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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 partners and colleagues,

as we enter an especially active period for the EU-GCC Dialogue on Economic Diversification II, I am pleased to see the strong momentum that has been built across our activities and partnerships throughout the region.

Over the past months, the project has continued to bring together policymakers, business leaders, institutions and experts around issues that are increasingly important to both the European Union and the GCC - from resilient trade and investment to digital transformation, cybersecurity, innovation, skills and private-sector development. Alongside our policy dialogues, we continue to provide technical assistance to EU Chambers of Commerce and business networks across the GCC, support institutional development, and advance analytical work aimed at turning dialogue into practical recommendations and opportunities for cooperation.

A central priority for the period ahead is the 10th EU-GCC Business Forum, taking place this year. Preparations are now gaining pace, supported by a programme of outreach and online discussions covering Trade and Investment, Digital Transformation and AI, SMEs and Skills Development, and New Avenues for Cooperation. Our ambition is for the Forum to provide much more than a platform for discussion: it should connect businesses, institutions and decision-makers, identify concrete opportunities, and help transform the strong political relationship between the EU and GCC into deeper economic and commercial cooperation.

At the same time, an important programme of activities continues across the region, including our work on cybersecurity and infrastructure resilience, support to European business organisations and Chambers, policy and regulatory analysis, and preparations for further sectoral dialogues and events. Each of these activities contributes to the same objective: building stronger connections between our two regions and creating practical channels through which businesses and institutions can work together.

With the Business Forum now approaching, I would like to thank our partners, experts, EU Delegations, Chambers and business communities for their continued engagement. The coming weeks will be particularly important, and I look forward to working together to ensure that the Forum reflects both the breadth of our cooperation and the significant potential that remains ahead of us.

EU Business Forum

EU Business Forum (EUBF) - Bringing the European Business Community Together in the UAE

Author: Helene Daniel Key Expert - Advisor on Trade, Economics and Investment

In July, the EU Business Forum in the UAE (EUBF) continued to strengthen engagement with European businesses, UAE stakeholders and EU institutions, with a focus on Task Force activities, EU-UAE FTA discussions, and upcoming business events.

Task Forces

The Energy and Food & Beverage (F&B) Task Forces have continued to develop their activities and priorities for the remainder of 2026.

The Energy Task Force held online exchanges to identify key topics for future work. The F&B Task Force is preparing its post-summer meeting on 13 September, with discussions expected to include the new National Strategy for Healthy Nutrition 2031 and potential areas for EU-UAE cooperation.

EU-UAE FTA and commercial talks.

The EUBF has remained actively engaged in the EU-UAE Free Trade Agreement discussions, facilitating exchanges between European businesses and the EU negotiating team.

For example, EUBF members were invited to provide input on various business practices and requirements and their impact on European companies operating in the UAE.

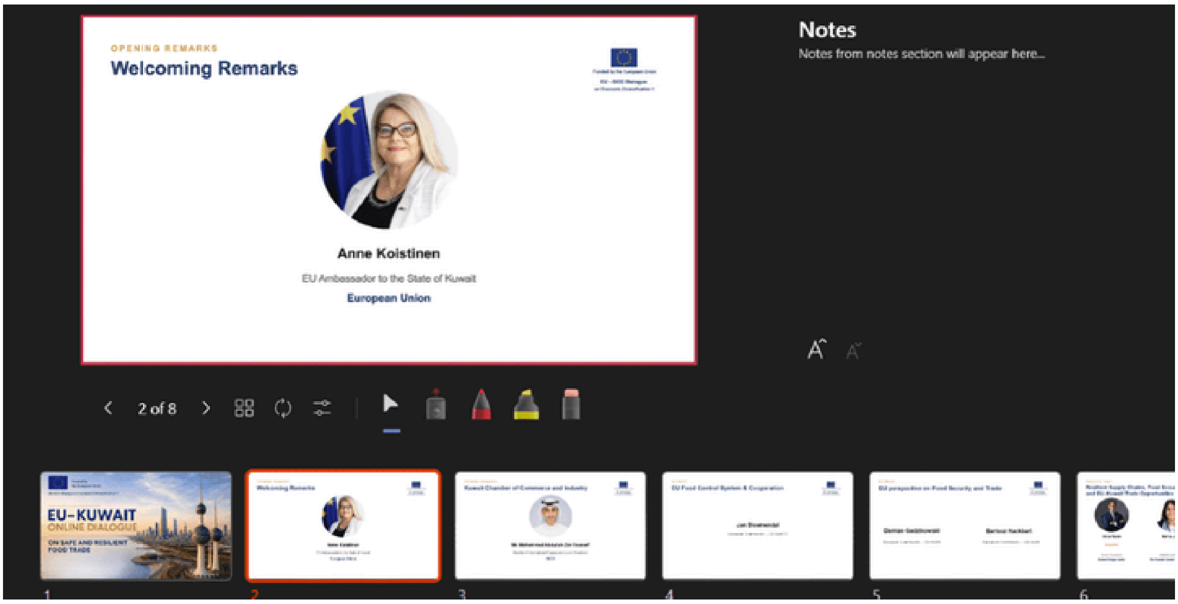
Upcoming Events

Preparations are also underway for the next EUBF Plenary Meeting on 18 September, which will bring members together to review progress and discuss priorities for the coming months.

