued that the export of Iranian 'kamikaze drones' to Russia could be in breach of Resolution 2231, which could potentially lead to the re-imposition of UN sanctions on Iran that were lifted under the JCPOA.

The EU is also proposing to collaborate with GCC member states on nuclear safety, by providing technical support, and on nuclear emergency preparedness and response. [Experts](#) consider it very important to create [nuclear safety standards](#) in the region, and the EU has been cooperating with third countries for years to secure the safety of [civilian nuclear programmes](#).

The UAE is the first Arab country to build a [nuclear power station](#), which became [operational](#) in 2020. Saudi Arabia has plans to establish a [civil nuclear power industry](#), and in February 2022 established the Nuclear Holding Company, which will act as the country's nuclear developer. The UAE has so far declined the EU's offer to cooperate on the safety of its Al-Baraka nuclear power plant. However, the European Commission has cooperated with the GCC Emergency Management Centre (GCC EMC), based in Kuwait, on preparedness for and response to a nuclear or radiological emergency.

As a concrete response to growing tensions in the Persian Gulf, in 2019 Belgium, Denmark, France, Germany, Greece, Italy, the Netherlands and Portugal decided to establish a [European Maritime Surveillance Mission in the Strait of Hormuz \(EMASoH\)](#) to maintain freedom of navigation in the area and reduce tension. The mission, which now also includes Norway, is ongoing; however, it is essentially limited to securing safe transit and freedom of navigation for merchant shipping and does not address the Arab Gulf countries' larger security concerns.

A global humanitarian and development partnership

During the past 20 years, Gulf countries have been among the [top donors internationally](#). According to the UN Office for the Coordination of Humanitarian Affairs (OCHA), Saudi Arabia ranked as the fourth largest humanitarian aid donor in 2018 and the ninth largest in 2020. The UAE was the third largest humanitarian donor relative to its Gross National Income (GNI) in 2016. In 2022, none of the GCC states featured among the [top 10 donors globally](#) funding humanitarian aid, although Saudi Arabia and the UAE both featured among the top 10 donors funding [humanitarian aid](#) for the Middle East and North Africa region. However, with contributions of US\$189 million and US\$113 million, respectively, their contributions were significantly lower than the funds made available by the US (US\$2.23 billion) and the EU (US\$680 million).

[Saudi Arabia](#) and the UAE have been the largest providers of humanitarian aid to Yemen. According to OCHA, Saudi Arabia provided 87 % of its humanitarian aid to Yemen in 2018, followed by 93 % in 2019 and 71 % in 2020. The UAE's humanitarian aid saw a similar trend, with 98 % allocated to Yemen in 2018 and 80 % in 2019. This increase in humanitarian aid to Yemen started in 2015, which also marked the start of [Saudi Arabia and the UAE's](#) involvement in the ongoing military conflict in Yemen. GCC donors – essentially Kuwait, Saudi Arabia, Qatar, UAE – have also provided considerable humanitarian assistance to other Arab countries such as Iraq, Lebanon, Jordan, Sudan and Egypt.

In addition, [Arab donors](#), led by Saudi Arabia and the UAE, have been providing substantial amounts of official development assistance (ODA) for decades. From 2013-2017, concessional development finance by the Arab countries and Arab institutions reporting to the Organisation for Economic Co-operation and Development (OECD) averaged US\$12.6 billion per year. The UAE and Saudi Arabia were among the most significant bilateral providers of development cooperation; in 2017, the UAE had the highest ODA/GNI ratio (1.03 %) of all the countries reporting to the OECD. For the last decade, Gulf donors have provided very large amounts of bilateral assistance to Arab countries affected by the 2011 uprisings known as the Arab Spring.

The joint communication acknowledges the important role played by the Gulf countries in the field of humanitarian aid and support for development. It also seeks to enhance cooperation and coordination with Gulf donors in this field.

The EU has put forward multiple proposals in this area. The EU suggests, in particular: (a) organising an EU-GCC ministerial meeting on humanitarian assistance in 2023; (b) exploring synergies in humanitarian logistics operations and opportunities for parallel funding of UN-led projects in crises of mutual interest; (c) stepping up policy dialogue and donor coordination with Gulf donors at

multilateral level, notably within the (OECD) [Arab-Development Assistance Committee](#) (DAC) dialogue on development; (d) other forms of coordination in the field of humanitarian assistance.

