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# EU-GCC Dialogue on Economic Diversification II



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# Message from the Team Leader



***Team Leader***
***Dr. Rade Glomazić***

Dear readers,

thank you for joining us for this edition of the newsletter.

In a period marked by geopolitical uncertainty, rapid technological change and growing pressure on global security and economic systems, the need for trusted partnerships has never been clearer. The EU-GCC Dialogue on Economic Diversification II continues to contribute to this effort by creating practical platforms for dialogue, cooperation and long-term engagement between the European Union and the Gulf region.

The recent EU Defence Technology Forum in Abu Dhabi was an important example of this approach. It brought together senior institutional representatives, policymakers, defence industry leaders and technology companies from Europe, the UAE and the wider GCC to discuss how both regions can work more closely in areas such as advanced defence technologies, industrial cooperation, innovation, localisation, resilience and critical infrastructure protection.

The Forum demonstrated that EU-GCC cooperation is increasingly relevant not only for trade and investment, but also for strategic resilience, technological readiness and shared security interests. Discussions showed a strong alignment between European capabilities and Gulf priorities, especially in areas such as AI, cybersecurity, autonomous systems, radar technologies, supply chain resilience and industrial partnerships.

For our project, this confirms the importance of remaining active, flexible and responsive in these turbulent times. Our role is to support meaningful exchanges, connect institutions and businesses, and help turn common priorities into concrete cooperation. Whether through defence technology, food security, digitalisation, energy, customs, public procurement or business engagement, we will continue to provide platforms that strengthen the EU-GCC partnership in practical and forward-looking ways.

I would like to thank all partners, speakers, companies and institutions that contributed to the success of the recent activities. Their engagement shows that, even in uncertain times, cooperation remains one of the strongest tools we have to build resilience, trust and shared prosperity.

Warm regards,

Rade Glomazić

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# Main outputs and country focus

## EU Defence Technology Forum in Abu Dhabi Marks a Strong Step Forward in EU–GCC Strategic Cooperation

Abu Dhabi, 7 May 2026 - The EU Defence Technology Forum, held at the Four Seasons Hotel Abu Dhabi, brought together senior institutional, policy, military and industry stakeholders from the European Union, the United Arab Emirates and the wider GCC region for a focused and timely dialogue on the future of defence technology cooperation. Organised under the EU–GCC Dialogue on Economic Diversification II, with DAI and the German Emirati Joint Council for Industry and Commerce, and supported by the Delegation of the European Union to the United Arab Emirates, the Forum stood out as a high-level platform for strategic exchange, industrial partnership and practical cooperation.

The event came at a moment when defence, security and advanced technologies are becoming increasingly central to international cooperation. The official EEAS press release described the Forum as a platform that brought together senior institutional, industry and policy stakeholders from the EU, the UAE and GCC countries, with the aim of deepening cooperation and exploring new avenues for joint innovation, industrial collaboration and knowledge exchange.
With around 150 participants, the Forum successfully created a concentrated space for serious discussion between decision-makers, defence authorities, European companies and Gulf partners. Its strength was not only in the quality of attendance but also in the clarity of purpose, which was to move EU–GCC defence cooperation beyond dialogue and towards more structured industrial and technological partnership.

The opening session set a strong tone. H.E. Lucie Berger, EU Ambassador to the UAE, underlined that recent geopolitical developments have brought Europe and the Gulf closer together as partners and created a need to explore new forms of cooperation in the defence sector. In his video message, H.E. Andrius Kubilius, European Commissioner for Defence and Space, stressed that dangerous times require reliable partnerships and that the EU and UAE defence industries have a strong basis on which to build.
The first panel, focused on the shifting geopolitical landscape, placed the discussion firmly within today's security realities. Speakers addressed the impact of the war in Ukraine, the need for greater preparedness and the growing role of drones, artificial intelligence, cyber capabilities, electronic warfare and sovereign technologies.
H.E. Dr. Oleksandr Balanutsa, Ukrainian Ambassador to the UAE and former Deputy Minister of Defence, brought an important operational perspective, stressing Ukraine's ability to innovate rapidly under pressure and its willingness to share experience with international partners. In addition, Tim Vallings, VP of Strategic Accounts for ICEYE, brought the industry perspective, focusing on sovereign technologies, localisation, and dual-use innovations.
This gave the Forum particular relevance. It was not a theoretical discussion on future defence trends, but rather a practical exchange shaped by current geopolitical realities and by lessons tested in real conflict conditions. Public posts following the event also highlighted Ukraine's transformation into a country able to offer modern, battle-tested solutions to partners, including in cooperation with EU countries and Gulf states.

