











GCC-Finland Relations

This paper aims to provide an overview of the diplomatic, economic, and cultural relations between Finland and the GCC member states by exploring the historical context, current state of affairs, and future prospects, taking into account various aspects, including trade, investment, diplomacy, and people-to-people exchanges. As a member state of the European Union (EU), Finland is supportive of the EU's new focus on the Gulf region within the framework of its "Strategic Partnership with the Gulf" of May 2022. In addition, the GCC states are seeking to broaden their ties to the European Nordic countries including with Finland. To explore how these relations can be developed, an initial assessment of the state of affairs is a useful starting point.

Political & Security Cooperation

Finland first established diplomatic relations with the GCC states with Kuwait in 1973, followed by the rest of the member states in subsequent years. Political and security relations between the two sides today encompass a variety of points of contact both bi-laterally and within the context of the EU.

In May 2021, Finland's Ministry of Foreign Affairs released Finland's strategy development cooperation in the Middle East and Northern Africa from 2021-2024. The document states that "the countries in the MENA region are neighbours and natural partners of high importance. The region has indisputable strategic importance to Europe due to geographic proximity, strong historical links, trade routes, energy resources, spillover effects of political volatility, poverty and conflicts in the region, and hence shared strategic interests of peace and stability" (Ministry for Foreign Affairs of Finland, May 2021).

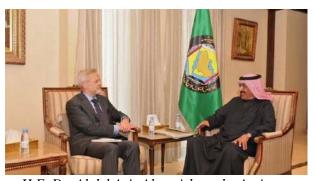
The document also states that "for Finland, alongside long-standing bilateral relations with some of the countries in the region, the EU is the primary platform for engagement in policy dialogue and cooperation with the countries in the region," and that "[it] aims at reinforcing good bilateral relations, as well as dialogue through the EU. We want to engage in multilateral arenas on issues of common interest. Promoting high level political dialogue and bilateral trade are key objectives, as well as combating climate change" support to (Ministry for Foreign Affairs of Finland, May 2021).

Much of the day-to-day affairs are overseen by the Unit for the Middle East with the Finnish Ministry for Foreign Affairs. Some of the Unit's responsibilities include "bilateral relations, the EU's external relations, and multilateral institutions in all fields of cooperation (political, trade policy, commercial and cultural. development economic. and cooperation" (Ministry for Foreign Affairs of Finland, 2023). This includes contributing to conflict prevention efforts in the countries as a part of Finland's general foreign policy such as the Helsinki Policy Forum, established in February 2014, to increase dialogue on challenges and opportunities facing the Gulf-MENA region and Europe (Ministry for Foreign Affairs of Finland, 2023).

Political and diplomatic engagement between Finland and the GCC states has been characterized by cooperation on global issues, as well as regional stability and security. In January 2020, the Assistant Secretary-General for Political Affairs and Negotiations at the Gulf Cooperation Council, H.E. Dr. Abdel Aziz Aluwaisheg, met with the Special Envoy of the Minister for Foreign Affairs of Finland, Mr.



Roberto Tanzi-Albi, and the Ambassador of Finland to the Kingdom of Saudi Arabia, Mr. Antti Rytovuori, where they discussed areas of collaboration, especially in the field of the marine environment (Cooperation Council for the Arab States of the Gulf, Secretariat General, January 2020). Dr. Aluwaisheq and Ambassador Rytovuori also met in December 2019 to discuss enhancing the GCC-Finland relationship.



H.E. Dr. Abdel Aziz Aluwaisheg, the Assistant Secretary-General for Political Affairs and Negotiations at the GCC, and Mr. Antti Rytovuori, Ambassador of Finland to the Kingdom of Saudi Arabia, in 2019 (Cooperation Council for the Arab States of the Gulf, Secretariat General, December 2019)

Recent years have seen a rise in bilateral visits as Finland has increased its efforts to contribute to conflict resolution efforts in the Middle East. The following examples are from 2022 and 2023 alone:

In September 2023, Saudi Foreign Minister H.E. Prince Faisal bin Farhan met with his Finnish counterpart, Elina Valtonen, on the sidelines of the 78th UN General Assembly in New York. The two foreign ministers "discussed enhancing bilateral relations in various fields and consolidating bilateral and multilateral work, in addition to the latest international developments" (Arab News, September 2023).