A partnership for people

This section of the joint communication seeks to facilitate closer relations between the peoples of Europe and the Gulf region, through visa facilitation, cooperation on education and vocational training, inter-cultural and inter-faith exchanges, and a dialogue on gender equality and women's empowerment. The EU would also like to engage further with the GCC countries on the thornier issues of human rights, the rule of law and good governance, and surveillance and data collection.

Visa facilitation

In the joint communication, the EU acknowledges the GCC countries' strong interest in being included in the EU's list of visa-free countries, and notes that it is also in the EU's interest to facilitate travel between the EU and the GCC countries. UAE citizens have enjoyed [visa-free travel to](#) the EU since 2014, and in April 2022 the Commission [proposed](#) to the Council and the [European Parliament](#) to extend visa-free travel to nationals of Kuwait and Qatar; the proposal is still under consideration.

The EU also continues to engage with the remaining Gulf countries that require visas (Bahrain, Saudi Arabia, Oman), with a view to ultimately achieving visa exemption with the EU for all GCC countries. The EU considers a variety of criteria when assessing whether to grant [visa exemptions](#) to citizens of a third country, including criteria relating to: irregular immigration; public policy and security; economic benefit, particularly in terms of tourism and foreign trade; and the EU's external relations with the relevant third country, with explicit reference to considerations of human rights and fundamental freedoms, as well as regional coherence and visa reciprocity.

Education and vocational training, political dialogue

The EU's flagship programme to support education, [Erasmus+](#), offers possibilities for partner institutions in the GCC countries to develop curricula such as teaching modules on EU-related matters, via the [Jean Monnet actions](#). Higher education institutions from the region are also able to join academic consortia with the EU and other international partners, to deliver integrated Master's degree programmes via the [Erasmus Mundus Joint Masters](#). In addition, the [International Credit Mobility](#), which facilitates short-term exchanges for academic students and staff, and the [Erasmus Mundus Design Measures](#), which offer the opportunity to co-design a joint Master's degree, are now also accessible to partner institutions in the Gulf region.

The 1988 EU-GCC Cooperation Agreement recognised science and technology as a priority sector for cooperation. A first INCONET project targeting the region – the [GCC-INCO-NET project](#) – began in 2010. Areas of cooperation included: establishing a bi-regional science, technology and innovation policy dialogue; transferring EU expertise regarding the funding and management of research programmes; and providing opportunities for GCC researchers to participate in the EU framework programme

In 2020, the EU launched an [enhanced EU-GCC political dialogue, cooperation and outreach project](#). Financed through the Foreign Policy Instrument (FPI) Partnership Instrument, the three-year project cooperates with government officials, business representatives, think tanks, academia, NGOs, media representatives and student and youth groups from the EU and the GCC, to strengthen the relationship between the EU and the GCC countries.

Gender equality

In recent years, [GCC countries](#) have devoted considerable attention to [increasing the percentage](#) of women in the workforce, part of an effort to nationalise the workforce and diminish reliance on expatriate labour. Saudi Arabia's Vision 2030 wants to see one million women integrated into the workforce by 2030; more than 51 000 Saudi women joined the labour market in 2020 alone.

Progress towards gender parity

Country	Ranking (out of 148 countries)
UAE	68th
Czech Republic	76th
Malta	85th
Hungary	88th
Romania	90th
Cyprus	93rd
Greece	100th
Saudi Arabia	127th
Kuwait	130th
Bahrain	131st
Qatar	137th
Oman	139th

Source: [Global Gender Gap Report 2022](#).

The [World Bank](#) has reported on the 'impressive progress' that some countries in the GCC have made in expanding opportunities for women. Saudi Arabia and the UAE have emerged as the region's leaders in this effort; along with Bahrain, they have introduced ground-breaking reforms that are allowing women to more fully participate in economic activities, as they also support equal treatment for women in their personal lives. Nevertheless, the World Economic Forum's [Global Gender Gap Report 2022](#), which benchmarks progress towards gender parity and compares countries' gender gaps across economic opportunities, education, health and political leadership, still ranks five GCC countries among the 20 worst countries in the world. A notable exception is the UAE, which is ranked 68th (ahead of the Czech Republic, Malta, Hungary, Romania, Cyprus and Greece).

