



Gulf Research Center
Knowledge for All

Spain - GCC Relations





Key Domestic Developments:

Spain is a parliamentary monarchy, with the King serving as the head of state and the government exercising executive power. The Spanish parliament, the Cortes Generales, is made up of two chambers: the Congress of Deputies (lower house) and the Senate (upper house.) The Prime Minister, technically known as the “President of the Government,” heads the executive branch and is usually the leader of the party having the most members in Congress.

The most recent general election in Spain was on July 23, 2023. Despite receiving the most votes, the conservative opposition Popular Party (PP) led by Alberto Núñez Feijóo did not secure a majority. After a period of uncertainty, Pedro Sánchez of the Spanish Socialist Workers’ Party (PSOE) formed a government. Under Pedro’s administration, the current government contains ministers from the PSOE, Sumar (SMR,) and independent candidates, as well as three deputy prime ministers.

In anticipation of the regional elections in 2027, Prime Minister Pedro Sánchez’s Socialist Party (PSOE) has initiated a strategic realignment by reorganizing its local leadership at the beginning of 2025 in an effort to retake regions that had been lost to right-wing parties in earlier elections. This action demonstrates the PSOE’s awareness of the changing political landscape in Spain and its resolve to fortify its position in strategic areas, especially Andalusia, a longtime bastion that the party has recently lost.

Notwithstanding the PSOE’s efforts, current polls indicate that the ruling coalition faces considerable obstacles in the future. According to a Sigma Dos survey, the PSOE and its coalition partner Sumar would only take home 123 seats, 29 less than their current total, if elections were conducted in early 2025. The right-wing opposition, on the other hand, seems to be making progress; the People’s Party (PP) and Vox could win 191 parliamentary seats, thus potentially above the 176-seat absolute majority threshold.

The government’s dependence on backing from separatist Basque and Catalan parties continues to put its stability to the test. Despite these obstacles, Sánchez has maintained a tenuous coalition by reaffirming his goal to serve out the present term to 2027. With goals including advancing gender equality, bolstering the welfare state, and lowering unemployment, the government has concentrated on advancing its social agenda.

The administration has announced additional steps to boost affordable housing in an attempt to address urgent domestic challenges. As part of this, PERTE de Viviendas, a new strategic project, was developed with the goal of encouraging innovation in the industrialized and modular construction industry. Furthermore, the government has promised to pay for all of the expenses associated with restoring the infrastructure for water supply, sanitation, and treatment in regions hit by extreme weather occurrences.

Key Spanish Economic and Social Data:

- **GDP:** 3.1% growth in 2024
- **GDP per capita:** \$37.36 thousand
- **Annual Growth Rate:** 2.3% projected for 2025
- **Inflation:** 2.8% as of December 2024
- **Population:** 47,889,958 (2025)
- **Unemployment Rate:** 10.61% as of September of 2024
- **Credit Rating:** Standard & Poor’s: A- with positive outlook; Moody’s: Baa1 with positive outlook; DBRS: A (high) with stable outlook; Fitch: A- with positive outlook.

Spain’s economy outperformed several of its European competitors in terms of growth and resilience between March 2024 and January 2025. The nation’s GDP grew by a noticeable 3.1% in 2024, surpassing previous projections and increasing by 0.4 percentage points from the year before. Favorable external competition, especially in the tourist and non-tourism sectors, and labor force contributions from immigration were the main drivers of this strong growth.



Even though a minor slowdown is anticipated, the GDP is still anticipated to expand by 2.3% in 2025. It is projected that consumption, ongoing labor market resiliency, and growing investment will drive this ongoing expansion. But there are still issues, especially with public finances. The public deficit is not anticipated to drop below 3% of GDP in 2025, despite the economic momentum, suggesting that budgetary pressures will continue. Spain's inflation, a worry for all of Europe, appeared to be leveling off, with the harmonized index of consumer prices (HICP) averaging 2.9% in 2024 and predicted to drop even more to 2.0% by 2026.

Spanish Foreign Policy:

Focusing on strategic priorities and taking a proactive approach to international involvement have been hallmarks of Spain's foreign policy for the past year. Four guiding themes have been highlighted by the government: a dedication to solidarity, multilateralism, strategic bilateralism, and a pro-European vocation. Spain's support for Ukraine and involvement in EU expansion initiatives are examples of its Europeanism. Spain has also voluntarily contributed more than 700 million euros to executive boards of important UN bodies.