In August 2023, Oman and Finland held the second round of political consultations between

the two countries in Helsinki, which was cochaired by H.E. Ambassador Munther bin Mahfouz Al Manthari, Head of the European Department in Oman's Ministry of Foreign Affairs and H.E. Sofie From-Emmesberger, Director General of the Africa and Middle East Department of the Ministry of Foreign Affairs of the Republic of Finland. They discussed the two friendly nations' bilateral ties and future development prospects during the meeting (Times News Service, August 2023).

In July 2023, Bahrain and Finland held the third round of political consultations in Bahrain. The meeting was co-chaired by H.E. Dr. Shaikh Abdulla bin Ahmed Al Khalifa, Political Affairs Undersecretary at the Ministry of Foreign Affairs of Bahrain, and Sofie From-Emmesberger, the Director General of the Department for Africa and the Middle East at the Finnish Foreign Affairs Ministry. H.E. Dr. Shaikh Abdulla bin Ahmed Al Khalifa "lauded the solid Bahrain-Finland relations, stressing that the steady growth of bilateral ties over the past four decades reflects the two countries' keenness to bolster their cooperation and partnership across political, economic, and cultural fields, as well as back global efforts to consolidate security, stability, and peace in the Middle East and the world" (Bahrain News Agency, July 2023).



Saudi Foreign Minister H.E. Prince Faisal bin Farhan with his Finnish counterpart, Elina Valtonen, on the sidelines of the 78th UN General Assembly in New York (Arab News, September 2023)



In February 2023, Finland inaugurated its embassy in Doha, Qatar in the presence of the Finnish Minister of Foreign Trade and Development, Ville Skinnari, alongside Qatar's Minister of Commerce and Industry, H.E. Sheikh Mohamed bin Hamad bin Qassim al-Abdullah al-Thani. The opening of the embassy underlined the intention of Finland to increase its political presence in the region.



H.E. Dr. Shaikh Abdulla bin Ahmed Al Khalifa, Political Affairs Undersecretary at the Ministry of Foreign Affairs of Bahrain, and Sofie From-Emmesberger, the Director General of the Department of Africa and the Middle East at the Finnish Foreign Affairs Ministry during the third round of political consultations between Bahrain and Finland (Bahrain News Agency, July 2023)

In November 2022, Saudi Deputy Foreign Minister H.E. Waleed Al-Khuraiji met Finland's Foreign Minister Pekka Haavisto on the sidelines of the Manama Dialogue in Bahrain, where they reviewed the bilateral relations between the two countries (Arab News, November 2022c).

In November 2022, the UAE and Finland held the first Political Consultation Committee cochaired by Amb. Lana Zaki Nusseibeh, Assistant Minister of Foreign Affairs and UAE Permanent Representative to the United Nations, and Kai Sauer, Under-Secretary of State, Foreign and Security Policy of Finland (WAM, November 2022). Issues of common interests included technology, international peace, economic growth, and climate change. In April 2022, Saudi Arabia's Minister of Economy and Planning, H.E. Faisal Al-Ibrahim, met Pekka Haavisto, Finland's Minister for Foreign Affairs, during an official visit to discuss the ways to deepen the partnership (Arab News, April 2022).



Saudi Arabia's Minister of Economy and Planning, H.E. Faisal Al-Ibrahim, alongside Pekka Haavisto, Finland's Minister for Foreign Affairs (Arab News, April 2022)

Despite the rise in high-level visits and meetings, there is still a need for increased visibility and engagement in both Finland and the Gulf. Areas of better convergence include the EU's "Strategic Partnership with the Gulf," the GCC's increased role in regional and international de-escalation efforts, including, for example, the Jeddah Peace Talks on Ukraine held in 2023, as well as cooperation within NATO with Finland recently joining the organization. Finland's overall diplomatic efforts in the field of conflict-resolution suggest an overlap of interests with the GCC states.

Economic Cooperation

Economic relations serve as the cornerstone of the GCC-Finland partnership. Finland has been an important trading partner for the GCC with a steady increase in the trade balance in recent years. Table 1 in the next page shows Finland's trade with the GCC in 2021.



