



CBN04 | 2018
05 |

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The Last Thing to Read this Week

by

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Kingdom of Bahrain

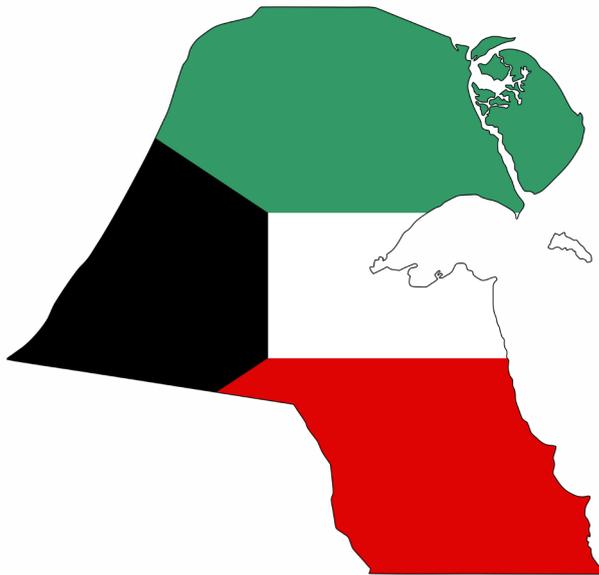


Tuesday, 29 May – Bahrain will begin offering a ten-year renewable residency permit on the basis of self-sponsorship for foreign investors. The new permit option is set to reinforce the country's position as a destination for international investments—and investors.

Wednesday, 31 May – The International Monetary Fund (IMF) published its Article IV report on Bahrain, following the completion of a mission to Manama from 30 April–15 May, led by Mr. Bikas Joshi. The report projects overall growth of 3.2 % in 2018, and a lowering of the overall fiscal deficit to 11 % of GDP, down from 14 % in 2017 and 18 % in 2016. The report also encouraged the implementation of the planned value-added tax as a necessary reform to support the Kingdom's financial market and stated that the banking sector remained well capitalised and liquid, with the dollar peg providing a 'clear and credible policy anchor.'



State of Kuwait



Thursday, 31 May–Kuwait will ask for a vote on its' UN Security Council (UNSC) draft resolution for the establishment of an international protection mission for Palestinians. The proposal calls for UN Secretary General Guterres to submit a report on the situation that would offer recommendations for a protection mission. Kuwait on Wednesday blocked a UNSC resolution condemning Hamas and the groups' firing of rockets at Israeli territory. Kuwait is a non-permanent member of the UNSC and used a procedural measure to block the vote. The Kuwaiti proposal is not expected to pass in its current form and will likely be vetoed by the US.

Tuesday, 29 May–In his first visit international since winning Iraq's elections earlier this month, Muqtada Al-Sadr met with Kuwait's Emir Shaikh Sabah Al-Ahmad Al-Sabah. While no official information regarding the contents of the meeting were released, Kuwait's Deputy Foreign Minister, Khalid Al-Jarallah, said that Kuwait hopes that Iraq will be able to form a government as soon as possible. Al-Sadr's choice to visit Kuwait in his first trip abroad can be seen in the context of his ambitions to align Iraq with its Arab neighbours and curb foreign influence, notably from Iran.



Sultanate of Oman



Wednesday, 30 May – As the Oman Oil Company is weighing options for revitalising its operations in Oman, reports suggest that it is planning to sell a 10 % stake in the key Khazzan Gas Field. The share, which could be worth some \$1 billion (USD), is reportedly attracting interest from Chinese, Middle Eastern and Indian companies. Energy giant BP owns 60 % of the field and has recently signed off on the second phase of the Khazzan project, the Ghazeer field, with Oman Oil. This new phase will boost production by some 50% to 1,5 billion cubic feet a day.

Sunday, 27 May – Salalah Airport reopened after it stopped operations on Friday, as Cyclone Mekunu hit the Omani coast in the southern province of Dhofar. At least six people lost their lives in the category 2 cyclone, which damaged infrastructure and houses, while causing massive flooding as three years' worth of rain drowned the Sultanate, turning usually dry land into rivers and lakes. Oman's Council of Ministers praised the government ministries and regional governorates for their efforts during the storm.