UAE Quantum & Innovation Summit (QIS)

Preparations are progressing for the Quantum & Innovation Summit (QIS) in Dubai on 30 September, including the identification and confirmation of relevant speakers and moderators.

EU-Kuwait Online Dialogue on Safe and Resilient Food Trade



The EU-Kuwait Online Dialogue on Safe and Resilient Food Trade, held on 1st July 2026, online, confirmed a strong alignment between European and Kuwaiti priorities on food security, food safety and supply chain resilience. Both sides recognized that resilient food systems require a balanced combination of reliable international trade partnerships, transparent regulatory frameworks, and long-term strategic planning.

The European Union’s role as Kuwait’s largest and most reliable agri-food trade partner was reaffirmed. With exports to Kuwait of approximately €800 million in 2025, growing at an average of 2.5% per year, the dialogue reinforced the depth and durability of the commercial relationship.

A central theme of the dialogue was the importance of moving beyond a transactional trade dynamic towards structured, long-term cooperation. Participants on both sides called for more predictable, digitally accessible and product-specific regulatory information, and for regulatory frameworks to be treated as enablers of trade rather than barriers without compromising on food safety standards.

Resilience and diversification emerged as the defining practical themes. Lessons learned from past and recent happenings, were drawn upon to argue that multi-supplier strategies, alternative logistics routes, real-time AI-based shipment tracking and joint contingency planning with key partners, are no longer optional but essential elements of food supply chain management.

A potential EU-GCC free trade agreement was identified as a key structural enabler for deepening the bilateral trade relationship. Participants noted that a comprehensive trade framework would provide the predictability and market access clarity that private sector companies on both sides require to plan and invest with confidence.

The dialogue reinforced the importance of EU technological contributions to food security in the Gulf, particularly in areas such as climate-resilient seed development, controlled-environment agriculture, AI-driven supply chain tools and food safety systems.

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Main outputs and country focus

EU-GCC: Connectivity for Resilience and Shared Prosperity

Author: Daniela Stratulativ
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The current geopolitical uncertainty and disruptions across the GCC are changing the economic landscape and making resilience an immediate priority for the EU and GCC. Deeper connectivity can strengthen the capacity of both regions to absorb economic shocks and create new opportunities for long-term growth and shared prosperity.

Open, predictable and diversified trade and investment relationships are a cornerstone of economic resilience, enabling businesses to adapt to economic and geopolitical disruptions, strengthen value chains and access new market opportunities. The EU-UAE free trade negotiations, whose most recent round was held in July, offer a concrete opportunity to improve market access, facilitate investment and create more resilient economic links between the two regions, with both sides aiming to conclude the agreement in 2026.

Recent regional disruptions have underscored the strategic importance of digital infrastructure, making secure connectivity and AI capacity key areas where deeper EU-GCC cooperation can strengthen resilience. For both regions, the priority is to expand digital capabilities while prioritizing geographic route diversity and establishing decentralized international data corridors. Planned EU-GCC cooperation in 2026 on cybersecurity, critical infrastructure, AI and digital technologies provides a basis for deeper coordination, with the focus on translating this into stronger capabilities, secure infrastructure and greater interoperability between the two regions.

A further layer of connectivity lies in the movement of talent, knowledge and entrepreneurial capacity between Europe and the GCC. Existing EU research programs provide channels for GCC and European researchers to work across institutions, including through Marie Skłodowska-Curie Actions and the EU-GCC Women Impact Leaders platform, launched on July 29, 2026 by the Federation of Saudi Chambers. The platform adds a new channel for exchanging expertise and advancing cooperation on innovation, education and the digital future. Strengthening these links can enable both regions expand their knowledge base, accelerate the transfer of skills and technologies and connect universities, researchers and entrepreneurs to wider innovation ecosystems.

Deeper institutional links between the regions can enable faster coordination on emerging risks, closer alignment of policy responses and sustained cooperation as both sides navigate heightened economic and security pressures. In addition to the EU-UAE FTA negotiations, the EU and Bahrain launched negotiations on a Strategic Partnership Agreement in July 2026, with the aim of expanding the bilateral framework for cooperation on political, security and economic priorities.

These efforts also need to be supported by sustained engagement between governments, institutions and the private sector. The 10th EU-GCC Business Forum will bring together government leaders, private-sector representatives and institutions from the EU Member States and the GCC to advance EU-GCC economic resilience and shared prosperity by turning political dialogue into practical business cooperation.