The fireside chat added an important industrial perspective. Julien Fabreguette from EDGE Group and Pavol Čahoj, President of the Slovak Association of Defence Industry discussed how defence companies are adapting to new battlefield demands, shorter development cycles and stronger localisation requirements. The exchange highlighted that successful defence partnerships are increasingly built around co-investment, technology transfer, shared intellectual property, local production and long-term capability development.
The second major panel, on the future of defence technology, innovation and industrial partnerships, was one of the Forum's strongest elements. It brought together leading European and regional industry voices, including Manuel Pascua from INDRA Group, Markus Staudt from Quantum Systems, Matthieu Clermont Safran Electronics and Defense, Helene Bittmann from SAAB UAE, Riccardo Bonalumi MAESTRAL and Hlačík Zdeněk from Aero Vodochody. Their interventions showed a clear convergence around localisation, interoperability, agile innovation, supply-chain resilience and the need for more integrated EU–GCC industrial ecosystems.

A particularly positive outcome was the strong alignment between European capabilities and Gulf priorities. Europe brings advanced technologies, industrial experience, R&D capacity and operational lessons. The UAE and GCC countries bring investment capacity, modern infrastructure, ambitious localisation strategies and a strong appetite for advanced technology partnerships. Together, these strengths create a promising basis for cooperation in areas such as AI, cyber security, autonomous systems, radar technologies, critical infrastructure protection, advanced defence systems and industrial resilience.

The Forum also showed that EU–GCC cooperation in defence technology is becoming part of a wider strategic relationship. The EU–GCC Dialogue on Economic Diversification II newsletter, had already identified the Forum as a key upcoming platform to bring together EU institutions, European defence and technology companies and GCC stakeholders, with the aim of showcasing advanced capabilities, strengthening industrial partnerships and deepening institutional links in the defence and security space.

What made the Abu Dhabi Forum particularly successful was its balance between policy and business. It combined high-level diplomatic messages with direct industry engagement. It connected strategic priorities with practical cooperation opportunities. It also gave European companies a coordinated platform to increase visibility in the Gulf at a time when the region is investing heavily in defence, security and advanced technologies.
The event should therefore be seen as more than a one-day conference. It marked a meaningful step in positioning the European Union as a serious, reliable and innovative partner for the Gulf in defence technology. It also confirmed that the EU–GCC Dialogue on Economic Diversification can successfully support cooperation in complex and strategically important sectors, bringing together the right institutions, companies and decision-makers around a shared agenda.

Overall, the EU Defence Technology Forum in Abu Dhabi was a strong success. It demonstrated that Europe and the Gulf increasingly see each other as long-term strategic partners in defence innovation, industrial cooperation and technological resilience. At a time of rapid geopolitical change, the Forum provided exactly the kind of platform needed: focused, high-level, practical and forward-looking.

## EU Business Forum in the UAE

Our monthly April EUBF meeting took place on the 8th of April.
The format and agenda of this meeting were specifically tailored to gather input from participants and initiate a discussion on how their members are navigating the current regional conflict and the short- and medium-term impacts it could have on their trade relations with the UAE.

We also announced the launch of the Food and Beverages task force for early May and the Energy task force for June. These two sectors are priorities for EU Business Forum members. We intentionally left the third topic open so that it can be adapted to developments in the Gulf region, which may alter members' priorities.