Table 1: Finland's Trade with the GCC, 2021 (Million USD)

(Filling 1 0 0 2)			
	Exports	Imports	Total Trade
Saudi Arabia	521	31	552
United Arab Emirates	215	20.3	235.3
Oman	18.3	1.06	19.36
Qatar	33.7	26.6	60.3
Kuwait	25.4	0.29	25.69
Bahrain	8.97	3.49	12.46
GCC	822.37	82.74	905.11

Source: The Observatory of Economic Complexity (OEC)

In Saudi Arabia, Finland established Team Finland, a network under the government program Business Finland that specializes in financing and promoting trade and investment in Finland to support "Finland's external economic relations and country brand, the internationalization of Finnish companies as well as foreign investment directed at Finland" (Finland Abroad, 2023). In November 2022, Saudi Arabia and Finland signed an MoU in Helsinki to establish a joint Saudi-Finland Business Council. Through the Federation of Saudi Chambers and the Finland Chamber of Commerce. the Business Council will systematically engage in commercial and promotional efforts related to trade and investment, with a particular emphasis on the industries that are the focus of the economic Al-Awsat, cooperation agenda (Asharq November 2022).

The Federation of Saudi Chambers also signed an MoU with Business Finland to secure bilateral collaboration in the areas of technology, digitalization, energy, circular economy, mining, transport and logistics services, health care, and water sectors (Arab News, November 2022a). During the forum, H.E. Dr. Majid bin Abdullah Al-Qasabi, Saudi

Arabia's Minister of Commerce, emphasized the need to benefit from Finland's expertise in research and development, the mining sector, education and training, and startups and innovation (Alhamawi, Lama, August 2023). Areas identified for better collaboration include the production of renewable energy, using hydrogen in industry and transportation, and advancing and implementing carbon capture technologies (SPA, November 2022). Saudi Arabia and Finland also signed an agreement to bolster air transport services to improve trade, boost tourism in Finland, as well as assist the Kingdom in achieving some of its objectives in the National Transport and Logistics Strategy.



The Federation of Saudi Chambers and Business Finland signing an MoU to establish a joint Saudi-Finland Business Council (SPA, November 2022)

The commitment for increased involvement of Finland in GCC diversification policies, such as Saudi Vision 2030, was underlined by Finland's Minister of Foreign Trade and Development Ville Tavio at the 2023 Future Investments Initiative (FII7) when he explained: "we want to bring our companies here even more. We already have some of our companies here, and we want to make the cooperation even larger" (Takla, Reina, & Al-Barakati, Manal, October 2023). Nabil Mohamed, Business Finland senior advisor has stated that innovation and technology will be crucial sectors between the countries, due to the



fact that "in the Kingdom, there are many new areas of potential collaboration between the two countries of course, digital transformation is the main pillar across all different sectors" (Alhamawi, Lama, August 2023). In October 2023, Saudi Arabia and Finland took steps to propel their digital economy forward when Communications and Information Technology Minister H.E. Eng. Abdullah Alswaha and Finnish Foreign Trade and Development Minister Ville Tavio signed an MoU to extend the reach of wireless network technologies, cloud computing, and the Internet of Things (Asharq Al-Awsat, October 2023). The agreement also called for developing collaborative initiatives, such as research projects and capacity building (Arab News, October 2023).



Saudi Communications and Information Technology Minister H.E. Eng. Abdullah Alswaha and Finnish Foreign Trade and Development Minister Ville Tavio signing an MoU in Riyadh in October 2023 (Arab News, October 2023)

In the UAE, Finland has focused on sustainability to enhance bilateral cooperation. Minister Skinnari explained that Finland offers expertise across different sectors, stating that "Finland is willing to lead by example with our technologies. We have leading technologies, especially in the field of energy, renewables,

and circular economy" (Kumar, January 2023). The Finnish minister underlined that Finland is focused on digitalization, especially the 5G network, noting that it has launched 5G pilot projects in the Gulf region's tourism industry. The minister further identified tourism and the health sector as promising sectors to develop further.

In Qatar, the Finnish minister stated that the two countries are keen on deepening ties and intensifying cooperation in various areas such as trade, investment, tourism, education, technology, and renewable energy, as well as setting up a business council. Finland and Qatar already have a strong aviation partnership under the Qatar Airways and Finnair strategic partnership, launched in August 2022 with numerous daily flights to Nordic destinations to and from Doha. The partnership between the two airlines is seen as critical to enhancing tourism between the two countries. A next step would be to consider similar partnerships between Finnair and other Gulf airlines such as Saudia, Emirates, and Gulf Airways.

