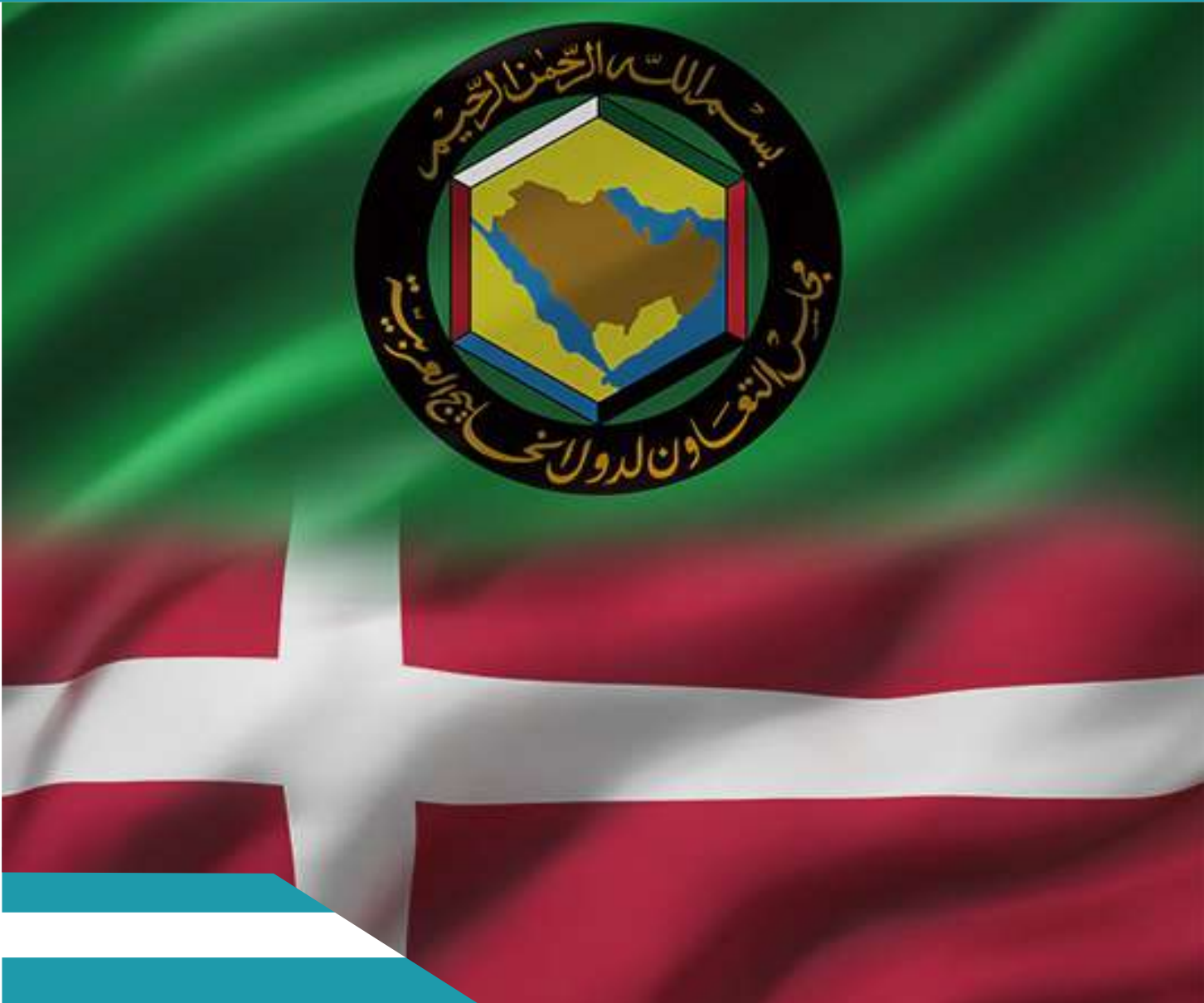




Gulf Research Center
Knowledge for All

GCC-Denmark Relations



GCC-Denmark Relations

Relations between Denmark and the GCC countries have existed for some time. Though tested at times, particularly following the Cartoon Controversy, Denmark has stated that it is interested in further developing its relations with the GCC states. Generally, over the past several years, it is evident that there has been an increased focus from the EU, as a whole, as well as Denmark, on the Gulf region. The release of the European Commission's Joint Communication on "A Strategic Partnership with the Gulf" in May 2022 is an excellent example of this. The document was received favorably by the GCC countries and has since served as a framework in which the close interests of both sides are reflected and acted upon. The document explicitly states that "the security and stability of the Gulf region bear direct consequences for the EU."

