Future Focus MENA

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EUROPE AS A SECOND STRATEGIC PILLAR IN THE GULF

HOW SOFT POWER, INDUSTRIAL COOPERATION AND MARITIME SECURITY ARE RESHAPING THE EU-GCC PARTNERSHIP

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Executive Summary

Key Thesis

Europe’s strategic value for the Gulf states does not lie in replacing the United States as a military security guarantor. Rather, it lies in Europe’s ability to combine economic interdependence, technology, regulation, industrial cooperation, knowledge exchange and targeted security contributions into a resilient second pillar of regional agency.

Executive Summary

Relations between the European Union and the states of the Gulf Cooperation Council are at a strategic turning point. The first EU-GCC Summit in October 2024, intensified ministerial dialogues and the planned summit in Saudi Arabia in the second half of 2026 indicate that a relationship long shaped primarily by economic ties is gradually evolving into a broader strategic partnership. [1][2]

This rapprochement is driven by a similar motivation on both sides: dependencies are to be reduced without prematurely abandoning established partnerships. The Gulf states are not looking for a complete substitute for the American security umbrella, but for additional political, technological and industrial options. Europe, in turn, must make its energy supply, supply chains, critical infrastructure and access to future markets more resilient. In this context, strategic autonomy does not mean decoupling. It means having a broader range of reliable partners.

Europe’s strength lies in an integrated power profile. The EU is the GCC’s second-largest trading partner; trade in goods reached around EUR 165.7 billion in 2025. This is complemented by dense investment relations, European industrial and technological capabilities, regulatory experience, research, education and maritime security contributions. [3] It is precisely the combination of these instruments that distinguishes Europe from actors that primarily appear as military guarantors, commodity buyers or infrastructure financiers.

For these potentials to have strategic impact, however, the EU must act faster, more coherently and more sectorally. A comprehensive EU-GCC free trade agreement remains desirable, but it must not become a precondition for progress in hydrogen, critical infrastructure, AI, cybersecurity, defence technology, research or vocational training. What matters is transforming selective cooperation into a lasting network of shared interests and capabilities.

FIVE POLICY RECOMMENDATIONS

1. ESTABLISH AN EU-GCC STRATEGIC AUTONOMY DIALOGUE

A dedicated dialogue should bring together foreign, economic, energy, technology and security policy.

2. LINK SOFT POWER WITH TARGETED SECURITY CONTRIBUTIONS

This is particularly relevant in maritime security, cyber defence, critical infrastructure protection and training.

3. SYSTEMATICALLY MAP SHARED DEPENDENCIES

The EU and GCC should develop concrete resilience plans for energy, water, logistics, data, raw materials and supply chains.

4. ADVANCE SECTORAL AGREEMENTS AND PILOT PROJECTS

Progress should not depend exclusively on a comprehensive free trade agreement.

5. POSITION EUROPE EXPLICITLY AS A SECOND STRATEGIC PILLAR

Europe should complement the United States while developing its own economic, technological and institutional profile..

A New Strategic Configuration

EU-GCC relations were long shaped by trade, energy imports and the bilateral relations of individual European states. With the EU's 2022 strategy for a partnership with the Gulf, the first joint summit in 2024 and the expansion of political and sectoral dialogues, an institutional framework has emerged that clearly goes beyond this traditional division of labour. The EU and the Gulf states now discuss regional security, trade and investment relations, green transformation, digitalisation, connectivity, research and people-to-people contacts. [1][4]

The regional escalation in spring 2026 once again highlighted the security vulnerabilities of the Gulf states. In an extraordinary ministerial meeting in March 2026, the EU and the GCC reaffirmed their strategic partnership and European solidarity with the affected Gulf states. [5] At the same time, the crisis confirmed a trend that has been visible for years: the Gulf states seek to expand their security policy agency, localise their defence industries and diversify international partnerships.

Diversification, however, should not be equated with a geopolitical shift of camp. The United States remains indispensable for deterrence, air and missile defence and military interoperability. China is a central trade and technology partner, but has not so far acted as a comparable security guarantor. Turkey, India and Asian states are gaining importance in selected areas. Europe therefore does not need to present itself as an exclusive partner, but rather as an actor that closes a specific gap: the connection between market access, technology, industrial cooperation, rules, knowledge networks and limited but credible security contributions.

Europe also has an interest in this new division of labour. The crises of recent years have shown how closely European energy security, maritime trade routes, digital infrastructure and industrial supply chains are linked to developments in the Gulf. The partnership is therefore not a one-sided European support mechanism, but a form of mutual risk prevention.