Energy and Environmental Cooperation

Energy and environmental cooperation are considered another important dimension of GCC-Finland relations. Similar to the GCC states, Finland has been keen on diversifying its energy sources and has looked to the GCC countries as potential partners in renewable energy. Finland's own expertise in renewable energy and sustainable technologies, meanwhile. opportunities presents cooperation with GCC countries in order to achieve their environmental and energy goals. Ahead of the COP28 Summit in the UAE, Ville



Skinnari, Minister for Development Cooperation and Foreign Trade of Finland called the hosting a "big milestone" and noted that Finland would have a substantial presence during the summit. During a visit to Qatar in February 2023, Skinnari praised Qatar's role in "promoting the gas industry globally, and in securing clean energy for consumers all over the world, pointing out that renewable energy is a fertile field for enhancing bilateral cooperation, especially with the private sector" (QNA/DOHA, February 2023a).

With climate action gaining momentum in the GCC states, Finland can play a role in stabilizing oil markets, expanding cooperation in hydrogen development, achieving increases in energy supplies and energy efficiency, and making appropriate commitments to emission reduction and faster deployment of renewable energy. Especially in the context of the Ukraine crisis, an increased emphasis must be given to climate diplomacy, which is seen as a crucial element in aligning both sides on the goals and standards of the green transition. Here, enabling numerous avenues of cooperation at the midlevel, parallel to high ministerial level cooperation, is vital, including partnerships among think tanks, universities, R&D centers, business-to-business forums, government-tocooperation, government research collaboration, and training and exchange programs to address the main challenges of the energy transition. Finland also has the opportunity to link the EU Green Deal to the Middle East Green Initiative for mutual support in policy implementation.



Qatar's Minister of State for Energy Affairs, H.E. Eng. Saad bin Sherida Al Kaabi, and Ville Skinnari, Minister for Development Cooperation and Foreign Trade of Finland on February 2023 (QNA, February 2023a)

Educational Cooperation

A final area of cooperation to be highlighted here is education. Cooperation in education will enhance the quality of education in the GCC countries by drawing on the expertise and best practices of the Finnish education system, which is renowned for its innovative approach and high-performance results in international assessments. As a result, numerous GCC ministries have signed agreements with Finland's Ministry of Education and Culture, given Finland's leading role in the educational development sector. This comes at a time when the GCC states continue developing their educational sector. The GCC, for instance, has launched meetings and committees to represent joint cooperation regarding education. The **GCC** states' funding and financial commitments to improving their education sectors are among the most significant growth drivers. It is also important to emphasize that the GCC states allocate 20-25% of their government expenditure to education budgets.



One concrete example of this is the Qatar-Finland International School, which has worked towards promoting high education standards in the country. Qatar also launched the first phase of the Qatari Teachers Fellowship Programme (Khebrat) in November 2023, which includes sending 15 teachers and coordinators to Finland to enhance their teaching capabilities in mathematics, science, and English subjects.

These programs and initiatives could be expanded to the rest of the GCC states to foster mutual understanding and respect, facilitate people-to-people connections, and contribute to a more inclusive and diverse academic and cultural environment. Improving educational ties will also play a crucial role in creating a positive image between the two sides, which can enhance broader diplomatic and economic relations.

The collaboration between the GCC and Finland in the field of education encompasses a wide range of focus areas aimed at promoting educational reform and innovation, which has been front and center in the GCC states' respective national vision strategies. One of the key focus areas is curriculum development, where Finnish expertise is leveraged to design and implement curricula aligned with global best practices and tailored to the specific needs the GCC countries. This involves ofincorporating elements of the renowned Finnish education model, such as a focus on holistic learning, student-centered approaches, and technology integration in education.

Another important focus area is teacher training professional development. educators are renowned for their high level of training and expertise, and the GCC countries can benefit from this by engaging in collaborative initiatives to enhance the skills and competencies of their teaching workforce. This includes exchange programs, joint training workshops, and adapting Finnish pedagogical methods to the local context. Furthermore, the partnership also extends to the realm of educational research and innovation. This involves joint research projects, knowledge sharing, and the implementation of innovative educational practices in GCC schools.

