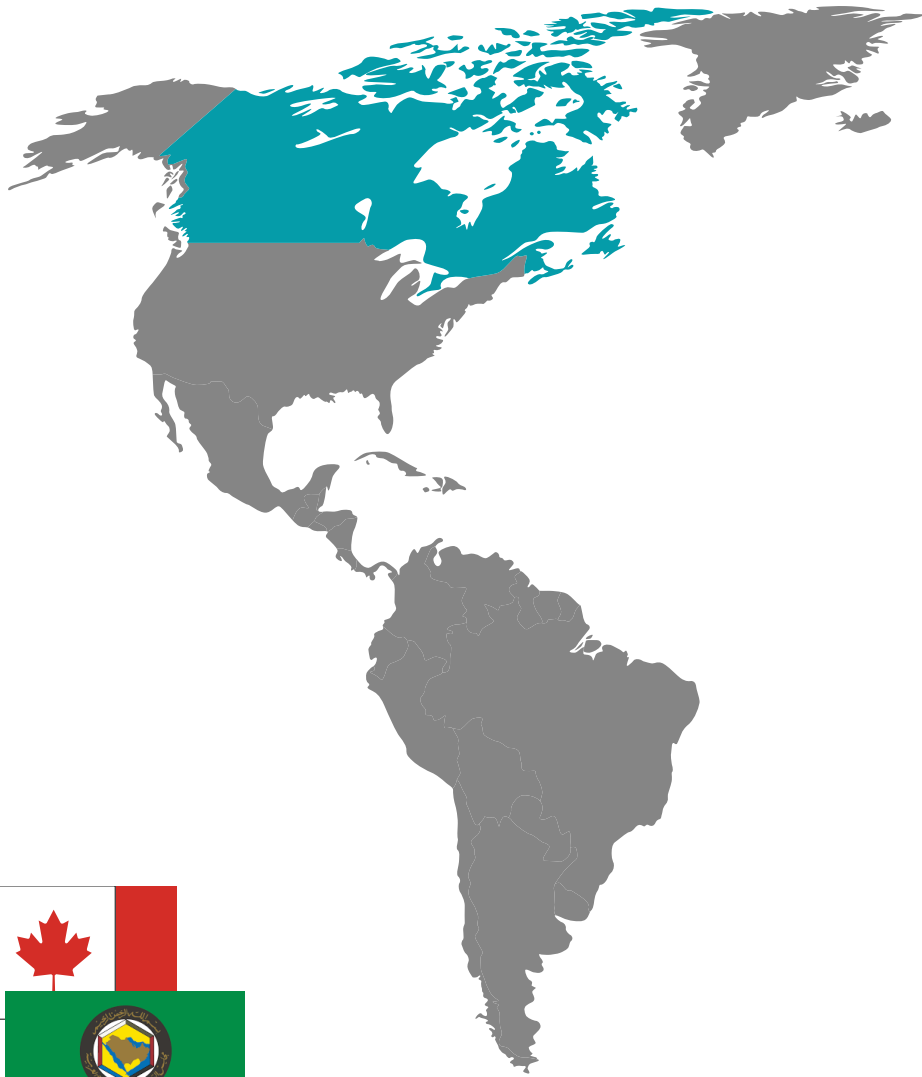




Gulf Research Center
Knowledge for All

Canada - GCC Relations



March 2025

1. Key Domestic Developments

Canada's government is a federal parliament and constitutional monarchy under King Charles III as part of the British Commonwealth. Canada's current head of government is Prime Minister Mark Carney, the former head of both the Bank of Canada and the Bank of England, who was sworn in in March 2025, ending Justin Trudeau's nearly 10-year tenure. The Prime Minister streamlined a 23-member Cabinet, significantly reducing the number of ministers from the 36-member Cabinet under former Prime Minister Justin Trudeau. Prime Minister Carney also pledged to uphold Canada's interests in the face of tariffs and other threats from United States President Donald Trump, stating that Canada will "never, in any shape or form, be part of the U.S."

