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Knowledge for All

Greece - GCC Relations



Key Domestic Developments:

Greece is a parliamentary representative democratic republic, with the President of the Republic serving as the head of state and the Prime Minister exercising executive authority. The Hellenic Parliament, made up of 300 members, is the legislative body in charge of creating laws and regulating governance. Over the past 10 years, the political system has changed dramatically, with adjustments in party dynamics, governance paradigms, and constitutional modifications.

Since the restoration of democracy in 1974, the Greek political system has been dominated by two major parties: PASOK on the left and New Democracy (ND) on the right. This two-party system, however, collapsed dramatically with the sovereign debt crisis, which began in 2010. The crisis triggered political fragmentation, resulting in the emergence of new parties and coalitions. As such, coalition governments became the norm between 2012 and 2019, incorporating a variety of combinations such as ND-PASOK-Democratic Left and SYRIZA-Independent Greeks. These coalitions represented serious disagreements on critical subjects such as austerity policies and rescue agreements.

During this period, the pro- and anti-bailout divide became a defining characteristic of Greek politics. This new schism eclipsed old left-right divisions, polarizing public opinion and influencing electoral behavior. SYRIZA's ascent to power in 2015 represented a watershed moment, as it initially opposed austerity measures until implementing them under creditor pressure. This move resulted in internal tensions within SYRIZA and the eventual loss of support from some of its more radical members.

The 2019 parliamentary elections marked the return of a more stable two-party system, with ND and SYRIZA emerging as the dominant political protagonists. Under Kyriakos Mitsotakis, ND regained power by emphasizing governance reform and stability. In 2019, constitutional modifications were introduced that expedited

presidential election procedures by removing supermajority requirements to allow for smoother transitions. This action attempted to improve political stability by making it easier to elect a president without requiring broad bipartisan support.

In recent years, Greece has experienced serious domestic political issues. The 2025 presidential election highlighted continued debates over governance and political alignment. Konstantinos Tasoulas was chosen following several rounds of voting, indicating a divided parliamentary agreement. Furthermore, conversations about constitutional reform have been underway to solve long-standing government inefficiencies. These reforms are intended to modernize the political system, improve public administration, and increase openness in government activities.

The political landscape continues to change, driven by its historical legacy, evolving party structure, and crisis reactions. While recent years have been more stable than the volatile period of 2010-2019, ongoing reforms and regional problems continue to impact internal politics. Smaller parties, such as the Communist Party of Greece and the Movement for Change, continue to play an essential role in shaping opposition dynamics and policy debates.

Furthermore, Greece's political environment is influenced by its connections with neighboring nations as well as its place in the European Union. The country is still navigating complex regional challenges, such as maritime boundary conflicts with Turkey and the Cyprus dilemma. These external variables frequently cross domestic political discussions, influencing public opinion and party perspectives on foreign policy.

Key Greek Economic and Social Data:

- **GDP:** \$472 billion in 2024
- **GDP per capita:** \$25.62 thousand in 2024
- **Annual Growth Rate:** 2.1% in 2024, and 2.3% projected for 2025
- **Inflation:** 3% as of November 2024



- **Population:** 10.4 million as of 2024
- **Unemployment Rate:** 9.50% as of November 2024
- **Credit Rating:** Standard & Poor's: Ba1 with a positive outlook; Moody's: BBB (low)- with a positive outlook; DBRS: BBB- with a positive outlook; Fitch: BBB- with a stable outlook

Greece's economy exhibited resilience and consistent growth in 2024, with GDP increasing by 2.1% due to strong domestic demand and investment backed by the Recovery and Resilience Plan (RRP.) Minimum wage increases boosted private consumption, particularly among lower-income households, which tend to consume more. Corporate credit growth and European funds boosted investment, while net exports slowed overall growth due to weak export performance and higher imports. Despite these obstacles, Greece's fiscal position has greatly improved, with a falling public debt-to-GDP ratio forecast to reach almost 140% by 2026.

Greece's job market continued to improve in 2024, with unemployment falling below 10% for the first time since 2009. Rising employment rates, notably in the construction and services sectors, have contributed to tighter labor market conditions. Wage growth has been robust, aided by public sector wage increases and minimum wage rises. These developments have increased household consumption, despite the fact that unemployment remains relatively high in comparison to other European Union countries. Social initiatives to reduce bureaucracy and improve market flexibility have further stabilized investor confidence and boosted economic activity.