In May 2024, Spain formally recognized the Palestinian state, joining more than 140 other countries in this historic decision. Prime Minister Pedro Sánchez highlighted that the recognition aimed to promote Israeli-Palestinian peace efforts and was in accordance with international law and Spanish public sentiment. Foreign Minister José Manuel Albares welcomed the measure as a "historic milestone" that aligned with Spain's consistent support for a two-state solution.

However, this decision sparked a furious reaction from Israel, which severed ties between the Spanish Consulate in Jerusalem and Palestinians living in the West Bank. Despite Israel's criticisms of Spain's decision and the rising tensions that came about, Spain reiterated its commitment to promoting peace and obeying international laws.

Key Foreign Policy Initiatives:

Spain's foreign policy has been characterized by a strategic shift toward Africa and a revitalized dedication to multilateral cooperation. Prime Minister Pedro Sánchez's comprehensive effort, the Spain-Africa Strategy 2025-2028, which identified 100 specific steps to improve political, economic, and security relations, served as the cornerstone of this strategy. With an emphasis on strategic cooperation, migration management, and reciprocal economic development, this approach is a major diplomatic attempt to reestablish Spain as an important partner for African countries.

By declaring plans to expand its network of embassies and consulates around the African continent, the Spanish government concurrently increased its diplomatic presence. In addition, an advisory council was established to enhance the coordination of African government initiatives. Beyond the African focus, Spain reinforced its commitment to international development through the Spanish Cooperation Master Plan for Sustainable Development and Global Solidarity 2024-2027, actively participated in EU enlargement talks, and supported Ukraine.

The Law on Industry and Industrial Security was approved, among other strategic legislative measures, to support these foreign policy goals at home. By encouraging reindustrialization and luring strategic investments, this statute successfully connects Spain's economic diplomacy with its foreign policy goals. The strategy is part of a larger plan to establish Spain as a link between Europe, Africa, and Latin America, using its historical and geographic ties to increase its influence internationally.

Spain-GCC Fact Sheet:

- a. Establishment of Diplomatic Relationships: SAME AS OLD DOC
- i. Spain-GCC Diplomatic Relations: Saudi Arabia (1952), Kuwait (1964), Bahrain (1971), United Arab Emirates (1972), Qatar (1972), and Oman (1972).



Key Research Centers and Think Tanks:

- [Barcelona Centre for International Affairs](#)
- [Elcano Royal Institute](#)
- [Real Academia de Ciencias Morales y Políticas](#)
- [Instituto Español de Estudios Estratégicos](#)
- [Institut Barcelona Estudis Internacionales](#)
- [European Institute of the Mediterranean](#)
- [Fundación Alternativas](#)

Selected Key Regional Experts:

- Dr. Charles Powell CMG
- Haizam Amirah Fernández
- Dr. Federico Steinberg
- Eduard Soler
- Eckart Woertz
- Pol Morillas
- Ambassador Senén Florensa

Key Developments in Spain-GCC Relations:

The first EU-GCC summit, which took place in Brussels in October 2024, was the culmination of major developments in the Spain-GCC relationship. Participating in this summit, Prime Minister Pedro Sánchez emphasized the strategic significance of EU-GCC collaboration. Spain promoted deeper economic ties and a joint approach to global concerns during the summit, which focused on enhancing ties in commerce, political discourse, energy, and climate issues. Sánchez discussed regional stability and common interests in bilateral discussions with the Crown Prince of Saudi Arabia and the Prime Minister of Kuwait. Spain's strategy was in line with its larger foreign policy goals, which include implementing the Spanish Cooperation Master Plan and the Spain-Africa Strategy 2025–2028, both of which have an impact on its relations with GCC nations.

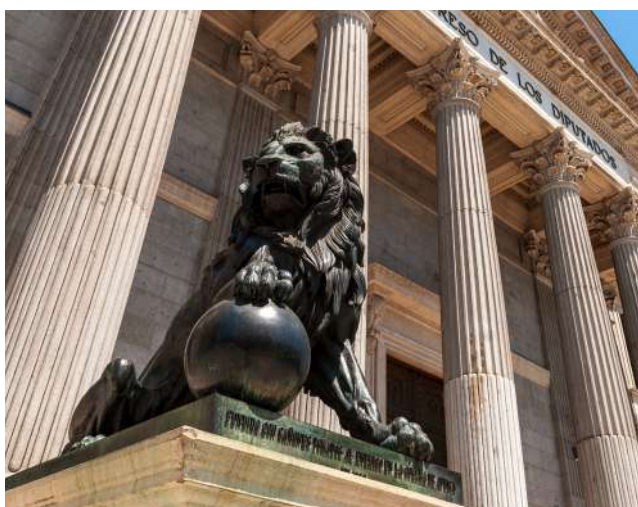
Spain-Bahrain:

- Minister of Foreign Affairs, Dr. Abdullatif bin Rashid Al Zayani, met the Minister of Foreign Affairs José Manuel Albares at the United Nations headquarters in New York, on the sidelines of the 78th session of the UN General Assembly (UNGA 78) in September 2023. The two sides discussed the course of the close relations between the two countries, areas of bilateral cooperation, and ways to enhance and develop relations, in addition to issues of common interest. The meeting was attended by the Ambassador of the Kingdom of Bahrain to the Kingdom of Spain, Fawaz bin Mohammed Al Khalifa, as well as the Foreign Minister's accompanying delegation.
- Shaikh Fawaz bin Mohammed Al Khalifa, Bahraini Ambassador to Spain, hosted a reception in Madrid on December 13, 2023, on the occasion of the Kingdom of Bahrain's National Day. Amb. Fawaz bin Mohammed affirmed the depth of the long-standing relations between the two kingdoms, stressing Bahrain's great interest in bolstering its existing cooperation with Spain at all levels.
- In September 2024, Bahrain's Undersecretary for Political Affairs met with the Spanish State Secretary for Foreign Affairs to examine ways to boost bilateral cooperation. The summit aimed to improve collaboration in political, economic, and cultural areas, showcasing both countries' commitment to expanding bilateral relations across all dimensions.
- On January 11, 2025, Bahrain's non-resident ambassador to Spain attended King Felipe VI's annual reception at the Royal Palace in Madrid. This gathering, attended by diplomatic representatives from many countries, functioned as a forum for strengthening diplomatic relations. The presence of the Bahraini ambassador demonstrated the two countries' continued commitment to preserving excellent relations.



Spain-Kuwait:

- The Spanish Embassy in Kuwait held a reception at the residence of Spanish Ambassador Miguel Moro Aguilar to mark the end of the six-month Spanish Presidency of the Council of the European Union, which lasted from July 1 until December 31, 2023.



- In Madrid, Kuwaiti Ambassador to Spain, Khalifa Al-Kharafi, praised the “special and deep-rooted” bilateral ties with the Kingdom, especially in investment and academia during the annual Diplomatic Corps Reception, hosted by King Felipe VI at the Royal Palace Madrid on February 1, 2024. During this conference, Spain’s significant role in urging the European Union to reject the Israeli occupation of Gaza was highlighted.
- In July 2024, Spain and Kuwait held a major round of political negotiations at the Deputy Foreign Minister level. This high-level meeting underscored the two governments’ continued commitment to diplomatic interaction. The meetings addressed a wide variety of themes, including bilateral cooperation in numerous industries, regional security concerns, and global difficulties. Both sides stated a wish to expand political discussion and align stances on international issues of common importance.
- The French Institute in Kuwait has been accredited as the official DELE (Diplomas of

Spanish as a Foreign Language) test center, which is a significant milestone in cultural ties. This enables Kuwaiti students to earn credentials from the Instituto Cervantes, Spain’s foremost institution for Spanish language and culture promotion.

Spain-Oman:

- Sultan Haitham bin Tariq of the Sultanate of Oman discussed bilateral relations with King Felipe VI of Spain in October 2023, during a phone call, which included a discussion on how to enhance and develop relations in various fields. In addition, they exchanged views regarding a number of regional and international issues of common interest.
- On December 18, 2023, Oman’s Ambassador of Spain, Omar Said Omar Alkathiri met with the Barcelona Free Zone to review opportunities for cooperation. The ambassador also visited the Digitization Research and Development Center for fourth-generation technology for industries.
- The third round of political negotiations between Oman and Spain took place in Madrid on October 18, 2024. Sheikh Khalifa Alharthy, the Foreign Ministry’s Undersecretary for Diplomatic Affairs, led the Omani delegation, while Diego Martínez Bello, the Secretary of State for Foreign Affairs, led Spain’s. The goal of this high-level meeting was to strengthen collaboration in the areas of politics, the economy, and culture. The delegations stressed the significance of preserving peace and stability in the Middle East while exchanging opinions on regional and global topics of shared concern. They also talked about possible cooperation in the fields of technology and renewable energy, which reflects both nations’ dedication to economic diversification.
- The Oman-Spain Business Forum, which took place in Madrid on September 30, 2024, was a major step toward deepening commercial relations. Business executives and government representatives from both nations attended the



event, which was organized by the Spanish Chamber of Commerce. The forum's goal was to improve bilateral ties by facilitating more investment and trade. Opportunities in the Spanish market were investigated by Omani businesses, especially in fields like logistics, tourism, and renewable energy. Following a number of business-to-business (B2B) meetings, initial agreements for investment projects and joint ventures were reached. Spain's interest in Oman's advantageous location as a gateway to Asian markets was also brought up at the summit.