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Europe’s Power Profile: Market, Regulation and Industrial Competence

The economic foundation of the partnership is already substantial. In 2025, trade in goods between the EU and the GCC amounted to EUR 165.7 billion. The EU was thus the GCC’s second-largest trading partner; European exports focused primarily on machinery, transport equipment and chemical products. Bilateral trade in services reached EUR 84.4 billion in 2024. Investment stocks are high in both directions, demonstrating that the relationship can no longer be reduced to European energy imports. [3]

Particularly relevant is the increasing linkage between trade policy and strategic partnership policy. In 2025, the EU and the United Arab Emirates launched negotiations on a bilateral free trade agreement. In parallel, negotiations on broader Strategic Partnership Agreements with the UAE and Qatar were opened in December 2025. [3][4] These bilateral processes can serve as laboratories for a broader EU-GCC architecture — provided they are not understood as substitutes for regional cooperation.

European soft power in this field does not arise solely from attractiveness or normative appeal. It is based on the ability to combine rules, certifications, financing instruments, technical standards and institutional knowledge with concrete market access. Especially in hydrogen, sustainable fuels, water technologies, AI, cybersecurity and critical infrastructure, standards determine whether investments become scalable and cross-border compatible.

The Gulf states bring complementary strengths: capital, modern infrastructure, high implementation speed, large state-coordinated transformation programmes and growing regional market access. A resilient partnership must therefore not remain trapped in a one-sided European knowledge transfer model. It will only be future-proof if it is designed as co-development, with research, production, financing and commercialisation distributed across both regions.

Security Cooperation: From Export to Joint Value Creation

3.1 Two Fragmented Regions with Converging Interests

Security cooperation will continue to be strongly shaped by bilateral and flexible formats. In both the EU and the GCC, member states determine key foreign and security policy decisions. The EU's unanimity principle limits the speed of common positions; within the GCC, threat perceptions, relations with Iran and Israel, and priorities in Yemen, the Horn of Africa and the Eastern Mediterranean differ.

This fragmentation does not prevent cooperation, but it changes its form. Shared interests exist particularly in the security of maritime trade routes, the protection of critical energy and data infrastructure, cyber threats, terrorism, air and drone defence, and resilient supply chains. Successful EU-GCC security policy will therefore rarely emerge as a unified alliance project. It is more likely to take the form of a network involving EU instruments, European states, GCC institutions, individual Gulf states and industrial partners.

3.2 The Rise of Industrial Security Partnerships

The decisive shift lies in the move away from the classical buyer-seller relationship. Gulf states no longer want merely to import finished systems; they seek to build their own development capacities, skilled workforces, production, maintenance and intellectual property. The EU Defence Technology Forum in Abu Dhabi in May 2026 demonstrated a clear convergence around AI, cybersecurity, autonomous systems, radar, critical infrastructure protection, localisation and supply chain resilience. [6].

The engagement of the Emirati EDGE Group in Europe illustrates this development. EDGE Europe was established in June 2026 with headquarters in Paris and development and production capacities in Bordeaux. [7] In parallel, EDGE and Leonardo further developed a joint venture for radar, sensor and combat management systems. The figure of more than EUR 4 billion must be interpreted precisely: it refers to the targeted order pipeline over five years, not to the investment volume of the joint venture itself. [8]

The planned Al Selmiyyah Defence Industrial Free Zone in Abu Dhabi follows the same logic. It aims to bring together international manufacturers, specialised infrastructure, regulatory frameworks, technology transfer and global logistics in a defence industrial ecosystem. [9] For European companies, this creates opportunities, but also new requirements: cooperation is increasingly tied to local value creation, training, joint development and long-term industrial presence.

Europe can contribute particular strengths here: highly specialised medium-sized suppliers, research institutions, dual-use technologies, quality standards and experience with complex multinational industrial programmes. The prerequisite, however, is that European governments coordinate export controls, the protection of sensitive technologies and industrial cooperation interests more coherently.

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3.3 Maritime Security as a Shared Public Good

The sea routes between the Strait of Hormuz, Bab al-Mandab, the Gulf of Aden and the Red Sea are systemically relevant for both Europe and the Gulf states. They connect energy supply, container trade, production chains and insurance markets. Maritime security is therefore not a marginal issue of defence policy, but a shared public good.

With EUNAVFOR ASPIDES, the EU has been making a defensive contribution to the protection of merchant shipping since 2024. The mandate was extended in February 2026 until 28 February 2027. The operation protects vessels and supports freedom of navigation in the Red Sea and adjacent maritime areas. [10] This should be distinguished from EMASoH and its military component Operation AGENOR. EMASoH is not an EU mission, but a European-led coalition of states. Its approach is based on maritime situational awareness, information exchange, presence and de-escalation in the Strait of Hormuz. [11] This distinction is politically significant: Europe has several formats at its disposal, ranging from EU mandates to coalitions of the willing and bilateral presence.