Looking ahead, Greece's economic growth is predicted to remain strong, averaging roughly 2.3% per year through 2025 and 2026. Investments fueled by EU money will continue to drive economic growth, particularly in the building, communications, and renewable energy sectors. Inflation is expected to steadily fall, but it will remain slightly higher than the eurozone

average until 2026. External concerns, like geopolitical tensions and anticipated energy price hikes, present problems, but Greece's budgetary discipline and structural reforms are expected to keep it on track. The country's economic resilience will be strengthened further as the current account deficit continues to decrease and public finances improve.

Greek Foreign Policy:

Greece's foreign policy is defined by a pragmatic blend of realism and idealism. On the one hand, the government prioritizes the security of its national interests, particularly in the Aegean and Eastern Mediterranean. To secure regional security and stability, it is necessary to maintain strong military forces and form strategic partnerships, particularly with NATO and the European Union. On the other hand, Greece values international cooperation and diplomacy, frequently pushing for peaceful conflict resolution and adherence to international law.

As a middle power in Southeast Europe and the Eastern Mediterranean, Greece strives to strike a balance between national interests and regional stability. Greece's dedication to multilateralism is demonstrated by its active engagement in international organizations that promote global governance and handle critical challenges like climate change and migration. This entails using its participation in the European Union, NATO, and other international organizations to encourage cooperation while preserving sovereignty and territorial integrity.



Europeanisation has been a key component of Greece's approach to foreign policy, reflecting the impact of EU membership on its foreign policy. This approach has changed Greece from an "awkward partner" to a proponent of European integration, aligning its policies with EU norms while leveraging its participation in EU decision-making to accomplish national objectives. Furthermore, Greece stresses soft power through cultural diplomacy and economic involvement, hoping to improve its worldwide image and develop alliances that benefit both domestic and international interests.

Key Foreign Policy Initiatives:

Greece has launched a number of key foreign policy initiatives in recent years, reflecting its strategic interests in Europe, the Eastern Mediterranean, the Balkans, and the international community. Its foreign policy is closely linked to its membership in the European Union. The country actively contributes to the development of EU policies, particularly in the areas of migrant control, climate action, and economic recovery following COVID-19.



Greece supports EU enlargement in the Western Balkans while promoting democratic principles and the rule of law. Greece has played an important role in the Balkans as a regional investor and supporter of EU enlargement. Initiatives like "Thessaloniki II" have aimed to promote regional cooperation among Western Balkan countries. Greece intends to increase economic relations and strengthen transit links with these countries, utilizing its position as the region's largest economy.

Moreover, the EU's Technical Support Instrument has helped Greece's reform efforts, with various projects approved to improve governance, digital transformation, and environmental sustainability. Greece's participation in EU policymaking is further bolstered by its strategic communication with key partners such as the United States, which takes place within the framework of NATO and bilateral agreements. This congruence with EU policy demonstrates Greece's commitment to multilateralism and its role as an advocate for European integration.

In the Eastern Mediterranean, Greece has expanded ties with Israel, Egypt, and Cyprus in order to improve energy security and stability. Projects like the EastMed Gas Pipeline underscore Greece's significance as Europe's energy hub. These collaborations also attempt to fight regional dangers such as terrorism while promoting economic cooperation.

Greek-Turkish relations remain a major focus of foreign policy. Despite continuous conflicts over maritime boundaries and Exclusive Economic Zones (EEZs), Greece has engaged in discussion to decrease tensions through Confidence-Building Measures (CBMs). The country has also maintained a strong stance on the Cyprus issue, arguing for reunification under a bi-zonal, bicomunal federation based on UN resolutions.



Beyond its immediate neighborhood, Greece has increased diplomatic ties with the Arab world through strategic alliances aimed at balancing regional dynamics and pursuing new economic prospects. Recent agreements with nations like India have further expanded Greece’s foreign policy portfolio, signaling a new era of cooperation in areas such as trade and technology.