Conclusion

Recent years have witnessed a rapid increase in relations between Finland and the GCC countries, driven by a shared commitment to mutual interests. Yet, collaboration can still be enhanced further. Deepening economic engagement, leveraging technological advancements. and addressing global challenges such as regional and international stability, climate change, and public health are all areas that can shape the cooperation agenda.



Bibliography

- Abdulkader, Binsal, (June 2023). "UAE's advanced circular economy opens bilateral cooperation opportunities: Finnish diplomat." *WAM*. https://wam.ae/en/details/1395303166344
- Alhamawi, Lama, (August 2023). "New areas for Saudi-Finnish business collaboration unlocked, says Business Finland adviser." *Arab News*. https://www.arabnews.com/node/2352541/saudi-arabia
- Alhamawi, Lama, (May 2023). "Finnish envoy hails Saudi Vision 2030 ahead of Helsinki circular economy forum." *Arab News.* https://www.arabnews.com/node/2311876/saudi-arabia
- Arab News, (April 2022). "Saudi Arabia's minister of economy discusses bilateral relations with Finland, Georgia." *Arab News*. https://www.arabnews.com/node/2055091/saudi-arabia
- Arab News, (November 2022a). "Saudi Arabia and Finland agree to form new trade body." *Arab News*. https://www.arabnews.com/node/2193706/business-economy
- Arab News, (November 2022b). "Saudi Arabia, Finland sign air transport MoU to boost trade." *Arab News*. https://www.arabnews.com/node/2192426/business-economy
- Arab News, (November 2022c). "Saudi deputy FM meets Finnish minister in Bahrain." *Arab News*. https://www.arabnews.com/node/2202766/saudi-arabia
- Arab News, (October 2023). "Saudi Arabia, Finland forge alliance to propel digital economy." *Arab News*. https://www.arabnews.com/node/2397321/business-economy
- Arab News, (September 2023). "On the sidelines of UNGA 78, Saudi FM meets counterparts, officials." *Arab News*. https://www.arabnews.com/node/2376911/saudi-arabia
- Asharq Al-Awsat, (November 2022). "Saudi Arabia, Finland to Establish 1st Joint Business Council." *Asharq Al-Awsat*. https://english.aawsat.com/home/article/3970711/saudi-arabia-finland-establish-1st-joint-business-council
- Asharq Al-Awsat, (October 2023). "Saudi Arabia, Finland Deepen Cooperation in ICT to Boost Digital Economy." *Asharq Al-Awsat*. https://english.aawsat.com/technology/4626876-saudi-arabia-finland-deepen-cooperation-ict-boost-digital-economy
- Asharq Al-Awsat, (September 2023). "Albudaiwi: GCC Aspires to Strengthen Dialogue with Int'l Community to Achieve Global Security." *Asharq Al-Awsat*. https://english.aawsat.com/gulf/4545276-albudaiwi-gcc-aspires-strengthen-dialogue-int%E2%80%99l-community-achieve-global-security
- Ataullah, Sanaullah, (August 2023). "Finland first destination for MoEHE teachers fellowship programme." *The Peninsula*. https://thepeninsulaqatar.com/article/26/08/2023/finland-first-destination-for-moehe-teachers-fellowship-programme



- Bahrain News Agency, (July 2023). "Bahrain, Finland hold third round of political consultations."

 Bahrain
 News
 **Agency.*

 https://www.bna.bh/en/BahrainFinlandholdthirdroundofpoliticalconsultations.aspx?cms=