## EU participation to the Quantum and New Technologies Summit

The Quantum Innovation Summit (QIS) is a leading international platform bringing together governments, academia, industry leaders, investors, and technology providers to advance emerging technologies and future infrastructure systems. The 3rd edition will take place from 28 to 30 September 2026 in Dubai.

We are organising the European Union's participation in the summit, which will include keynote speeches and a panel discussion. The aim is to share the EU's vision, excellence, and ambitious agenda in the field of quantum technology. The event will also provide an opportunity to present the results achieved and potential collaborations with Gulf countries.

Several preparatory meetings were held with the organisers and participants in April 2026 to make progress on the participation of the EU to the event.

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**Main outputs and country focus**

# Dual - Use Technology - Economic Security and Strategic Resilience



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In the context of current geopolitical developments in the GCC, Europe's evolving dual-use policy and innovation landscape is increasingly relevant to the EU-GCC cooperation on enhancing critical infrastructure resilience and strengthening economic security.

The war in Ukraine has fundamentally reshaped the strategic importance of dual-use technologies across Europe and beyond. As noted by the Center for Strategic and International Studies, Ukraine has increasingly leveraged commercial technologies to offset Russia's conventional military advantage, enabling rapid deployment of scalable, cost-effective systems and a shift away from reliance on traditional state-owned prime contractors toward a more integrated dual-use innovation ecosystem.

This transformation has accelerated a broader European shift from regulatory governance toward strategic economic security. In recent years, with a marked acceleration following the war in Ukraine, the European Union has increasingly linked industrial policy, technology investment and defence resilience under the concepts of strategic autonomy and technological sovereignty. New EU initiatives in semiconductors, AI, quantum technologies, cybersecurity and advanced manufacturing reflect growing concern over supply-chain vulnerabilities and dependence on external suppliers. Dual-use technologies are now viewed not only as economic assets, but also as instruments of geopolitical resilience and crisis preparedness.

The Baltic states provide relevant examples of this transition. Estonia, Latvia and Lithuania have emerged as agile innovation hubs combining digital governance, cybersecurity, defence cooperation and startup ecosystems. Estonia's cyber resilience architecture, anchored in NATO's Cooperative Cyber Defence Centre of Excellence in Tallinn, Lithuania's rapidly expanding drone and electro-optical (laser) defence industries and Latvia's advanced logistics and telecom-enabled maritime infrastructure illustrate integrating civilian innovation into broader national security strategies.

Increasing cooperation between Baltic and Ukrainian defence-tech ecosystems, particularly in drones, AI-enabled systems and dual-use manufacturing, illustrates the gradual emergence of a regional innovation network shaped by military conflict experience and shared exposure to evolving security threats.
Europe's post-Ukraine experience demonstrates that resilience depends not only on military capability, but also on the ability to rapidly activate civilian innovation ecosystems during crises. Ports, LNG facilities, desalination plants, subsea cables and digital networks are strategic assets requiring integrated technological protection.

The GCC states are advancing dual-use approaches aligned with their economic diversification goals and security priorities. In Bahrain, these efforts are particularly visible in the modernization of financial infrastructure, digital public services and cybersecurity. Kuwait is placing emphasis on ports, logistics systems and food security, while Oman's approach reflects its strategic geographic position, focusing on maritime security, port development, logistics corridors and regional connectivity. In Qatar, efforts are centered on strengthening port infrastructure and enhancing digital resilience. Saudi Arabia's approach is closely linked to Vision 2030 goals, with emphasis on critical infrastructure protection, cybersecurity, industrial localization and the development of advanced technologies. The UAE is a particularly advanced innovation environment in this regard, with strong capabilities in artificial intelligence and cybersecurity and a high degree of integration of dual-use technologies into critical infrastructure across key sectors such as ports, aviation and energy.

The developments outlined above point to a broader convergence of technology, security and economic policy. This was reflected in the recent EU-GCC Defence Technologies Forum, which highlighted the growing role of dual-use innovation, cybersecurity, AI-enabled systems and critical infrastructure protection as areas of practical cooperation between European and Gulf partners.