In January 2025, the former Canadian Prime Minister announced his resignation, stating that ongoing "internal battles" have led him to believe his renewed candidacy "cannot be the best option" in the upcoming election. Trudeau has been facing increasing dissatisfaction within his party, a situation worsened by the unexpected resignation of his finance minister last year. Chrystia Freeland, who also served as deputy prime minister, mentioned in her resignation letter that Trudeau asked her to assume a lesser role, but she believed that leaving the Cabinet was "the only honest and viable path." In recent years, Trudeau's popularity with Canadian citizens has also declined due to various issues, including rising food and housing costs as well as increased debate on immigration.

Canada's government has faced scrutiny after several recent controversial decisions. For one, the former Prime Minister advocated for the Trans Mountain Pipeline System, a pipeline that carries crude oil and refined petroleum products. The decision was criticized as contradicting the country's goals of reducing greenhouse gas emissions. Protests intensified across Canada between September 2024 and March 2025.

Demonstrations against Palestine-related foreign policy, climate policies, and immigration reforms have put pressure on law enforcement. Due to these escalating protests, Canada's police chiefs have called for more help in keeping them contained, calling it an "unsustainable demand" on police services across the country.



Climate change remains a critical issue. Canada faced one of its worst wildfire seasons in 2024, with British Columbia and Alberta experiencing record-breaking destruction. Initiatives to address the issue have included reducing emissions and the burning of fossil fuels, as well as combatting climate change, as increasingly hot and dry weather is causing wildfires to burn hotter and spread faster. In January 2025, Alberta lifted its moratorium on new coal exploration and development in the Eastern Slopes of the Rocky Mountains, reinstating the 1976 Coal Policy. While the government asserted that this move aims to reduce regulatory confusion, it has sparked public debate due to environmental concerns, including potential water contamination and habitat destruction.

Key Canada Economic and Social Data

- **GDP:** 2.142 trillion USD (2023)
- **GDP per capita:** 53,431.19 USD (2023)
- **Annual Growth Rate:** 1.2% annual change (2023)
- **Inflation:** 1.8% (2024)
- **Population:** 40.1 million (2023)



- **Unemployment Rate:** 6.6% (2025)
- **Credit Rating:** Standard & Poor's credit rating for Canada stands at AAA with stable outlook. Moody's credit rating for Canada was last set at Aaa with stable outlook. DBRS' credit rating for Canada was last reported at AAA with stable outlook.

Defying expectations, Canada's economy grew at an annualized rate of 2.6% in the fourth quarter, surpassing the projected 1.8%. Increases in consumer spending, business investments, and exports drove this growth. However, concerns persist regarding the potential negative impact of impending U.S. tariffs, which could dampen consumer confidence and economic momentum. The Bank of Canada faces the delicate task of balancing these growth figures against external trade threats in its monetary policy decisions.

2. Canada's Foreign Policy

Canada is categorized as a "middle power" due to its role in international affairs. Canada's foreign policy is centered around multilateralism, international peacemaking and security, and cooperating with international organizations. Canada was a founding member of the United Nations and is a member of many international organizations, such as the World Trade Organization, the G20, the North Atlantic Treaty Organization (NATO), international financial institutions (IFIs), the Organization for Economic Cooperation and Development (OECD), the International Organization of La Francophonie (OIF), the Commonwealth, the Organization of American States (OAS), the Organization for Security and Cooperation in Europe (OSCE), and the Asia-Pacific Economic Cooperation (APEC).

According to Canada's Departmental Plan for 2024-25, the country's key foreign policy priorities include shaping the rules-based international system, promoting democracy and human rights, building and maintaining constructive relationships, defending its core principles, and preserving individual states' sovereignty, independence, and territorial integrity. Canada

plans to strengthen engagement and presence in the United Nations and build on constructive global leadership as a G20 member. The nation also plans to initiate promotions of international peace and security, particularly through NATO, and continue to support UN peace operations.