Europe's added value here does not lie in military dominance. It lies in reliable presence, defensive protection, information exchange and crisis prevention. In this way, Europe complements the American deterrence role with instruments aimed at stabilising trade routes and preventing unintended escalation.

Energy, Water and Technology Resilience as a Security Agenda

The strategic partnership must not narrow security to military capabilities. Energy, water, data and logistics systems are critical infrastructure and therefore part of modern security policy. It is precisely at this intersection that Europe has a profile that is particularly relevant to the transformation strategies of the Gulf states.

In the energy sector, cooperation is shifting from short-term supply security toward joint future markets. The EU-GCC-MENA Hydrogen and Advanced Fuels Summit in January 2026 and an EU-GCC study tour on hydrogen infrastructure in May 2026 focused on regulatory alignment, certification, port infrastructure, investment frameworks and clean energy corridors. [12][13] The bottleneck is therefore no longer purely technical. It increasingly lies in the question of how European demand, Gulf production, financing, transport and credible guarantees of origin can be brought together.

Water resilience is similarly strategic. The EU-GCC debate in July 2026 highlighted the connection between desalination, energy efficiency, water reuse, smart grids, environmental standards and regional cooperation. [14] Europe contributes experience in regulation, integrated water management and the circular economy; the Gulf states possess world-leading implementation experience in large-scale desalination and infrastructure under extreme climatic conditions.

These fields show how soft power becomes strategically effective: not through abstract value communication, but through institutional solutions to concrete vulnerabilities. Actors that help shape certification systems, research partnerships, financing and technical standards influence the architecture of future markets — and at the same time create lasting political relationships.

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Knowledge, Education and Public Diplomacy: Europe’s Underestimated Lever

The EU enjoys strong economic and technological attractiveness in the Gulf, but as a common political actor it often remains less visible than individual member states. European soft power has so far been bundled too rarely in strategic terms. Universities, research institutions, vocational training providers, cultural institutions, city partnerships and civil society exchange often work in parallel, without generating a recognisable common narrative.

The EU strategy for the Gulf explicitly calls for the expansion of Erasmus+, vocational training, scientific cooperation, Marie Skłodowska-Curie Actions, and cultural and public diplomacy. [15] These instruments should not be regarded as decorative additions to “real” foreign policy. They create networks, shared professional languages and institutional trust — the long-term resources on which economic and security cooperation is built.

Programmes that directly connect to the transformation agenda of the Gulf states would be particularly effective: joint degree programmes on water, energy and AI governance, dual vocational training for new industries, exchange programmes for public administration, joint research centres and fellowships for young decision-makers. In this way, Europe would not only offer technologies, but also contribute to training the people who will design and operate future systems.

Normative questions remain part of Europe’s role. Human rights dialogues, rule of law, labour standards and social participation should neither be abandoned nor negotiated solely through public moralising. Credibility arises from consistency, concrete institutional cooperation and the willingness to openly name trade-offs.

LIMITS AND STRATEGIC CONTRADICTIONS

EUROPEAN FRAGMENTATION

The EU formulates regional ambitions, while key decisions on defence, energy, investment and diplomacy are made at the national level. Without better coordination, duplicate structures and contradictory signals may emerge.

SPEED OF IMPLEMENTATION

Gulf states expect fast decisions and visible projects. Lengthy European procedures and regulatory uncertainty may lead them to prioritise cooperation with more agile partners.

TECHNOLOGY TRANSFER AND PROTECTION INTERESTS

Localisation is a strategic goal for the Gulf states, while Europe must protect sensitive technologies, export controls and industrial competitiveness. Partnerships require clear rules on intellectual property, data, re-export and end use.

NORMS VERSUS INTERESTS

The EU must connect economic and security policy interests with human rights, sustainability and the rule of law. Selective criticism or inconsistent standards weaken its soft power.

NO ILLUSION OF STRATEGIC EXCLUSIVITY

The Gulf states will continue to expand their relations with the United States, China, India, Turkey and other partners in parallel. Europe’s success will not be measured by exclusivity, but by whether its cooperation creates indispensable capabilities and institutional connections.