State of Qatar



Sunday, 27 May – Qatar has banned retailers from carrying any products from Saudi Arabia and other countries that are part of the ongoing boycott of the state, the government said in a statement. Since the blockade began last summer, no products from the boycotting states were officially exported to Qatar, however, illegal smuggling through third parties has enabled some products to continue being sold in the country. Qatar has turned to countries like Turkey, Iran and Russia to fill the gaps in food and other key supplies since the crisis began.

Wednesday, 30 May – The International Monetary Fund (IMF) released its Article IV Consultation report with Qatar, after it concluded consultations on May 18. The report states that growth performance remains resilient and welcomes efforts for diversification of the economy, while cautioning that these efforts should avoid import-substitution strategies and special tax incentives, which could lead to market distortions.



Kingdom of Saudi Arabia

Sunday, 27 May–Saudi Arabia’s King Salman received the Secretary General of the Gulf Cooperation Council (GCC) in Jeddah, where they discussed a number of issues related to the Arab Gulf region.

Monday, 28 May–Saudi Arabia’s Shura Council passed a draft law criminalising sexual harassment. The proposed law would introduce prison sentences of up to five years, as well as a maximum fine of 300,000 riyals (68,273€). The law, which has been approved by the cabinet, comes one month ahead of the historic lifting of the ban on women drivers and can be seen on the context of strengthening the legal position of women as part of Vision 2030.

Tuesday, 29 May–Turkey’s official Anadolu Agency reports that three Saudi military divers met with representatives of the US-backed Syrian Democratic forces in the northern Syrian town of Kobani, in order to discuss the formation of a new union of Arab groups in Syria. The report comes after Saudi Foreign Minister, Adel Al-Jubeir, stated that the Kingdom was, and had been, in discussions with the US about sending troops to the war-torn country.

Tuesday, May 29–Halliburton corporation, a Houston-based oil-field service company, signed a three-year deal with Saudi Aramco to help lift its production programme. The contract will help Aramco to produce natural gas trapped in shale and tight sands, known as unconventional resources. Work on the project is set to begin in June. The deal can be seen in the context of the Vision 2030 objective to diversify the economy.

Wednesday, 30 May–Saudi Arabia’s Crown Prince Mohammed bin Salman (MBS) met

with Yemen’s President, Abdurrahman Mansour Hadi, in Jeddah, where they discussed the humanitarian relief work for civilians in Yemen and the current situation in the country. Hadi praised the Saudi coalition for its support to Yemen in the fight against the Iran-backed Houthi rebels. Senior members of both governments were present during the meeting.

Thursday, 31 May–Two attackers fatally stabbed a security officer at a National Guard facility in Taif, before stealing his

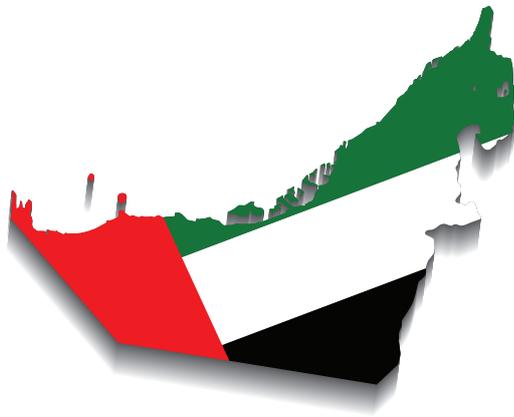




weapons and car and entering the military base and opening fire. Several Saudi military officers were wounded in the exchange, one attacker was arrested after sustaining injuries, the other escaped. No group has claimed responsibility yet, however, Daesh and Al-Qaeda called for their supporters to attack Saudi military targets in the past.



United Arab Emirates



Wednesday, 30 May–The UAE and Afghanistan signed a Memorandum of Understanding (MoU) in the area of Labour during the 107th International Labour Conference in Geneva. The agreement was signed by Nasser Thani Al-Hamli, the UAE’s Minister of Human Resources and Emiratisation, and Faizullah Zaki, Afghanistan’s Minister of Labour and Social Affairs. The MoU includes regulations for work recruitment agencies, transparent recruitment practices and will help raise awareness of Afghan workers regarding their labour rights in the UAE.



The Arabian Gulf is rapidly becoming a geopolitical pivot. As a result, it is important to understand the internal and international dynamics unfolding in the region and the countries that compose it. We at EGIC are proud to present “The Last Thing to Read this Week” segment which contains a small, carefully selected, batch of the most important events unfolding in the countries of the Arab Gulf to help you map the region’s trends.

