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Abstract of the Discussion paper
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The relations between the European Union (EU) and the countries of the Gulf Cooperation Council (GCC) hold great potential. The importance of the Gulf region as a supplier of energy, as an international investor, and as a market for Europe is immense. The EU and its Member States offer the Arab Gulf States an excellent opportunity to diversify their external relations, and the European integration project might also offer interesting ideas for the regional integration efforts within the GCC.

Moreover, Europe and the Arab Gulf States play important parts within the global economy, and their responsibility and influence within the institutional frameworks is growing. Both regions are well integrated into the global economy and their national wealth depends on functioning global markets. They share an interest in overcoming the economic and financial turmoil and establishing an international economic and financial order that is attuned to the challenges of globalization and based on principles like transparency, responsibility, and sustainability.

Also on the three most pressing regional challenges, the Israeli-Arab conflict, Iran, and Iraq, the EU and the GCC share a lot of common interests. One of the most important issues now is to commonly support and strengthen the US administration of president Barack Obama in its new comprehensive and inclusive approach to the region. Concerning Iraq, Europe and the Arab Gulf States possess the resources to help the country overcome the legacy of Saddam Hussein and the US invasion and to contribute to the consolidation and regional re-integration of the new Iraq. With regards to Iran's unclear foreign and security policy agenda, the EU and the GCC States should support efforts to include the country into a sub-regional system for cooperation and security. At another difficult juncture of the Israeli-Arab conflict, the EU, the GCC, and the new US administration should revive the Arab Peace Initiative as it provides for the time being the most hopeful approach to resolve this conglomerate of conflicts and implement the two-state solution in Israel and Palestine.

In the past, both regions acknowledged their respective international standing, however, the inter-regional relations were by and large occupied with the negotiations over the Free Trade Agreement (FTA) and related issues. Crucial as the FTA is, the relationship between the EU and the GCC States holds the potential to go far beyond trade and to become a strategic partnership that contributes to addressing

the great challenges of today. In order to achieve this, the EU and the GCC should reflect on ways to strengthen and expand their shared political framework. This might include an upgrade of the yearly EU-GCC Joint Council and Ministerial Meetings, as well as the resumption of the EU-GCC economic dialogue or the establishment of additional forums if deemed appropriate by both sides. This would help the EU and the GCC to engage in a constant exchange of perspectives on the various issues of common concern and to deliberate on ways to address these issues, as well as discuss ways to include third parties like the US or other important international actors in their efforts. It would also provide an added value to the well-established and valued bilateral relations between the European and the Arab Gulf States.

Moreover, the EU and the GCC already identified various issues on which they seek to intensify cooperation. Of particular importance are subjects like energy, environment, health care, education, and culture. Many of these topics hold complementary interest for both the EU and the GCC, so that cooperation would create synergies and yield mutually benefiting results. Furthermore, the practical implementation of projects in these areas would encourage the establishment of a decentralized infrastructure of cooperation and create a societal fabric that could substantiate and enhance the political and economic relations between the EU and the GCC.