Key Foreign Policy Initiatives

- In March 2025, Canadian Prime Minister Justin Trudeau said Ottawa would respond to U.S. tariffs with their own 25% tariffs on C\$30 billion (\$20.7 billion) worth of U.S. imports and another C\$125 billion if Trump's tariffs were still in place in 21 days.
- On August 9, 2024, the Minister of Foreign Affairs announced the imposition of sanctions against 10 individuals and six entities in Belarus as a response to their involvement in Russia's war against Ukraine.
- On July 19, 2024, Chinese Foreign Minister Wang Yi held talks with Canada's Minister of Foreign Affairs, Mélanie Joly, to normalize ties.
- On July 11, 2024, Canadian Prime Minister Justin Trudeau announced that the country would increase defense spending to meet the NATO target of 2% of GDP by 2032. This would be Canada's first commitment, following pressure from the United States.

In terms of international relations, Canada and the United States are seeing a strain in relations following President Trump's imposition of 25% tariffs on the country and reiteration of the idea of Canada becoming the 51st U.S. state, which



Canada firmly rejected. Prime Minister Justin Trudeau said hours before the tariffs took effect, Ottawa would immediately respond with its own tariffs on \$30 billion of U.S. goods and by March 25, an additional \$125 billion tariff on American goods. “Canada will not let this unjustified decision go unanswered,” Trudeau said. Despite intense diplomatic efforts to avert these tariffs, the economic conflict underscores the complexities in U.S.-Canada trade relations.

Regarding the Russia-Ukraine crisis, Canada has supported Ukraine since the start of the conflict in February 2022 to ensure the security and stability of the country. Prime Minister Trudeau has announced sanctions against Russia, additional military contributions to support NATO, and new refugee policies to facilitate Ukrainian families’ immigration to the country. In January 2023, Anita Anand, Canada’s Defense Minister, made a surprise visit to Ukraine and announced additional aid in the form of 200 Canadian-made armored vehicles worth \$90 million. Since the beginning of 2022, Canada has committed \$4.5 billion in military assistance to Ukraine. This funding will allow Canada to deliver military assistance to Ukraine through 2029.

Canada’s relationship with India has also been recently tested. In September 2023, Prime Minister Justin Trudeau accused the Indian government of potentially being involved in the assassination of a Sikh separatist in British Columbia. India denied the accusations, and almost two-thirds of Canada’s formal diplomatic representation in India was expelled when New Delhi threatened to suspend their diplomatic immunity. The situation further deteriorated in late October 2024 when Canada’s Deputy Foreign Affairs Minister, David Morrison, implicated Indian Home Minister Amit Shah in the 2023 assassination of Hardeep Singh Nijjar. India vehemently denied these allegations, labeling them “absurd and baseless.”

3. Canada-GCC Fact Sheet

Canada’s Trade in Goods with GCC Countries (2023, USD millions)

Country	Canada Exports	Canada Imports	Trade Balance
Bahrain	193.76	60.57	133.19
Kuwait	104.55	309.06	-204.51
Oman	89.99	82.36	7.62
Qatar	168.32	147.90	20.42
Saudi Arabia	1590.77	1587.01	3.76
United Arab Emirates	1532.27	598.69	933.58

Establishment of Diplomatic Relationships

- Canada-GCC Diplomatic Relations: Kuwait (1965), Saudi Arabia (1973), Bahrain, Oman, Qatar, and the United Arab Emirates (1974)

Key Research Centers and Think Tanks

- The Institute for Peace & Diplomacy: <https://peacediplomacy.org/>
- Fraser Institute: <https://www.fraserinstitute.org/>
- Institute for Research on Public Policy (IRPP): <https://irpp.org/>
- Centre for International Governance Innovation (CIGI): <https://www.cigionline.org/>
- Canadian Global Affairs Institute (CGAI): <https://www.cgai.ca/>
- Macdonald-Laurier Institute (MLI): <https://www.macdonaldlaurier.ca/>
- Brookfield Institute: <https://brookfieldinstitute.ca/>
- Frontier Centre for Public Policy: <https://fcpp.org/>