 q8FmFJgiscL2fwIzON1%2BDilA1Mt2DYiCl1VKqyJEYUg%3D
- Cooperation Council for the Arab States of the Gulf, Secretariat General, (December 2019). "The GCC and Finland discussed means of Cooperation." *Cooperation Council for the Arab States of the Gulf, Secretariat General.* https://www.gcc-sg.org/en-us/MediaCenter/NewsCooperation/News/Pages/news2019-12-11-6.aspx
- Cooperation Council for the Arab States of the Gulf, Secretariat General, (January 2020). "The GCC and Finland discuss Means of Joint Cooperation." *Cooperation Council for the Arab States of the Gulf, Secretariat General.* https://www.gcc-sg.org/en-us/MediaCenter/NewsCooperation/News/Pages/news2020-1-21-5.aspx
- Finland Abroad, (2023). "Team Finland in Saudi Arabia." *Finland Abroad*. https://finlandabroad.fi/web/sau/team-finland-in-country
- Finland Abroad, (October 2023). "Finnish expertise in education and clean energy on agenda during Minister Tavio's visit to Riyadh." *Finland Abroad*. https://finlandabroad.fi/web/sau/current-affairs/-/asset_publisher/h5w4iTUJhNne/content/ministeri-tavion-riadin-matkalla-esilla-suomen-koulutus-ja-puhtaan-energian-osaaminen/35732
- Kumar, Ashwani, (January 2023). "Finland focuses on sustainability to strengthen ties with UAE." Khaleej Times. https://www.khaleejtimes.com/business/finland-focuses-on-sustainability-to-strengthen-ties-with-uae
- Ministry for Foreign Affairs of Finland, (May 2021). "Finland's Ministry of Foreign Affairs released Finland's strategy for development cooperation in the Middle East and Northern Africa 2021–2024." *Ministry for Foreign Affairs of Finland*. https://um.fi/documents/35732/0/P-Afrikka Lahi-ita_Country_Programme_alt+%282%29.pdf/c4327a91-38bb-d834-f16b-4e3de270c3df?t=1626263245895
- Ministry for Foreign Affairs of Finland, (2023). "Unit for the Middle East." *Ministry for Foreign Affairs of Finland*. https://um.fi/unit-for-the-middle-east
- Muscat Daily, (October 2023). "Oman, Finland sign pact for cooperation in education sector."

 Muscat Daily. https://www.muscatdaily.com/2023/10/08/oman-finland-sign-pact-for-cooperation-in-education-sector/



- QNA, (February 2023a). "Minister of State for Energy Affairs meets Finnish Minister for Development Cooperation and Foreign Trade." *Gulf Times*. https://www.gulftimes.com/article/655012/qatar/minister-of-state-for-energy-affairs-meets-finnish-minister-for-development-cooperation-and-foreign-trade
- QNA, (February 2023b). "Qatar Chamber discusses aspects of trade, investment cooperation with Finland." *Gulf Times*. https://www.gulf-times.com/article/655026/business/qatar-chamber-discusses-aspects-of-trade-investment-cooperation-with-finland
- QNA/DOHA, (February 2023a). "Finnish minister underlines strength of bilateral ties with Qatar." *Gulf Times*. https://www.gulf-times.com/article/655370/business/finnish-minister-underlines-strength-of-bilateral-ties-with-qatar
- QNA/DOHA, (February 2023b). "Sheikh Mohamed meets Finland's minister of development cooperation and foreign trade." *Gulf Times*. https://www.gulftimes.com/article/655035/qatar/sheikh-mohamed-meets-finlands-minister-of-development-co-operation-and-foreign-trade
- Saleem, Fazeena, (February 2023). "Finland keen to deepen ties with Qatar." *The Peninsula*. https://thepeninsulaqatar.com/article/07/02/2023/finland-keen-to-deepen-ties-with-qatar
- SPA, (November 2022). "Saudi-Finnish forum eyes bolstering ties." *Arab News*. https://www.arabnews.com/node/2193886/saudi-arabia
- Takla, Reina, & Al-Barakati, Manal, (October 2023). "Finnish minister wants direct flights between Riyadh, Helsinki." *Arab News*. https://www.arabnews.com/node/2398081/business-economy
- Times News Service, (August 2023). "Oman, Finland hold session of political talks." *Times of Oman*. https://cdn-4.timesofoman.com/article/135241-oman-finland-hold-session-of-political-talks
- WAM, (November 2022). "UAE-Finland Political Consultation Committee discusses strengthening trade and economic ties." WAM. https://wam.ae/en/details/1395303103667
- Yousif, Fatehelrahman, (December 2022). "Finland Looks for Strategic Partnership with Saudi Arabia in Hydrogen, Green Energy Fields." *Asharq Al-Awsat*. https://english.aawsat.com/home/article/4053701/finland-looks-strategic-partnership-saudi-arabia-hydrogen-green-energy-fields

Gulf Research Center
Knowledge for All



مركز الخليسج للأبحاث المسروسسة للجسوب