- **Greek-GCC Fact Sheet:**

Greece’s Trade with the GCC, 2024

Country	Exports	Imports	Total Trade	Trade Balance
Bahrain	\$15.3M	\$150M	\$165.3M	−\$134.7M
Kuwait	\$37.8M	\$9.43M	\$47.23M	\$28.37M
Qatar	\$73.7M	\$21M	\$94.7M	\$52.7M
Oman	\$18.3M	\$134M	\$152.3M	\$115.7M
United Arab Emirates	\$339M	\$117M	\$456M	\$222M
Saudi Arabia	\$454M	\$1.65B	\$2.104B	−1.196B

Establishment of Diplomatic Relationships:

- Bahrain (1973,) Kuwait (1964,) Oman (1974,) Qatar (1973,) Saudi Arabia (1926,) United Arab Emirates (1971.)

a. Key Research Centers and Think Tanks:

- [Hellenic Foundation for European and Foreign Policy \(ELIAMEP\)](#)
- [Institute of International Relations \(IDIS\)](#)
- [Institute of International Economic Relations \(IDOS\)](#)
- [Centre for Planning and Economic Research \(KEPE\)](#)

b. Selected Key Regional Experts:

- Dr. John Sfakianakis
- Dr. Evangelos Venetis
- Dr. Ilias-Tembos Evangelos

Key Developments in Greece-GCC Relations:

Greece-Bahrain:

- On November 26, 2024, Bahrain and Greece co-hosted an international forum titled “The Culture of Tylos: Hellenistic Archaeology in Bahrain” at the UNESCO headquarters in Paris. This event, sponsored by both nations’ Ministries of Culture and embassies, emphasized the ancient links between Bahrain and the Greek world. The event included archaeological research, Greek inscriptions discovered in Bahrain, and the merging of Hellenistic and indigenous customs, emphasizing Bahrain’s significance as a historical nexus of trade and culture connecting East and West.

Greece-Kuwait:

- From November 27-28, 2024, The Kuwait Direct Investment Promotion Authority (KDIPA) attended the 13th Arab-Hellenic Economic Forum. Eng. Abdulaziz Al-Mutairi represented KDIPA at the event, delivering a presentation on Kuwait’s investment incentives and planned projects, particularly in the development of industrial zones such as Al Abdali, Al Wafra, and Al Naayem. KDIPA’s involvement intended to highlight Kuwait’s ongoing economic diversification initiatives under Vision 2035 and the investment incentives in the country, aiming to attract Greek investors.
- On November 20, 2024, amid rising tensions in the Middle East, Greece and Kuwait reiterated their common commitment to regional peace and stability. Both countries support the maintenance of international law and the UN Charter in resolving conflicts, and they have called for a long-term peace in Gaza as well as unhindered humanitarian relief. Greece’s ambassador to Kuwait emphasized the country’s proactive diplomatic role and intention to further contribute to Middle East peace.

- On April 25, 2024, Greek Foreign Minister George Gerapetritis visited Kuwait, wrapping up a series of diplomatic missions to GCC countries. The visit demonstrated Greece's commitment to improving longstanding ties with Kuwait, with a focus on expanding collaboration in sectors such as investment and food security. Both parties highlighted the considerable potential for partnership, particularly in sectors critical to both economies.

Greece-Qatar:

- On May 23, 2025, H.E. Mr. Ali Al Mansouri, Ambassador of the State of Qatar to the Hellenic Republic, held discussions with H.E. Milton Nikolaidi, Director of the Greek Prime Minister's Diplomatic Cabinet. The talks addressed strengthening bilateral relations as well as new avenues for collaboration on matters of mutual interest.
- On February 6, 2025, H.E. Mr. Ali Al-Mansouri, the State of Qatar's Ambassador to the Hellenic Republic, met with H.E. Ambassador Alexandra Papadopoulou, Deputy Minister of Foreign Affairs. During the meeting, they addressed bilateral relations and ways to strengthen them, as well as matters of mutual interest.
- On October 28, 2024, H.E. Mr. Nikos Dendias, Minister of National Defense of the Hellenic Republic hosted Ambassador of the State of Qatar H.E. Mr. Ali Al Mansouri. The meeting focused on reviewing bilateral cooperation and the means to enhance them.
- On May 29, 2024, during the visit of Emir Sheikh Tamim bin Hamad Al Thani's, Greece and Qatar signed two major agreements: a Military Cooperation Agreement between their defense ministries and a Memorandum of Cooperation between their foreign ministries. These agreements aimed to improve defense cooperation and promote political conversations on issues of mutual interest.