Selected Key Regional Experts

- Robert J. Bookmiller, Millersville University
- Peter Jones, University of Toronto
- Houchang Hassan-Yari, Royal Military College of Canada
- Thomas Juneau, University of Ottawa

4. Key Developments in Canada-GCC Relations

Overall, Canada's relationship with the GCC continues to be positive. In 2013, Canada and the GCC states established the Canada-GCC Strategic Dialogue, committed to a long-term strategic partnership and promoting mutual economic prosperity, security, and stability. The second ministerial meeting was held on May 23, 2016, in Jeddah, Saudi Arabia. The meeting was co-chaired by His Excellency Dr. Nizar bin Obaid Madani, Minister of State for Foreign Affairs of the Kingdom of Saudi Arabia, and His Excellency Mr. Stéphane Dion, Minister of Foreign Affairs of Canada. Abdullatif bin Rashid Al-Zayani, the GCC Secretary-General, and Their Excellencies, the Foreign Ministers of the GCC member states, also participated in the ministerial meeting. The ministers discussed various issues, including conflicts in Syria, Iraq, and Yemen, and cooperation on mutual humanitarian, political, and trade goals. Moreover, Canada also plays a political role in its membership in NATO, G7, and the G20.

Canada has also improved its relations with Saudi Arabia. There are numerous topics on which Saudi-Canada cooperation needs to be considered, including nonproliferation issues, nuclear safety,

maritime security, cybersecurity, energy security, environment and climate change, disaster prevention (i.e., pandemics and earthquakes), food security, counterterrorism, and humanitarian aid and donations. Additionally, Canada has much to offer regarding softer security issues, such as enhancing collaboration on humanitarian aid and advancing peace negotiations in conflict zones. The complete restoration of ties offers an opportunity to bring back the positive relationship between Saudi Arabian international students and Canadian institutions.



Canada also cooperates with the Gulf states in mediation and diplomacy and contributes to conflict resolution efforts in the Middle East. This comes at a time when the GCC states firmly establish themselves as important political and economic power brokers at the international level. Canada's history of mediating conflicts makes it an ideal partner for peacebuilding and conflict-resolution efforts in the Middle East and beyond. For instance, Canada has worked closely with Qatar on the release of hostages in the Israeli-Palestinian conflict. Canada also plays an important role in providing aid to Palestinians. In October 2023, Global Affairs Canada announced that Canada would provide \$50 million in humanitarian aid to Palestinians in the Gaza Strip alongside \$10 million designated previously. According to Foreign Affairs Minister Mélanie Joly, "It is critical that Palestinian civilians in Gaza who need life-saving assistance receive it as soon as possible," and "Canada will continue to work



with its trusted and experienced humanitarian partners to make sure this funding reaches those who are suffering.”

Canada’s relationship with the Gulf region remains positive as business and bilateral ties between them continue to support their mutual interests. On March 7, 2024, Canadian Minister for Foreign Affairs Mélanie Joly and GCC Secretary General Jassem Mohamed Albudaiwi met for talks surrounding bilateral relations and boosting cooperation to serve common interests. Saudi Arabia and Canada’s progressive cooperation unlocks investment and business potential as the deadline for Vision 2030 approaches in the coming years. This reconciliation resulted in Canada welcoming Saudi students and Saudi government scholarship programs, enhancing relations between the countries. Mutual interest also includes international conflicts. During her visit to the region in March 2024, Minister Mélanie Joly discussed with her respective counterparts in Saudi Arabia, UAE, and Kuwait the Israel-Palestine conflict, reaffirming her support for a two-state solution and in agreement with Arab states’ conditions to recognize Palestine as an official state.