However, while aspects of bilateral relations have witnessed growth in recent years, there still needs to be clarity on what an enhanced partnership could look like between the GCC and Denmark. Therefore, now is a necessary time to evaluate the current state of ties and how they can be improved on various fronts, such as political dialogue, security cooperation, business partnerships, and economic ties.

Political Cooperation

The shift in the geopolitical landscape, highlighted by the effects of the COVID-19 pandemic and the crisis in Ukraine, offers potential for greater collaboration between the Gulf and Denmark as the convergence of interests has never been so high. While both regions have begun to develop a positive and constructive dialogue in meetings, the changing geopolitical landscape stresses the need for increased engagement and visibility between Denmark and the Gulf states to better understand one another. The release of Denmark's Foreign and Security Policy Strategy in May

2023 is a good example of this, as it clarifies that a core Danish priority is building new partnerships and exploring new opportunities. Specifically, the strategy outlines indicators for Denmark's foreign policy, including:

1. Increase Denmark's global engagement and build new alliances and equal partnerships.
2. Strengthen Denmark's and Europe's resilience broadly.
3. Expand Danish positions of strength regarding the green agenda, technology, and health.
4. Support and work with Danish companies in the new geopolitical context (Ministry of Foreign Affairs of Denmark, May 2023).

According to the strategy, Denmark plans to achieve its foreign policy goals by strengthening its commitment to the EU, as it plays a crucial role in Denmark's opportunities to build equal partnerships abroad. Denmark's strategy calls for a "a wholehearted Danish commitment to the EU... that stands firm and assumes a more active role on the foreign policy stage," which includes translating economic weight into global influence and entering international partnerships (Ministry of Foreign Affairs of Denmark, May 2023). The strategy also calls for "both strengthened political dialogue and for the EU to offer even more concrete, sustainable solutions that are adapted to local demand" while strengthening the EU's impact as a multilateral actor and expanding the EU's partnerships with various organizations, including the League of the Arab States (Ministry of Foreign Affairs of Denmark, May 2023)



H.E. Jassem Albudawi, Secretary-General of the GCC and EU High Representative Josep Borrell, Brussels, June 2023

Source: [Kuwait Times](#)

This makes it a good opportunity for Denmark to be among the leading states in pushing forward the EU's Joint Communication on a "Strategic Partnership with the Gulf," and expanding Denmark's relations and partnerships with the region on numerous fronts. Denmark has a range of diplomatic missions within the GCC. Denmark has established embassies in Riyadh, Saudi Arabia, which also covers Bahrain, Oman, and Kuwait, as well as in Abu Dhabi, United Arab Emirates, which also covers Qatar. Already, there has been an increase in political dialogue on many areas of mutual concern and diplomatic visits between Denmark and countries of the GCC, as well as Saudi Arabia, since 2020 that have paved the way for overcoming outdated preconceptions. Even on issues such as human rights, Denmark and the GCC have begun to develop constructive dialogue, paving the way for a relationship whereby old perspectives are overcome through engagement and partnership. Some of these visits include:

- In March 2023, Dr. Sultan bin Ahmed Al Jaber, Minister of Industry and Advanced Technology and COP28 President-Designate, visited Denmark to co-chair the Copenhagen Climate Ministerial alongside Sameh Shoukry, the COP27 President, and Dan Jørgensen, Denmark's Minister for Development Cooperation and Global Climate Policy (Arab News, March 2023).
- On May 14, 2023, Saudi Arabia's Governor of Digital Government Authority (DGA), Eng. Ahmed Mohammed Al-Suwaiyan and his delegation concluded their visits to Denmark, where they visited the Ministry of Digital Government and Gender Equality, the Digital Government Agency, the Danish Digital Center, and the Ministry of Finance and held several meetings on bilateral cooperation with several representatives of Danish companies (Saudi Press Agency, May 2023).
- The Danish Ambassador to Saudi Arabia, H.E. Liselotte Plesner, has engaged in a variety of discussions in 2023 including with Prince Saud bin Talal bin Badr, the Governor of



Al-Ahsa, on March 22 (Saudi Press Agency, March 2023a), the CEO of the Eastern Region Health Cluster, Dr. Abdulaziz Al-Ghamdi, on March 21 (Saudi Press Agency, March 2023b), Prince Saud bin Naif bin Abdulaziz, the Governor of the Eastern Region, on March 20 (Saudi Press Agency, March 2023c), and Prince Fahd bin Sultan bin Abdulaziz, the Governor of Tabuk Region, on January 10 (Saudi Press Agency, January 2023).

