

GCC-EU

Economic Relations:

Abdel Aziz Abu Hamad Aluwaisheg
GCC Assistant Secretary General

Copenhagen – September 2014

GCC & Denmark

	GCC	Denmark
GDP (\$bn)	1,750	210
Trade (\$bn)	1,600	175
Exports (\$bn)	1,000	90
Imports (\$bn)	600	85

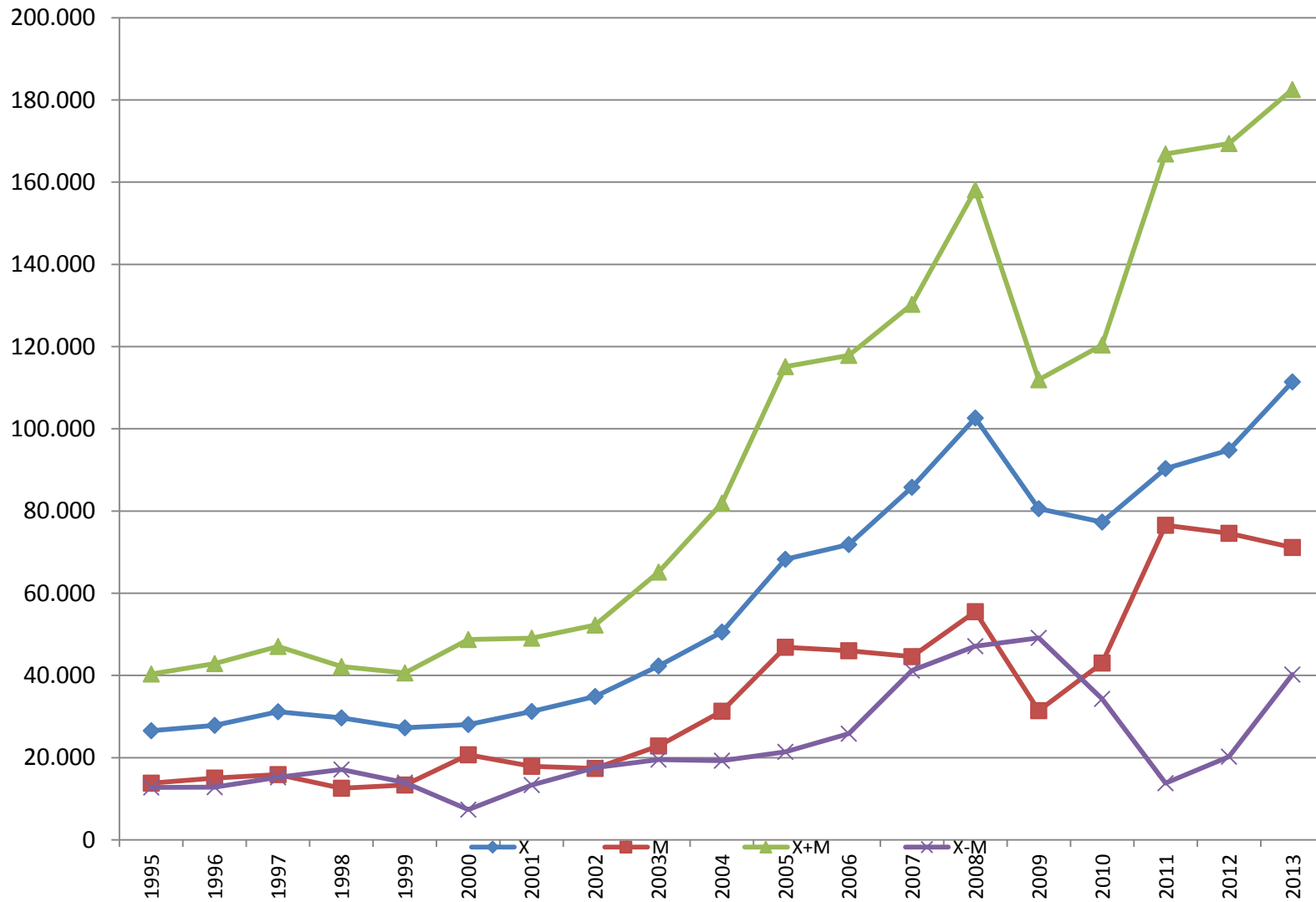
Among Top 10 Trade Surplus Countries

Rank	Country	Surplus \$bn
		2012
1	<u>Germany</u>	220
2	<u>Russia</u>	199
3	<u>China</u>	155
4	<u>Saudi Arabia</u>	132
5	<u>UAE</u>	80
6	<u>Kuwait</u>	73
7	<u>Qatar</u>	72

GCC-EU Framework

- 1981: EU as a model
- Cooperation Agreement 1988
- GCC-EU Ministerial Council – meets once a year.
- 15 standing committees, including political, security, economic ..etc
- FTA negotiations 1990-2008

GCC-EU Trade (1995-2013)