Deeper EU–GCC engagement on dual-use technologies could further strengthen economic security and improve the protection of critical infrastructure in both regions, while contributing to more resilient and diversified pathways for technological development and industrial cooperation.





## Implemented and Planned Activities

The project continues to deliver its activities designed to foster economic integration and diversification. In May 2026 the project succesfully organised the EU Defence Technology Forum in Abu Dhabi (7 May 2026) as well as focused on the organisation of several events in the region including EU-DCO Cybersecurity, Infrastructure and Economic Resilience – Breakfast Dialogue event organised with Digital Cooperation Organization – DCO in Riyadh, Saudi Arabia (9 June 2026), which will be held in Radisson Blu Riyadh Diplomatic, Riyadh.

The Defence Forum was honoured to include the participation of H.E. Lucie Berger, EU Ambassador to the UAE, H.E. Andrius Kubilius, European Commissioner for Defence and Space, through a video message, and H.E. Dr. Oleksandr B., Ukrainian Ambassador to the UAE and former Deputy Minister of Defence. The discussion during the Forum focused on the shifting geopolitical landscape, new policy approaches in the defence sector, industry perspectives, and the role of technology, innovation, and industrial partnerships in strengthening future cooperation.

Significant technical assistance continues to be extended to EU Chambers of Commerce and the Enterprise Europe Network (EEN) in Bahrain, Saudi Arabia, Kuwait, and the UAE. This support includes strategic business planning, legal advisory, and the development of concept notes for new institutional initiatives, such as the establishment of the EU Business Forum in the UAE.

For the period ahead, the project is preparing for a series of planned activities including the Cybersecurity and Artificial Intelligence Workshop (KSA, June 9th 2026), the launch of the Bahrain Chamber of Commerce (June 2026) and EU Business Breakfast on Food Security in Kuwait as well as the upcoming EU-GCC Business Forum towards the end of the year. These initiatives are designed to facilitate the exchange of best practices and align regulatory standards with international benchmarks as well as enhance bilateral business opportunities for both EU and GCC actors.





## Planned activities and events

## EU-Oman Aviation Dialogue

🗓️ TBD

📍 Oman

## KSA Digital Cybersecurity and Infrastructure Resilience Dialogue (Breakfast Meeting)

🗓️ 7th June 2026

📍 KSA

## 10th Business Forum

🗓️ 2026

## Official launch Event of the Chamber of Commerce

🗓️ June 2026

📍 Bahrain

## Customs Dialogue

🗓️ TBD

📍 Qatar

## EU-Oman Study visit

🗓️ TBD

📍 Oman

## Cybersecurity and Artificial Intelligence Workshop

🗓️ May 2026

📍 KSA

## Fintech & Digital Banking & Innovation (MISA)

🗓️ Q3 2026

📍 KSA

## Panel Participation in Milipol (Defense) Event

🗓️ TBD

📍 Qatar

## Public Procurement Dialogue

🗓️ TBD

📍 Qatar

## Participation in Quantum and New-Tech Summit

🗓️ 27-29th September 2026

📍 Dubai

## SPS and Food Security Breakfast Dialogue

🗓️ TBD 2026

📍 Kuwait

## Launch of EEN

🗓️ September 2026

📍 Kuwait

## SPS and Food Security Breakfast Dialogue

🗓️ June 2026

📍 Qatar

## 7th GCC-EU Trade and Investment Dialogue

🗓️ 23rd June 2026

📍 Riyadh

# Contacts

## ABOUT US

The EU-GCC Dialogue on Economic Diversification II is a project funded by the European Commission Service for Foreign Policy Instruments under the Partnership Instrument. The project contributes to stronger EU-GCC relations by supporting the GCC countries in the ongoing process of economic diversification away from hydrocarbon-dependent sectors, including by funding regular EU-GCC Business Fora.



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*If you found this newsletter valuable, we encourage you to share it within your network to strengthen dialogue and cooperation between the EU and the GCC. By fostering economic diversification, digital transformation, regulatory covergence, and private sector engagement, we can advance sustainable growth, trade, and investment opportunities across both regions.*

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