- On September 29, 2022, H.E. Dr. Nayef Al Hajraf, former Secretary-General of the GCC, met with Denmark's ambassador to Saudi Arabia to discuss cooperative relations between the Cooperation Council and the Kingdom of Denmark and how to enhance them in various fields to serve common interests. The GCC-Danish relations and keenness on joint cooperation were reviewed during the meeting, in addition to discussing the latest regional and international developments (Cooperation Council for the Arab States of the Gulf, Secretariat General, September 2022).
- On June 13, 2022, Saudi Arabia's Human Rights Commission President, H.E. Dr. Awwad bin Saleh Al-Awwad received in his office a Danish delegation headed by the Political Director at the Danish Ministry of Foreign Affairs, Ambassador Christina Markus Lassen, and the Danish Ambassador to the Kingdom, Ole Mosby. During the meeting, they discussed Saudi Arabia's steps in promoting and protecting human rights as well as aspects of bilateral cooperation (Saudi Press Agency, June 2022).
- On May 16, 2022, H.E. Fahd bin Abdulrahman Al-Jalajil, Saudi Arabia's Minister of Health, met with the then Danish Ambassador to Saudi Arabia, Ole Mosby, and discussed various ways to enhance health cooperation between the two countries (Saudi Press Agency, May 2022).
- On January 22, 2020, the GCC Assistant Secretary-General for Political Affairs and Negotiations, H.E. Dr. Abdulaziz bin

Hamad Aluwhaisheq met with Michael Schack Balle Jensen, Deputy Head of the Denmark Mission to the Kingdom of Saudi Arabia, and discussed means of joint cooperation between the GCC and Denmark (Cooperation Council for the Arab States of the Gulf, Secretariat General, January 2020).

Despite the increase in number of high-level visits, more needs to be done to address common issues of concern and areas of collaboration. Incidents, like the recent demonstrations in Denmark where copies of the Holy Quran were burned, highlight the ongoing misconceptions and divergence of views that persist. Initially, the Danish government responded by only condemning the acts, calling them a "shameful" and "provocative act that hurts many people and creates division between different religions and cultures" (Ministry of Foreign Affairs of Denmark, July 2023). It wasn't until after the GCC states raised their voice about the need to more strongly condemn the attacks and express resentment towards the repeated incidents, as well as raising Islamophobic slogans, did Denmark's Justice Minister, Peter Hummelgaard, state that the country would introduce a bill to "prohibit the inappropriate treatment of objects of significant religious importance to a religious community" and that "the proposal will thus make it punishable to, for example, in public burn a Quran, bible or Torah" (DW, August 2023).

Denmark stands much to gain from the steady establishment of the GCC countries as significant political and economic power players regionally and in the international arena. Numerous developments in 2022 and 2023 have underlined the growing central role in the GCC. For example, Saudi Arabia hosted the Arab League Summit in May 2023, the major summit meetings between the GCC and the United States and China, respectively, the re-establishment of diplomatic ties between Saudi Arabia and Iran facilitated by China, the Jeddah Peace Talks on the crisis in Ukraine, to the successful hosting of the FIFA World Cup in Qatar and the pending COP28 summit to be held in the United Arab Emirates at the end of 2023.



H.E. Dr. Nayef Al Hajraf, former Secretary-General of the GCC, and H.E. Liselotte Plesner, Ambassador of the Kingdom of Denmark to the Kingdom of Saudi Arabia, September 2022

Source: [GCC-SG](#)

The GCC also stands front and center of many other regional de-escalation efforts, including in Syria, Turkey, Israel, Iraq, Sudan, and Yemen. These mediation and bridge-building efforts extend to Ukraine and Russia, where prisoner exchanges have resulted from Arab Gulf involvement. Denmark itself has benefited from these mediation efforts following the release of one Danish citizen in Iran after Oman’s mediation intervention (France24, June 2023). It is therefore an opportune moment to see where further progress can be achieved with active Danish participation. This includes continuing to see where discussion on Ukraine can be taken following Saudi Arabia’s hosting of the Ukraine peace talks among senior officials from 40 countries in Jeddah after the Copenhagen talks two months prior.