POLICY RECOMMENDATIONS

1. CREATE AN EU-GCC STRATEGIC AUTONOMY DIALOGUE

The existing political dialogue should be complemented by an annual format bringing together foreign, economic, energy, technology, industrial and security ministries. The goal would not be joint bloc formation, but the identification of areas in which both regions can reduce dependencies and expand options for action. The 2026 EU-GCC Summit offers a suitable political window for such an announcement.

2. LINK SOFT POWER WITH TARGETED HARD SECURITY

Europe should complement its strengths in regulation, training and institutions with clearly limited operational contributions: maritime security, cyber defence, critical infrastructure protection, situational awareness, mine countermeasures, training and interoperability. Credible soft power requires the ability to protect shared goods in practice.

3. MAP SHARED DEPENDENCIES

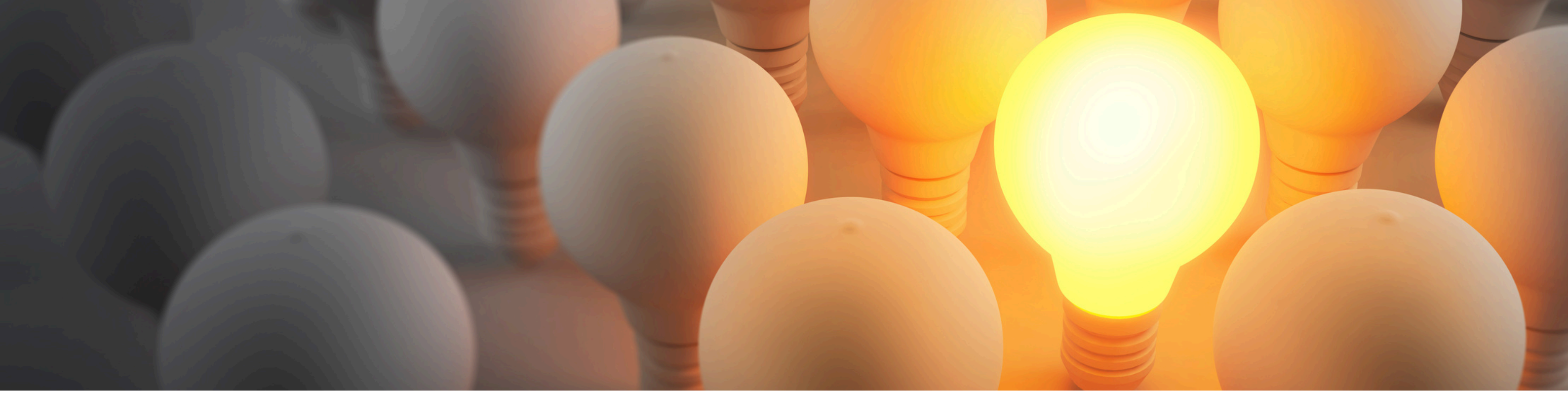
The EU and GCC should develop a joint resilience mapping exercise for energy, water, ports, undersea cables, critical raw materials, semiconductors, cloud infrastructure, pharmaceutical and food supply chains. This should lead to scenarios, early-warning mechanisms, emergency contacts and concrete investment projects.

4. ADVANCE SECTORAL DEALS

The EU should not wait for the conclusion of a comprehensive regional free trade agreement. Progress is possible through sectoral agreements — for example on hydrogen certification, sustainable fuels, digital trade, AI safety, research data, vocational training, water technologies or the defence industry. The EU-UAE agreement can serve as a pilot, but should remain compatible with a broader regional framework.

5. POSITION EUROPE AS A SECOND STRATEGIC PILLAR

European communication should articulate more clearly what Europe offers: not a replacement for the American security umbrella, but an independent pillar built on markets, technology, industry, knowledge, regulation and crisis prevention. This positioning is more credible than the claim to geopolitical parity with military great powers and at the same time reflects the diversification interests of the Gulf states.



Conclusion:

Relations between Europe and the Gulf states are evolving from a predominantly transactional partnership into a strategic interdependence. Energy and trade remain central, but they are increasingly complemented by the defence industry, maritime security, water and technology resilience, research and institutional exchange.

For the Gulf states, Europe's attractiveness lies in a combination of capabilities that other partners only partially offer: technological specialisation, large consumer markets, regulatory knowledge, industrial networks, education and a security policy approach that places stronger emphasis on resilience and crisis prevention. For Europe, the partnership opens access to capital, future markets, energy and infrastructure projects, and a political network in an increasingly central region of the world.

This potential will only be realised if Europe connects its instruments coherently and translates them more quickly into implementable projects. If it succeeds, the EU can become a second central strategic pillar for the Gulf states — not through military dominance, but through the consistent combination of soft power, industrial cooperation and targeted security responsibility.

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