In the joint communication, the EU notes its willingness to promote gender equality and women's empowerment, in close cooperation with governments, civil society, the private sector and other key stakeholders in the Gulf region.

Human rights, good governance and rule of law

The [Human Freedom Index](#) presents the state of human freedom in the world based on a broad measure that encompasses personal, civil, and economic freedom. It uses indicators that assess the rule of law, security and safety, movement, religion, association, assembly and civil society, expression and information, relationships, legal systems and property rights, among other things. In 2019, out of 165 countries, Kuwait ranked 121st, Qatar 128th, the UAE 131st, Oman 133rd, Bahrain 143rd, and Saudi Arabia 155th, putting all GCC countries in the lowest quarter.

In the joint communication, the EU pledges 'to strengthen respect for the rule of law and good governance, in order to support transparency, accountability and trust in the institutions', and declares itself ready to offer models of inclusive dialogue with civil society and social partners. The EU also intends to continue to push GCC countries 'to live up to their international commitments on human rights, including to ratify relevant UN human right treaties, actively support the work of the UN Human Rights

Office and the UN Special Procedures, fully cooperate with UN human rights mechanisms and ratify and implement International Labour Organization conventions and recommendations'.

Existing EU-GCC human rights dialogue

The EU has engaged in a bilateral [dialogue on human rights](#) with all GCC countries. The UAE is the first country in the Gulf region with which the EU set up a comprehensive dialogue on human rights; the ninth round of this [EU-UAE human rights dialogue](#) took place in June 2021. The fourth round of the [EU-Qatari](#) human rights dialogue took place in September 2022. A first human rights dialogue with Saudi Arabia was held in September 2021, followed by the first [EU-Bahrain](#) human rights dialogue in July 2022, and the first EU-Oman human rights dialogue in September 2022. The EU conducts an [informal human rights dialogue](#) with Kuwait; the second round took place in March 2021.

[Human Rights Watch](#), a leading human rights NGO, has called on the EU to link progress in bilateral relations to specific human rights benchmarks, particularly regarding freedom of expression, freedom of association, human rights defenders, women's rights, children's rights, labour rights, arbitrary detention and torture. HRW notes that: throughout the region, human rights defenders, activists and perceived critics continue to suffer severe state repression; Saudi and UAE-coalition airstrikes in Yemen continue; the death penalty remains a major concern; migrant workers face endemic abuse and exploitation; and that women's rights continue to be seriously undermined.

A stronger institutional partnership

In this chapter, the EU proposes several initiatives to improve institutional relations with the GCC. Ahead of a possible EU-GCC Summit, the EU pledges to increase the visibility and efficiency of EU action by opening a Delegation in Qatar in 2022, exploring the possibility of opening a Delegation in Oman, and nominating an EU Ambassador to the GCC, mirroring the GCC representation to the EU. The joint communication also envisages the establishment of an annual EU-GCC political dialogue, to discuss geopolitical developments that affect the two regions as well as political aspects of cooperation, advocacy and conflict resolution. The EU is also planning to explore the possibility of negotiating bilateral partnership agreements with the six GCC member states and setting up institutional and organisational exchanges with the GCC General Secretariat. However, it is not clear how the EU will simultaneously pursue bilateral partnership agreements and enhance relations with the GCC at regional level. The GCC is a less cohesive and less powerful organisation than the EU, and the two organisations are not comparable. The process of integration of Gulf countries has been slow and uneven, which [experts](#) attribute to several reasons. GCC countries have traditionally had very similar economies, with little incentive for trade, which has limited integration among them. Moreover, the bloc's political unity has suffered from 'old rivalries and a degree of competition among the ruling families, or the smaller states' fear that any form of Gulf integration would mean sacrificing their sovereignty to Saudi Arabia's pre-eminence'.

