



GCC IN REVIEW

A Weekly Publication of the main news surrounding the GCC States

28-31 August 2017

Kingdom of Bahrain

Wednesday, 30 August—Bahrain concluded an important economic and defence deal with Malaysia that includes the development of joint industrial parks to be developed in Bahrain, and Malaysian military assistance to fight terrorist groups threatening Bahrain's security and stability.

Thursday, 31 August—Bahrain unveiled its 2017-2018 Import-Export predictions. Bahrain's imports, already hitting 433 billion Dinars in July, are likely to increase in the coming months. This points to the urgency of the economic diversification program.

Kingdom of Saudi Arabia

Monday, 28 August—Saudi Arabia and China agreed to cooperate on nuclear energy projects following discussions between the two countries. Such cooperation is particularly important for Saudi Arabia as the Kingdom increases its efforts to diversify its energy mix so that it can export more of its oil, rather than burning it at power and water desalination plants domestically.

Wednesday, 30 August—Staffan de Mistura, the UN Special Envoy for Syria, praised Saudi efforts to unify the Syrian opposition. De Mistura announced his office was ready to convene further technical talks to support Saudi efforts on unifying the opposition as the oppositions' cohesion is crucial to ensure the success of future peace talks.

Wednesday, 30 August—King Salman Bin Abdulaziz of Saudi Arabia called US President Donald Trump to offer his condolences for the victims of Hurricane Harvey. Notably, the two leaders discussed the Iranian threat to the region and the Qatar crisis, to be resolved through the anti-terror commitments made at the Riyadh Summit.

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Thursday, 31 August—Prince Khalid al-Faisal, the governor of the Mecca region and chairman of the Hajj Central Committee, confirmed the arrival of 2 million people from around the world to perform Hajj pilgrimage at Islam's holiest sites. The prince pointed out a staggering 30% increase in the number of Qatari pilgrims compared to 2016 despite rising regional tensions.

State of Kuwait

Monday, 28 August—State-refiner, Kuwait National Petroleum Corp, announced the development of the Clean Fuels Project that will upgrade and expand two of its largest refineries to make higher-value products such as diesel and kerosene for export. This project aims to contrast the over-reliance of the Kuwaiti economy on crude oil exports.

Wednesday, 30 August—Russian Foreign Minister, Sergey Lavrov, expressed Moscow's full support for Kuwait's mediation efforts to defuse the Qatar-GCC crisis.

State of Qatar

Monday, 28 August—Chad's government revealed further details behind the decision to shut Qatar's embassy and recalling Chadian diplomats from the Gulf countries. Chad accuses Qatar of trying to destabilize the entire Sahel region by supporting armed groups in Libya.

Monday, 28 August—Rating agency Fitch lowered Qatar by one notch to AA-minus with a negative outlook. That brought it into line with the other two major rating agencies, Moody's and Standard & Poor's, which assess Qatar at the same level and also have negative outlooks for it. The main rating agencies point out that Qatar's government may be forced to reduce its capital spending on economic projects and infrastructure if damage to its economy from the current crisis continues or intensifies, thus reducing Qatar's economic diversification efforts.

Thursday, 31 August—Qatar's Foreign Minister, Sheikh Mohammed bin Abdulrahman Al Thani, stated that the countries of the boycott failed to facilitate the work of mediators and International organizations looking for a negotiated solution.

Sultanate of Oman

Monday, 28 August— General Sultan bin Mohammed Al Nu'amani, Minister of the Royal Office received in his office on Monday Michael Fallon, UK Secretary of State for Defence. The two ministers discussed common security concerns and issues threatening regional stability such as the GCC crisis and Iranian regional interference.

Wednesday, 30 August—Sayyid Asa'ad bin Tariq Al Said, Deputy Prime Minister for International Relations and Cooperation Affairs, received Ali bin Fahad Al Hajri, Ambassador of the State of Qatar to the Sultanate. The meeting focused on the good relations between the Sultanate and the State of Qatar and on ways the two country can facilitate Kuwait's mediation efforts.

United Arab Emirates

Tuesday, 29 August—Dubai's governor, Sheikh Mohammed bin Rashid, discussed several projects with his councillors to enhance the city's infrastructure. Such development projects have the double objective of preparing Dubai to host the 2020 Expo and to facilitate economic diversification in the UAE.

Wednesday, 30 August—Two major Abu Dhabi real estate developers, Eshraq Properties and Reem Investments, announced they are set to merge as an economic slowdown in the emirate puts the housing market under pressure related to low Oil prices, which affects the entire UAE economy, and by the new VAT tax recently introduced by UAE authorities.