Security Cooperation

Denmark already plays a significant role on the security front especially in the domains of countering extremism and maritime security. Denmark’s inter-ministerial Peace and Stabilization Fund, comprised of the Ministry of Foreign Affairs, Ministry of Defense, and Ministry of Justice,

funded several capacity-building partnerships with regional programs implemented in Syria-Iraq, Ukraine, Sahel, Afghanistan, the Gulf of Guinea, and the Horn of Africa to enhance their capacity to contribute to stability and security (Ministry of Foreign Affairs of Denmark, February 2023).

In the Middle East, Denmark is among the founding members of the Global Coalition against Daesh. Additionally, Denmark commanded the NATO Mission Iraq (NMI) from November 2020 to May 2022 and still contributes substantially to it through staff officers, civilian and military advisors, force protection personnel, a deployable communication module (DCM), and a national support element. Denmark currently provides funding from its regional Peace and Stabilisation Programme for Syria and Iraq, which includes support to the UN Investigative Team to Promote Accountability for Crimes Committed by Daesh (UNITAD). Furthermore, Denmark supports a Social Cohesion project in Iraq led by the UN Development Programme (UNDP) (Ministry of Foreign Affairs of Denmark, February 2023). Lastly, Denmark contributes seconded personnel to the European Union Advisory Mission to Iraq

(EUAM Iraq). With the situation in the Sahel deteriorating, Denmark and the GCC can engage in a process of shared analysis to see how policies against extremism can be further coordinated. In terms of maritime security, Denmark is an active contributor to the European naval operation AGENOR in the Strait of Hormuz, which aims to ensure the free movement of ships in the Strait of Hormuz, the Arabian Sea, the Arabian Gulf, and the Gulf of Oman. Denmark headed AGENOR from January to April 2021, and the role of Senior Civilian Representative (SCR) for European Maritime Awareness in the Strait of Hormuz (EMASoH), Jakob Brix Tange, was Danish. Ambassador Tange explained that the initiative aims to ensure freedom of navigation by maintaining an autonomous situation appreciation, contributing to a stabilized environment, and promoting European presence at sea. In February 2022, the EU extended the Coordinated Maritime Presence (CMP) concept to the North-Western Indian Ocean to enhance coordination and cooperation with EMASoH. The EU member states concluded that the region is a “maritime area of interest” (MAI) and that maritime security in the Gulf is a strategic interest for the EU (Bianco and Moretti, May 2022).

However, with the rise of attacks on the region, there is a need for Denmark and the GCC states to explore closer naval collaboration, especially since GCC member states are themselves developing their naval capabilities and enhancing their experience in coastal and naval protection. Intelligence sharing and information cooperation are also essential in enhancing collaboration between the GCC and Denmark, leading to safer maritime security and stability for both sides. Denmark can also play a more prominent role in promoting peace and stability in the region by pushing forward the EU’s Joint Communication on “A Strategic Partnership with the Gulf.”

Economic Cooperation

Regarding trade and partnerships, Denmark’s economic relationship with the GCC is overall regarded as stable but with unmet potential. Denmark has established two trade councils in the region: one in Saudi Arabia, which supports Bahrain, Kuwait, and Yemen, and the second in the United Arab Emirates, which also supports the wider Middle East and North Africa (MENA) region. In the UAE, Denmark also established the Danish Business Council Dubai (DBCDD) in 2004 as a non-profit organization under the Dubai Chamber. DBCDD provides a platform to enhance business opportunities for Danish companies in the UAE.

In Saudi Arabia, Denmark has always had a traditional focus on the health and technology sectors as well as the green transition (energy, water, environment, food, and agriculture) (Embassy of Denmark, Saudi Arabia, 2023b). Most recently, in an interview with Arab News in April 2023, Denmark’s Ambassador to Saudi Arabia, Liselotte Plesner, explained that there is an increased convergence in strengthening energy cooperation between the two countries, especially in sharing knowledge and technology, following the ambition of the Kingdom’s Saudi Green Initiative (Alhamawi, April 2023). The ambassador also focused on enhancing Danish-Saudi cooperation in climate initiatives through sharing strategies.

Currently, GCC-Denmark economic relations encompass trade and investment across a wide range of goods and services. Table 1 below shows Denmark’s trade with the GCC.