Bahrain-Canada

- On December 8, 2024, H.E. Lieutenant General Abdullah bin Hassan Al Nuaimi, Minister of Defense Affairs, received H.E. Stefanie Beck, Deputy Minister of National Defense of Canada, during her visit to participate in the 20th IISS Manama Dialogue 2024.
- Also on December 8, 2024, H.E. Dr. Mohamed bin Mubarak Bin Dainah, Minister of Oil and Environment and Special Envoy for Climate Affairs, received H.E. Jean-Philippe Linteau, Canada’s Ambassador to Bahrain. Ambassador Linteau commended Bahrain’s initiatives to reduce carbon emissions and protect the environment.
- On November 6, 2024, H.E. Lieutenant General Abdulla bin Hassan Al Nuaimi, Minister of Defense Affairs, received H.E.

Colonel John Pumphrey, the Canadian Defence Attaché to Bahrain. The minister commended the bilateral ties between the two countries across various domains.

Kuwait-Canada

- In October 2024, Kuwait’s Directorate General of Civil Aviation (DGCA) signed agreements with Canada to regulate air transport and develop the civil aviation sector.
- In March 2024, the Ministries of Foreign Affairs of Kuwait and Canada held a meeting in Kuwait to discuss the bilateral relationship and agreed to deepen it further. They also agreed to deepen their shared commitment to international law and security.

Oman-Canada

- In January 2025, the two countries kicked off the Oman-Canada Business Forum in Muscat. The forum, organized by the Oman Chamber of Commerce and Industry (OCCI), explored ways to enhance trade and investment cooperation between Oman and Canada in the health sector.
- In September 2024, His Majesty Sultan Haitham bin Tarik and H.E. Justin Trudeau, Prime Minister of Canada, discussed areas of cooperation between Oman and Canada over the phone. They also exchanged views on regional and international developments.
- In January 2024, H.E. Prime Minister Justin Trudeau spoke with the Sultan and Prime Minister of Oman, His Majesty Haitham bin Tariq Al Said, and discussed the situation in Gaza.

Qatar-Canada

- In January 2025, H.E. Minister of State for International Cooperation Maryam bint Ali bin Nasser Al Misnad met with H.E. Canadian Minister of International Development Ahmed Hussen, where they discussed the bilateral relationship and developments in Syria.



- In December 2024, the Advisor to the Prime Minister and Official Spokesperson for the Ministry of Foreign Affairs, H.E. Dr. Majed bin Mohammed Al Ansari, met with H.E. Deputy Minister and Foreign and Defense Policy Advisor to the Prime Minister of Canada, Stephen de Boer. H.E. Special Envoy of the Minister of Foreign Affairs Ambassador Faisal bin Abdullah Al Hanzab also met with the Deputy Minister and Foreign and Defense Policy Advisor.
- On November 25, 2024, H.E. Minister of State for International Cooperation Maryam bint Ali bin Nasser Al Misnad met with H.E. Ambassador of Canada to the State of Qatar Isabelle Marie Catherine Martin. They discussed bilateral cooperation relations alongside several topics of common interest.
- In November 2024, the Official Spokesperson for the Ministry of Foreign Affairs, H.E. Dr. Majed bin Mohammad Al Ansari, met with the H.E. Director General of the Middle East Bureau at Global Affairs Canada, Martin Larose. The two discussed ways to enhance the relationship between the two countries and developments in Gaza and Lebanon.
- In November 2024, H.E. Minister of State for International Cooperation Lolwah bint Rashid Al Khater met with H.E. Minister of Foreign Affairs of Canada Mélanie Joly on the sidelines of the Ministerial Conference on the Human Dimension of the Peace Formula in Ukraine, which was held in the Canadian city of Montreal.
 - In October 2024, Qatar participated in the Ministerial Conference on the Human Dimension of the Peace Formula in Ukraine, held in Montreal, Canada.
- In September 2024, H.H. the Amir Sheikh Tamim bin Hamad Al-Thani visited Canada, coinciding with the 50th anniversary of diplomatic relations between the two countries. According to the State of Qatar's Ministry of Foreign Affairs, on the sidelines

of the visit, a memorandum of understanding on development cooperation was signed, paving the way for joint efforts in providing foreign aid, reducing poverty, and economic empowerment in line with the Sustainable Development Goals (SDGs). In addition, Qatar, through the Education Above All Foundation, and Canada, through Global Affairs Canada, announced a joint commitment of USD 95 million to empower youth, with the Education Above All Foundation pledging USD 40 million to various initiatives.