In light of the above, and as shown by the [four-year rift](#) in GCC relations over political [disagreements with Qatar](#), intra-Gulf integration is likely to remain sub-optimal and exposed to the vagaries of an unstable regional context. This could hamper efforts to secure further and deeper coordination with the GCC. However, EU Member States have often developed an independent foreign policy towards the Gulf region, retaining as much freedom of manoeuvre as possible in terms of their bilateral relations with the GCC countries. This is the case, for example, for [France](#) and [Germany](#) (and for the UK prior to its withdrawal from the EU), each of which has tried to cultivate a [privileged](#) relationship with individual GCC countries. Some [experts](#) have argued that there is a 'mismatch between the EU Member States' bilateral foreign policies towards the Gulf and the multilateral EU-GCC cooperation framework'. This has, on occasion, 'left the EU institutions in the uneasy position to advocate for the application of conditionality in EU-GCC relations, while the EU Member States have continued to pursue their interests, sometimes even going against the EU's policies'.

The UK's quest for deeper relations with the Gulf

In [June 2022](#), the UK announced the launch of negotiation for a Free Trade Agreement with the GCC. A UK-GCC [Joint Trade and Investment Review](#), concluded in June 2021, identified worthwhile opportunities in professional and financial services, agriculture, food and drink, healthcare, life sciences and education, as well as renewable energy and green technologies. According to media reports, the UK has seemingly [dropped](#) an EU principle of including [human rights clauses](#) in trade deals, theoretically making London [more flexible](#) than Brussels in [downgrading human rights concerns](#) in discussions with the GCC (in practice, this may cause problems internally, given strong [anti-Saudi sentiments](#) in Britain; half the British public think the UK should only trade with countries that have a good human rights record, even if it harms the economy).

The UK also has an advantage in discussions on security. [Military cooperation](#) between the UK and the GCC has increased since the Brexit referendum in 2016. The UK has opened a new naval base in Bahrain, has conducted joint military exercises with Oman and, [by some estimates](#), has sold over £20 billion worth of [military equipment](#) to Saudi Arabia since 2015. UK-GCC [trade](#) amounts to less than a third of EU-GCC trade ([€33 billion](#) compared to nearly €114 billion in 2021). However, analysts believe that the UK is of particular interest to the GCC because of the extensive people-to-people exchanges, citing GCC elites' investment in the [London property market](#) and their attendance of UK universities. GCC [foreign direct investment](#) (FDI) in the UK reached £15.7bn in 2020, and UK FDI in the GCC totalled £13.4bn in the same year.

The European Parliament

On 23 November 2022, Parliament adopted a resolution on promoting regional stability and security in the broader Middle East region, in which it welcomed the joint communication for putting inter-regional relations between the EU and the Gulf on a new footing. However, Parliament also called

for a closer partnership with Gulf countries to be linked to clear human rights benchmarks for progress, including on accountability for war crimes in Yemen, women's rights, freedom of expression and association, the release of human rights defenders, a moratorium on the death penalty, and the rights of migrant workers. Parliament has also adopted resolutions on three individual GCC member states, Qatar, Saudi Arabia and the UAE. On 24 November 2022, Parliament adopted a [resolution](#) on the situation of human rights in the context of the FIFA World Cup in Qatar. In its September 2020 [resolution](#) on arms exports, Parliament noted that, in 2019, the EU-28 (including, at the time, the UK) were the second largest arms exporter to Saudi Arabia and the UAE, disregarding the [EU's own rules](#) against arms exports to parties to an armed conflict (the war in Yemen) accused of acting in violation of international law. In October 2020, Parliament adopted a [resolution](#) on the situation of Ethiopian migrants in detention centres in Saudi Arabia, strongly condemning their ill-treatment and the violation of their human rights. Parliament's [resolution](#) of July 2021 on the death penalty in Saudi Arabia condemned the country's ongoing execution of child offenders. In September 2021, Parliament adopted a [resolution](#) on the case of human rights defender Ahmed Mansoor in the UAE, strongly condemning his detention. In a [resolution](#) on human rights violations by private military and security companies, notably the Wagner Group, adopted in November 2021, Parliament called on the UAE to immediately stop sending mercenaries to Libya and to withdraw those currently in the country. In its previous term, Parliament awarded the [Sakharov Prize for Freedom of Thought](#) to Raif Badawi, a blogger from Saudi Arabia who served a ten-year prison sentence for insulting Islam.

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