- To improve tourist connections, Oman participated in the International Tourist Exhibition 'Fitur 2025' in Madrid in January 2025. Under the direction of the Ministry of Heritage and Tourism, the Omani delegation presented the nation's many attractions, such as its stunning natural surroundings, rich cultural legacy, and state-of-the-art infrastructure. To introduce reporters and Spanish travel operators to Omani customs and hospitality, a cultural evening was held. In order to increase its presence in the European market and make travel preparations easier for Spanish tourists, Oman made the significant announcement that it will open a tourism representative office in Spain.

Spain-Qatar:

- Spanish Ambassador H.E. Javier Carbajosa Sanchez was joined by Qatar's Minister of Transport H.E. Jassim bin Saif Al-Sulaiti for the Spanish National Day celebration held on October 12, 2023. Amb. Sánchez remarked that "at the political level, 15 bilateral agreements and MoUs have been signed during the past two years, [covering] diverse areas such as education, economy, and science. In addition, Spain has agreed with Qatar on a visa-waiver agreement for diplomatic and special passports. Moreover, Spain supports the ongoing negotiations between the State of Qatar and the European Commission to lift the visa requirement for Qatari nationals."
- The Minister for Foreign Affairs, José Manuel Albares visited Qatar in February 2024 where he was received by Emir Tamim bin Hamad Al Thani. Afterward, he met with the Prime Minister and Foreign Minister to discuss bilateral relations and the situation in the Middle East. Both sides agreed on the importance of joining forces to achieve peace in the region. Foreign Minister Albares also held a meeting with representatives of Spanish companies in Qatar as well as met with the Qatari Businesswomen Association.
- An important step forward in the Spain-Qatar bilateral relationship was taken on June 21, 2024, when Prime Minister and Minister of Foreign Affairs HE Sheikh Mohammed bin Abdulrahman bin Jassim Al Thani and Minister of Foreign Affairs, European Union and Cooperation of the Government of Spain HE Jose Manuel Albares Bueno held their first Strategic Dialogue in Madrid. Politics, defense, security, commerce, investment, education, culture, and innovation were just a few of the topics that were discussed. The initiative's goal was to establish a formal framework for frequent high-level talks and engagement between the two nations, laying the groundwork for more extensive cooperation across a range of industries.
- Spain's COFIDES (Compañía Española de Financiación del Desarrollo) and the Qatar Investment Authority (QIA) have stepped up their collaboration, with COFIDES intending to send a delegation to Qatar to look into additional investment prospects. The goal of this action was to make it easier for Qatar to invest in Spanish businesses and initiatives, especially those that matched Spain's economic interests. With investments in the energy, technology, and real estate sectors, Qatar remains the second-largest Gulf Cooperation Council nation to invest in Spain.
- An important turning point in bilateral ties occurred on April 3, 2024, when Spanish Prime Minister Pedro Sánchez visited Qatar.



Sánchez met with top Qatari officials during this well-publicized visit to talk about regional and bilateral relations. A Memorandum of Understanding to initiate the ‘First Strategic Dialogue’ was signed at the end of the visit, laying the groundwork for more frequent and organized bilateral consultations at the highest levels.

- Qatar’s mediation efforts in a number of international conflicts, including those in Gaza, Ukraine, Venezuela, Chad, Rwanda, the Democratic Republic of the Congo, and Afghanistan, have received public praise from Spain. Both nations reiterated their dedication to promoting world peace and stability. The political aspect of the Spain-Qatar relationship was strengthened by this diplomatic alignment, which brought attention to the same principles and goals in international affairs.

Spain-Saudi Arabia:

- Saudi Arabia’s Deputy Foreign Minister, H.E. Waleed Al-Khuraiji, attended a celebration at the Spanish embassy in Riyadh on January 15, 2023, in honor of the Kingdom’s hosting of the 2023 Spanish Super Cup. Spain’s ambassador to the Kingdom welcomed the Saudi Minister, who lauded the two kingdoms’ improved connections in many disciplines, including sports.
- Spain’s then Secretary of State for Foreign and Global Affairs, Ángeles Moreno Bau, paid a visit to Saudi Arabia in August 2023 on the occasion of the Ministerial Meeting of the Global Coalition against DAESH.
- A Saudi delegation from the Ministry of Tourism, headed by Deputy Minister of Tourism for International Affairs Sultan Al Musallam, took part in the meeting of the Committee for Activating the Saudi-Spanish Partnership in the Field of Tourism held in Madrid on January 25, 2024. The two sides discussed ways to strengthen the strategic partnership in tourism through initiatives aimed at training tourism employees in

hospitality and hotel management services in the most prominent institutes in Spain.