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ECCKSA Highlights

Strengthening EU - Saudi Relations

On Sunday 19 July, ECCKSA had the pleasure of hosting a high-level meeting with the EU Delegation to the Kingdom of Saudi Arabia, bringing together Members of the European Parliament and a group of ECCKSA members, on the margins of the 18th EU-Kingdom of Saudi Arabia Interparliamentary Meeting held in Riyadh and Jeddah.

The discussion provided a constructive platform to exchange views on the activity of European businesses in Saudi Arabia, and on the opportunities to further strengthen the EU-Saudi relationship. Following the exchange, ECCKSA members and the visiting MEPs were welcomed by H.E. Christophe Farnaud, EU Ambassador to the Kingdom of Saudi Arabia, for a reception at his residence, a further opportunity to deepen ties between European businesses and the EU institutional presence in the Kingdom.

As ECCKSA marks two years of activity in the Kingdom, an exclusive interview with Kristijonas Gedvilas, CEO of ECCKSA, published in Asharq Al-Awsat, reflects on the Chamber's journey to date, from strengthening its sectoral committees and welcoming a new Board of Directors to inaugurating its new Riyadh office earlier this year, while continuing to deepen ties across the EU-Saudi economic corridor. The interview also highlights the strong momentum of EU-Saudi economic relations and the growing presence of European businesses in the Kingdom.

In 2025, EU-Saudi trade in goods and services reached €88.8 billion, with EU exports growing at an average annual rate of 11% since 2021. The EU also remains the Kingdom's largest foreign investor, accounting for 29% of total FDI stock, underlining the strength and long-term nature of this partnership.

As the unified voice of European business in Saudi Arabia, ECCKSA remains committed to strengthening bilateral trade and investment, fostering constructive dialogue between European businesses and Saudi entities, and supporting an enabling environment for sustainable economic cooperation in line with Saudi Arabia's Vision 2030.

Activities and events

Implemented and Planned Activities

The project continues to deliver its activities designed to foster economic integration and diversification. On the 1st of July 2026 the project organised the Dialogues on Safe and Resilient Food Trade in Kuwait, online. The project continued to focus on the organisation of several events in the region including the EU-GCC Business Forum and EU-Qatar Defence Technology and AI Forum, on the 3rd of December 2026.

The Dialogues on Safe and Resilient Food trade brought together high political actors as well as the business community. The Dialogue in Kuwait was honoured to include H.E. Anne Koistinen, EU Ambassador to the State of Kuwait. The Dialogue confirmed a strong alignment between European and Kuwaiti priorities on food security, food safety and supply chain resilience. At both dialogues, all sides recognised that resilient food systems require a balanced combination of reliable international trade partnerships, transparent regulatory frameworks, and long-term strategic planning.

In terms of policy analysis and institutional support, the project is working on a paper on performance requirements and is currently distributing surveys to companies across the GCC.

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 support of business and operations plans for the EU Chamber of Commerce in Bahrain.

For the period ahead, the project is preparing for a series of planned activities including the Digital Cybersecurity and Infrastructure Resilience Dialogue event organised with Digital Cooperation Organization – DCO in Riyadh, Saudi Arabia, is supporting the organisation for the launch of the Bahrain Chamber of Commerce (September 2026) as well as the upcoming EU-GCC Business Forum towards the end of the year.

In relation to the Business Forum, the project will be organising webinars on topics related to Trade and Investment, Digital Transformation and AI, SMEs and skills development as well as New Avenues for Cooperation. 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. The Webinars will happen at the end of August and the beginning of September.

Activities and events

Planned Activities

KSA Digital Cybersecurity and Infrastructure Resilience Dialogue

🗓️ September 2026

📍 Saudi Arabia

Online events in preparation to the 10th EU-GCC Business Forum

🗓️ August - September 2026

📍 Online

EU–Oman Aviation Dialogue

🗓️ TBD 2026

📍 Oman

Customs Dialogue - Qatar

🗓️ TBD 2026

📍 Qatar

Participation in EU-KSA Foresight Dialogue event

🗓️ 30th Sep -1st Oct 2026

📍 Saudi Arabia

Official Launch Event of the Chamber of Commerce Bahrain

🗓️ TBD 2026

📍 Bahrain

Fintech & Digital Banking & Innovation (MISA)

🗓️ TBD 2026

📍 Saudi Arabia

EUBF next monthly meeting

🗓️ 18th September 2026

Participation in Quantum and New - Tech Summit

🗓️ 28–30 September 2026

📍 UAE

Public Procurement Dialogue

🗓️ TBD 2026

📍 Kuwait

10th EU-GCC Business Forum

🗓️ 2026

EU-GCC Defence Technology and AI Forum

🗓️ December 2026

📍 Qatar

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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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