- On May 27, 2024, During his first official visit to Greece, Emir Sheikh Tamim bin Hamad Al Thani met with President Katerina Sakellaropoulou and Prime Minister Kyriakos Mitsotakis. The discussions centered on boosting bilateral relations, regional challenges like the war on Gaza, and expanding collaboration in a variety of industries.
- On April 24, 2024, Greek Foreign Minister Giorgos Gerapetritis arrived in Qatar and met with Prime Minister and Foreign Affairs Minister Sheikh Mohammed bin Abdulrahman bin Jassim Al Thani. They touched on bilateral cooperation and regional developments, namely the situation in Gaza, underlining the significance of humanitarian aid and regional stability.

Greece-Oman:

- On December 10, 2024, Enterprise Greece, in partnership with the Exporters' Association (SEVE,) Athens Chamber of Commerce and Industry (ACCI,) and Hellenic Federation of Enterprises (SEV) hosted the "Discover Qatar & Oman" forum. The event aimed to inform Greek entrepreneurs about growth potential in Oman, notably in sectors such as construction, renewable energy, agriculture, and healthcare, in line with Oman's Vision 2040 economic diversification agenda.
- On October 12, 2024, Oman's non-resident Ambassador to Greece, H.H. Nazar Al Julanda Majid Alsaïd, visited Athens and met with Dimitris Skalkos, Secretary General for International Economic Affairs, and Deputy Foreign Minister Alexandra Papadopoulou. These sessions aimed to develop bilateral relations and discuss potential areas for economic collaboration between the two countries.

Greece-UAE:

- On May 1, 2025, The UAE Minister of Economy, H.E. Abdulla bin Touq Al Marri, met with the Greek Minister of Tourism, Olga



Kefalogianni, to discuss ways to strengthen bilateral collaboration in sustainable and green tourism. They emphasized collaborative tourist promotion, knowledge sharing, and investment in the tourism and hospitality industries. The summit also emphasized the significance of improving air connectivity, which presently operates 33 weekly flights between the two countries.

- On February 27, 2025, Prime Minister Kyriakos Mitsotakis met with UAE President H.E. Sheikh Mohamed bin Zayed Al Nahyan in Abu Dhabi. They underlined their strong bilateral relations and noted that the UAE's investments in Greece had exceeded the €4 billion objective set for 2022. The discussions centered on increasing collaboration in digital technology, artificial intelligence, data centers, renewable energy, tourism, and agri-food industries. They also discussed regional developments, specifically Syria.
- On January 18, 2025, H.E. Sheikh Abdullah bin Zayed Al Nahyan, UAE Foreign Minister, met with Greek Minister of National Defense H.E. Nikos Dendias on the sidelines of the International Defence Exhibition (IDEX) and the Naval Defence and Maritime Security Exhibition (NAVDEX) 2025 in Abu Dhabi. They exchanged ideas about expanding their comprehensive strategic relationship and cooperation across industries, as well as regional and international problems of mutual importance.
- Between June 18-20, 2024, H.E. Abdulla Balalaa, the UAE's Assistant Minister for Energy and Sustainability, attended the inaugural Athens Riviera Summit 2024. He appeared on an energy security panel with Greek authorities and met with several Greek ministers to discuss collaboration in energy, climate, and food security. A noteworthy outcome was the announcement of a €3.2 billion agreement between GEK Terna Group and Masdar, one of the largest corporate transactions in the Athens Stock Exchange's history.

- Between March 8-10, 2024, H.E. Dr. Sultan bin Ahmed Al Jaber, UAE Minister of Industry and Advanced Technology and COP28 President, led the mission to Greece. He met with Prime Minister Kyriakos Mitsotakis and other officials to explore ways to improve the Comprehensive Strategic Partnership. The key outcomes included reviewing the €4 billion joint investment fund launched in 2022, signing a €200 million investment agreement between Mubadala and the Hellenic Development Bank of Investments, and launching the "GR-Eco Islands" project with Masdar to promote renewable energy and digital innovation on Greek islands.
- On February 13, 2024, Greece and the UAE concluded a Military Cooperation Program (MCP) for 2024 in Abu Dhabi. The agreement covers collaborative exercises, special forces training, crisis management, electronic warfare, and mine disposal operations. It also involves personnel exchanges and collaborative training efforts, which improve interoperability and strengthen both countries' positions as pillars of stability in the Mediterranean and Middle East areas.