- A meeting between Spanish Foreign Minister Jose Manuel Albares Bueno and representatives of Saudi civil society took place in February 2024, to whom he conveyed Spain’s desire to continue strengthening cultural and economic ties. In subsequent meetings with Saudi Foreign Minister Prince Faisal bin Farhan and the Saudi Minister of Economy, the situation in the region was also discussed, as well as the common desire to further advance the growing bilateral economic agenda.
- In April 2024, Prime Minister Pedro Sánchez made a major diplomatic trip to Saudi Arabia. He spoke about the ongoing Gaza issue with Crown Prince Mohammed bin Salman, highlighting the need for regional stability and a peaceful resolution. The two leaders also discussed how to improve bilateral ties, especially in the areas of culture and the economy. They agreed on a formal framework for economic cooperation. This framework is intended to support knowledge transfer in important areas like technology, infrastructure, and renewable energy as well as bilateral trade and joint ventures.
- Jose Manuel Albares, the Spanish Foreign Minister, stated Spain’s goal to transform Saudi-Spanish bilateral ties into a “strategic partnership.” Reflecting a shared aim for a more holistic partnership, this suggested upgrade would include deeper cultural linkages, expanded educational exchanges, and improved cooperation in renewable energy projects.
- In May 2024, Saudi Arabia and a Spanish business struck a major real estate development agreement. In order to meet Saudi Arabia’s housing demands and demonstrate Spain’s proficiency in urban planning and construction, this project intends to build residential units inside integrated communities.



Spain- United Arab Emirates:

- H.E. Dr. Thani bin Ahmed Al Zeyoudi, UAE Minister of State for Foreign Trade, met with Xiana Mendez, Secretary of State for Trade at the Spanish Ministry of Industry, Trade, and Tourism to promote cooperation in the areas of economics and trade on February 23, 2023. Emphasizing the deep historical relations between the UAE and Spain, H.E. Dr. Al Zeyoudi pointed out that both leaders remain keen on enhancing the relationship in support of their respective national development visions.
- The United Arab Emirates and Spain committed to strengthening their bilateral relationship, exploring new avenues for collaboration, and addressing regional and international concerns following a recent exchange of messages between their leaders in February 2024. President His Highness Sheikh Mohamed bin Zayed Al Nahyan received a written message from King Felipe VI of Spain, conveyed by Foreign Minister José Manuel Albares. The message highlighted the importance of fostering ties between the two nations and expressed a desire to expand cooperation across various sectors. His Highness Sheikh Mansour bin Zayed Al Nahyan, Vice President and Chairman of the Presidential Court, received Minister Albares at Qasr Al Watan in Abu Dhabi. During their meeting, both sides emphasized the potential for enhanced collaboration in key areas like the economy, investment, development, education, and culture.
- A major step was taken on April 23, 2024, when Spain's Council of Ministers approved the signing of a new Bilateral Investment Treaty (BIT) with the United Arab Emirates. The purpose of this treaty is to encourage and improve commercial and investment prospects between the two countries. It is anticipated that

the BIT will give investors from both nations a legal framework that affords more protection and certainty, which could encourage more cross-border investments and economic cooperation.

- Direct connection between the highest levels of leadership greatly strengthened the relationship between Spain and the United Arab Emirates. Sheikh Mohamed bin Zayed Al Nahyan, the President of the United Arab Emirates, and Pedro Sanchez, the prime minister of Spain, held a phone conversation on April 24, 2024, where they discussed the status of their bilateral relations at the moment and looked at methods to strengthen their countries' cooperation.
- The UAE-Spain tourism corridor saw impressive expansion. Particularly, Dubai became a well-liked travel destination for Spanish nationals, drawing in over 200,000 tourists a year as of 2024. A notable rise in airline capacity from the United Arab Emirates to Spain, which is expected to grow by 33.2% between October 1, 2024, and March 31, 2025, helped to sustain this tourism boom. In addition to making travel easier, this increase in air connectivity improved commercial and cultural interactions between the two nations.

GRC Resources:

- [An EU-GCC Summit at a Critical Time: Is Europe Ready?](#)
- [Europe must be careful not to lose the Gulf](#)
- [A Diplomatic Tightrope: Borrell's Legacy in Retrospect](#)
- [Constructing a viable EU-GCC partnership](#)
- [An EU-GCC Summit at a Critical Time: Is Europe Ready?](#)
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