Table 1: Denmark’s Trade with the GCC, 2021 (Million USD)

	Exports	Imports	Total Trade
Saudi Arabia	786	27.9	813.9
United Arab Emirates	561	57.3	618.3
Qatar	150	81.4	231.4
Kuwait	199	29.8	228.8
Oman	124	9.02	133.02
Bahrain	66.3	6.66	72.96
GCC	1886.3	212.08	2098.38

Source: The Observatory of Economic Complexity (OEC)

Although trade has increased significantly since 2005, there are still a lot of additional opportunities for partnership. One way to increase economic ties would be through Denmark’s Trade Council, a governmental export and investment promotion organization under the Ministry of Foreign Affairs. The organization’s aims are three-fold (Embassy of Denmark, Saudi Arabia, 2023a):

1. Bring together governmental activities for promoting foreign investments in Denmark as well as Danish exports.
2. Provide significant benefits for new and experienced exporters.
3. Provide Danish businesses the opportunity to enter into a close partnership that will improve the academic analysis of foreign markets and increase their competitiveness.

Moreover, with the launch of the historic Saudi Vision 2030 national reform program, there have been various new growth areas and business opportunities for Danish companies in the construction industry, design, and the IT sector. Specifically, these relate to megaprojects such as NEOM, AMAALA, the Red Sea Development Project, Diriyah, Qiddiyah, and others. In addition, there

are four other areas of potentially more significant joint investments between the GCC and Denmark: the oil and gas sector; renewable energy, given the fact that GCC demand in this sector is growing; digital technology, including fintech industries; and agriculture and food industries where GCC countries are increasing their investment.

Denmark placed an emphasis on intensifying its collaborations with the UAE in the lead-up to COP28, which will be held in Expo City, Dubai, in November 2023. Danish Minister for Development Cooperation and Global Climate Policy, Dan Jorgensen, stated that Denmark sees the UAE as a “partner that we can work with... and together we can help others because we share the ambition to deploy more renewable energy and to become more energy efficient” (Abu Baker, January 2023). The Danish Minister reiterated that the two countries would enhance strategic partnerships through green projects and initiatives. Already, Danish companies have focused on energy and water efficiency projects, waste disposal, and renewable energy solutions in the UAE, such as Danfoss, Niras, AVK, and Rambøll (Abu Baker, January 2023).



Dr. Sultan bin Ahmed Al Jaber, Minister of Industry and Advanced Technology and COP28 President-Designate, at the Copenhagen Climate Ministerial, March 2023

Source: [Zawya](#)

Qatar and Denmark have also expanded their economic relations throughout the years. In September 2017, the Qatar Chamber (QC) hosted members of the Danish business mission. Mohammed bin Ahmed bin Twar, Vice-Chairman of QC, explained that despite “distinctive relations” between the two countries, “trade exchange is still below expectations. It reached in 2016 only \$70m” including in the industry, education, aviation, health, and sport sectors (Qatar Chamber, September 2017).

Denmark has also increased its business relations with Bahrain in recent years. In October 2017, Bahrain and Denmark signed an agreement to accelerate financial technology solutions in the GCC. The agreement between Bahrain’s Finocracy and Denmark’s Copenhagen FinTech Hub will see the “creation of the talent bridge and the business bridge to allow for accelerated launch of new fintech solutions across GCC and emerging markets” (Zawya, 2017). According to Finocracy’s managing director, Ashar Nazim, the “business bridge is a game-changer. It will ease the entry of Danish firms into the GCC, collaborating with Islamic banks and bringing innovative solutions

for digital ready customers. It also provides GCC start-ups ready access to Danish innovations” (Zawya, 2017). In November 2022, Denmark transport and logistics company, DSV, opened a larger logistics facility in the Bahrain Logistics Zone to expand its warehousing capabilities in the region. Mr. Elias Monem, the Executive Vice President for Solutions & Road at DSV MENA region, stated that “Bahrain is an important and growing operational market to DSV in the Middle East. Its advanced infrastructure and favorable geographical placement are central factors in choosing to extend our business in the country. The new facility in Bahrain Logistics Zone will allow us to respond to the high demand and better serve customers in the region” (Nair, November 2022).

Conclusion

In conclusion, Denmark’s relations with the GCC and Saudi Arabia are strong but on the path of becoming more robust. Specifically, there is room for more opportunities and cooperation in the GCC-Denmark relations within the trade, construction, security, and technology sectors. There is also room to expand ties politically and economically.



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¹ As part of its research endeavor, the Gulf Research Center is launching a project to increase the cooperation and understanding of the Gulf’s relations with the Nordic-Baltic Eight (NB8), defined as a regional cooperation that includes Denmark, Estonia, Finland, Iceland, Latvia, Lithuania, Norway, and Sweden. Following the release of the general overview paper of NB8 relations to the Gulf, a closer look at the GCC-Denmark ties will now be undertaken to provide a thorough overview of the current relations status and prospects for the future.



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