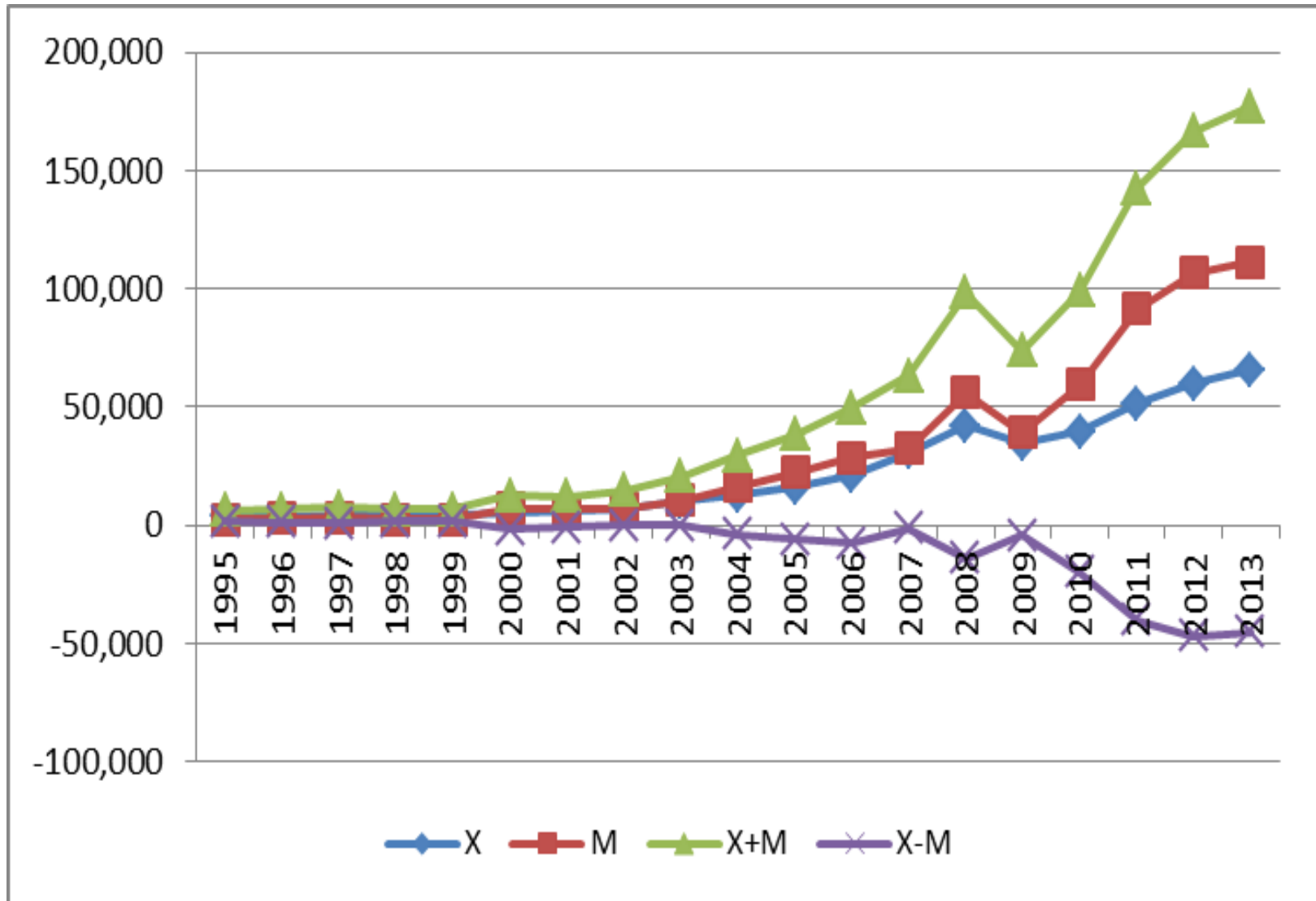
Main Exports

- GCC main exports to EU
 - Oil & gas
 - Aluminum
 - Petrochemicals
- EU main exports to GCC:
 - motor vehicles
 - Machinery
 - Chemicals
 - computer and electronic products
 - electrical equipment
 - Pharmaceuticals
 - Metals
 - Foodstuffs
 - Textiles
 - rubber and plastic products

GCC Trade Shift from EU to China

	1995	2013
China (\$bn)	4	177
Trade share %	2%	11%
EU (\$bn)	34	183
Trade share %	20%	11.4%

GCC-China Trade (1995-2013)



GCC-EU FTA

- Deadlocked since 2008
- Potential benefits:
 - Price effects
 - Welfare effects,
 - Efficiency
 - GDP effects
- Export duties

The Road Ahead

- Energy:
 - Oil & gas
 - Renewables
- Industry: Petrochemicals, aluminum, pharmaceuticals
- Investment: 1, 2 & 3-way
- Services:
 - Financial services, insurance
 - Education
 - Tourism