- In July 2024, H.E. Minister of State for International Cooperation at the Ministry of Foreign Affairs Lolwah bint Rashid Al Khater met with H.E. Ambassador of Canada to the State of Qatar Isabelle Marie Catherine Martin. The two discussed cooperation between the two countries as well as the developments in Gaza and Ukraine. During the meeting, they discussed cooperation relations between the two countries.
- In May 2024, Doha hosted the first round of political consultations between the Ministries of Foreign Affairs of Qatar and Canada. The consultations addressed bilateral coordination between the two countries and ways to support and enhance them.

Saudi Arabia-Canada

- In January 2025, Saudi Arabia's Deputy Foreign Minister H.E. Waleed Elkhajji met with H.E. Alexander Leveque, Assistant Deputy Minister for Europe, Arctic, Middle East and Maghreb at the Canadian Ministry of Foreign Affairs in Riyadh. During the meeting, they reviewed ways to enhance cooperation between the two countries and other topics of common interest.
- In December 2024, Saudi Arabia's Minister of Economy and Planning, H.E. Faisal Al-Ibrahim, met with H.E. Ambassador Jean-Philippe Linteau in Riyadh. The two discussed ways to strengthen economic ties between the two countries.



- In July 2024, the Federation of Saudi Chambers announced the resumption of the Saudi-Canada Business Council after a five-year suspension.
- In May 2024, Saudi Arabia hosted the first Saudi-Canada Forum for Educational Partnership in Riyadh, attended by Saudi Minister of Education, H.E. Yousef Al-Benyan, and Canadian Ambassador to Saudi, H.E. Jean-Phillipe Linteau. This forum aimed to strengthen cooperation between educational institutions and witnessed the participation of around 180 stakeholders and experts in the education, health, and industry domains.
- During an interview in February 2024, Canadian Ambassador to Saudi Arabia, H.E. Jean-Phillipe Linteau, expressed the goal of seeking a strategic partnership with the Kingdom. The Ambassador praised Saudi Arabia's diplomatic role in global peace and security and the progress of Vision 2030.
- In January 2024, Saudi Arabia and Canada agreed to continue trade delegations after a five-year hiatus.

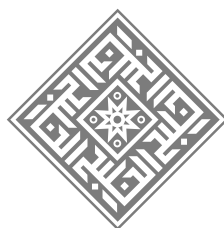
United Arab Emirates-Canada

- In December 2024, H.E. Abdulrahman Ali Al Neyadi presented his credentials as the UAE Ambassador to Canada to H.E. Mary Simon, the Governor General of Canada, during a meeting held at Rideau Hall in Ottawa.

- In July 2024, Canadian Nuclear Laboratories (CNL) and UAE's Federal Authority for Nuclear Regulation (FANR) signed a memorandum of understanding (MoU) to cooperate on nuclear science and technology. According to the agreement, both parties will collaborate on various nuclear aspects to pursue economic development, reduce emissions, and enhance innovative health, waste management, and environmental sciences technologies.

4. GRC Material

- [Canada-GCC Economic Relations](#) – Gulf Research Center – September 2024
- [Saudi-Canada Relations: One Year Later](#) - Amnah Mosly – Gulf Research Center – July 2024
- [Saudi-Canada Relations: Restoration of Ties](#) - Amnah Mosly - Gulf Research Center - July 2023
- [Discovering the Arabian Gulf: Canada's Evolving Ties with the GCC States](#) – Robert J. Bookmiller - Gulf Research Center – December 2006



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