Greece-Saudi Arabia:

- On April 24, 2025, the first meeting of the Saudi-Greek Strategic Partnership Council's Culture Committee was co-chaired in Jeddah by Saudi Culture Minister H.E. Prince Badr bin Abdullah bin Farhan and Greek Culture Minister H.E. Dr. Lina Mendoni. The ministers stressed the need to expand cultural cooperation and activate the cultural partnership memorandum agreement of July 2022. They also mentioned Greece's involvement in cultural events in Saudi Arabia, such as the Islamic Arts Biennale 2025.
- During the High Council meeting, on January 14, 2025, Greece and Saudi Arabia agreed to implement a Joint Action Plan for 2024-2026 to strengthen tourist cooperation. Workshops with travel agents from both nations are



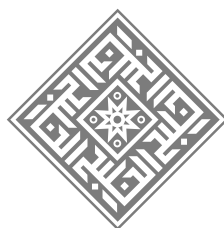
planned, as well as combined advertising efforts by airlines to increase tourism demand and employee exchange programs in the hotel industry.

- On January 13, 2025, The High Council for Strategic Cooperation's inaugural session at Al-Ula, Saudi Arabia, was co-chaired by Greek Prime Minister Kyriakos Mitsotakis and Saudi Crown Prince Mohammed bin Salman. The meeting resulted in agreements on 48 initiatives across a variety of areas, including security, military, trade, investment, energy, tourism, culture, and sports. Notably, 19 projects focused on security and defense, with 15 on trade and investment.
- On June 23, 2024, Dawiyat Integrated, a subsidiary of Saudi Electricity Company and Grid Telecom, a subsidiary of Greece's IPTO, signed a Memorandum of Understanding to build a new high-capacity cable connection between Greece and Saudi Arabia. This effort intends to improve the digital connectivity between Europe and the Arabian Peninsula.
- On February 7, 2024, Saudi Arabia's National Grid and The Independent Power Transmission Operator (IPTO) of Greece established a special purpose corporation called "Saudi Greek Interconnection." This framework, to be concluded in 2025, has been entrusted with performing feasibility studies for a proposed power interconnection between the two countries, with the goal of connecting Europe and the Arabian Peninsula for the first time. The initiative aspires to be included in the EU's Projects of Common Interest (PCI.)

Publications:

- [The Danish Mandate: Navigating Complexity in a Shifting European Landscape](#)
- [Unlocking Global Connectivity: The Strategic Imperative of IMEC and The Global Gateway](#)
- [Turning East: Redefining the EU-Central Asia Relationship](#)
- [As it Grapples with the Way Forward, Europe Can Learn Strategic Lessons From the GCC States](#)
- [Europe's Moment of Truth in The Middle East](#)
- [Beyond the Stalemate: Rethinking EU-GCC Trade Engagement](#)
- [Bridging Continents for Better Strategic Alliances at Sea](#)
- [The Prospects and Implications of Poland's "Security, Europe!" on EU-GCC Relationship.](#)





Gulf Research Center

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**Gulf Research Center
Jeddah
(Main office)**

19 Rayat Alitihad Street
P.O. Box 2134
Jeddah 21451
Saudi Arabia
Tel: +966 12 6511999
Fax: +966 12 6531375
Email: info@grc.net



**Gulf Research Center
Riyadh**

Unit FN11A
King Faisal Foundation
North Tower
King Fahd Branch Rd
Al Olaya Riyadh 12212
Saudi Arabia
Tel: +966 112112567
Email: info@grc.net



**Gulf Research Center
Foundation**

Avenue de France 23
1202 Geneva
Switzerland
Tel: +41227162730
Email: info@grc.net



**Gulf Research Centre
Cambridge**

University of Cambridge
Sidgwick Avenue,
Cambridge CB3 9DA
United Kingdom
Tel: +44-1223-760758
Fax: +44-1223-335110



**Gulf Research Center
Foundation Brussels**

4th Floor
Avenue de
Cortenbergh 89
1000 Brussels
Belgium
grcb@grc.net
+32 2 251 41 64



@Gulf_Research Gulfresearchcenter gulfresearchcenter gulfresearchcenter

www.grc.net

