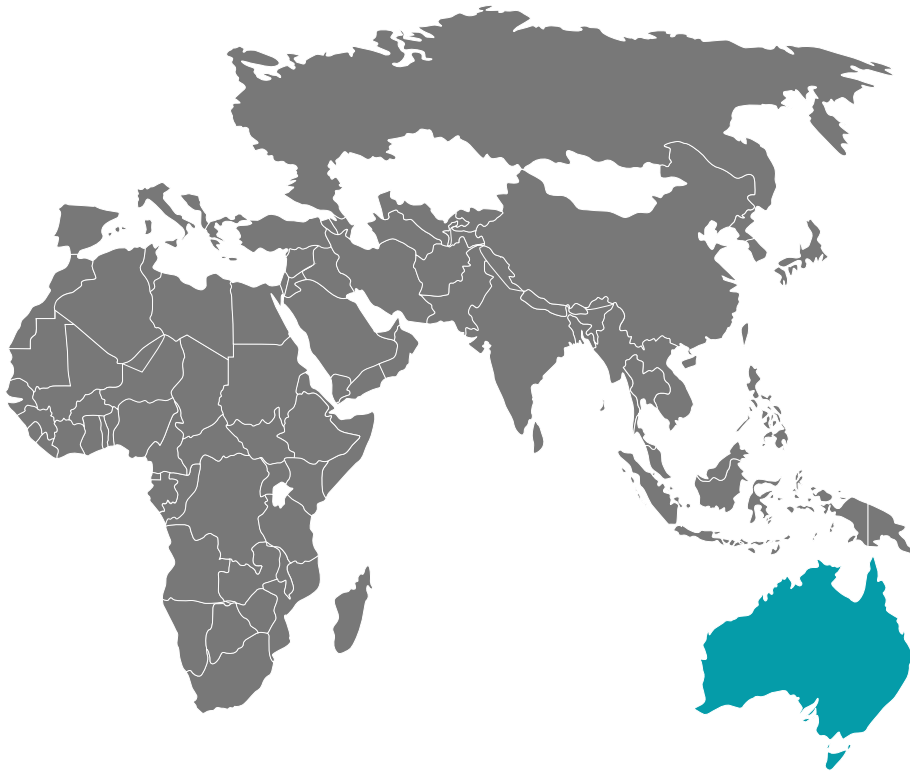




Gulf Research Center
Knowledge for All

Australia - GCC Relations





Key Domestic Developments

Australia is a federal parliamentary constitutional monarchy, composed of six states and two territories: New South Wales, Queensland, South Australia, Tasmania, Victoria, Western Australia, the Northern Territory, and the Australian Capital Territory (ACT). King Charles III serves as Australia's monarch, David Hurley as the Governor-General, and Anthony Albanese as the Prime Minister. Albanese, who led the Labor Party to victory in the 2022 federal election, was appointed the 31st Prime Minister on May 21, 2022. The Labor Party's success was marked by a gain in seats from the Liberal-National Coalition, aided significantly by the "teal independents."

Under Prime Minister Albanese, the Australian government has focused on several key domestic and international issues. Domestically, the government has concentrated on addressing climate change, advancing renewable energy, and implementing social policies aimed at reducing inequality. A major domestic initiative includes a proposed referendum on an Indigenous Voice to Parliament, which has gained considerable momentum. Additionally, the Albanese administration has prioritized strengthening the healthcare system in response to the ongoing impacts of the COVID-19 pandemic. Economic policies have been directed towards post-pandemic recovery, with efforts concentrated on job creation, infrastructure investment, and support for small businesses.

Notable achievements under Albanese's leadership include submitting a stronger Nationally Determined Contribution (NDC) to the United Nations. This commitment, legislated into law in September 2022, involves reducing carbon emissions by 43% from 2005 levels by 2030. Another major development was the increase in the minimum wage by 5.2%, as announced by the Fair Work Commission on June 15, 2022. The Prime Minister has also pledged to establish a national anti-corruption commission and has expressed strong support for Indigenous Australians and the Uluru Statement from the Heart.

In 2025, Australia's trade performance remained resilient despite global uncertainties. The total trade volume—comprising exports and imports—maintained strong levels, with 2024 figures showing exports at approximately AUD 644.4 billion and imports at AUD 614.1 billion. This stability reflects ongoing efforts to diversify trade partners, particularly in Asia and Africa, and a focus on enhancing supply chain resilience. Inflation has significantly eased compared to previous years. Headline inflation dropped to 2.1% in Q2 2025, while trimmed-mean (core) inflation stands at 2.9%, both within the Reserve Bank of Australia's (RBA) 2–3% target range. Despite this moderation, energy prices—especially electricity—continue to exert some upward pressure on inflation, though mitigated by government subsidies and energy policy adjustments. Australia's real GDP growth forecast for 2025 has been revised downward from 2.1% to 1.7%, due to subdued public sector demand and long-term structural challenges. The RBA also revised its estimate of Australia's long-run productivity growth from 1% to 0.7%. Overall, Australia's economic landscape in 2025 reflects a phase of recalibration—marked by stable trade flows, cooling inflation, and moderated growth—underpinned by cautious optimism and a renewed focus on productivity and competitiveness.

Key Economic and Social Data

- **GDP:** \$1.75 trillion USD (2024)
- **GDP per capita:** \$64,407.5 USD (2024)
- **Annual Growth Rate:** 1.4% (2024)
- **Inflation:** 3.2% (2024)
- **Population:** 27,204.809 million (2024)
- **Unemployment Rate:** 4.1% (2024)
- **Credit Rating:** Standard & Poor: AAA with a stable outlook (2024); Moody's: Aaa with a stable outlook (2024); Fitch: AAA with a stable outlook (2024)



Australia's Foreign Policy

As of 2025, Australia's foreign policy continues to emphasize multilateralism, regionalism, and strong bilateral ties, with active participation in organizations such as the UN, G20, OECD, and APEC. Under Prime Minister Anthony Albanese, Canberra has reaffirmed its commitment to strategic alliances, deepening cooperation through the Quad Security Dialogue with Japan, India, and the United States, and advancing defense and technology collaboration under AUKUS.

Australia has further consolidated ties with Indonesia and India, with the Comprehensive Strategic Partnership expanding in 2024 to cover defense, cybersecurity, and trade. In the Pacific, Canberra has intensified engagement with island nations such as the Solomon Islands, providing infrastructure and security support to counterbalance China's growing influence. Australia has also maintained a role in addressing regional crises, including Myanmar, through ASEAN dialogue.



On the global stage, Australia continues to support Ukraine, with cumulative assistance exceeding A\$1.5 billion by 2025, combining military, humanitarian, and training contributions. Climate diplomacy remains central, with Australia positioning itself as a proactive voice in UN climate negotiations, committing to ambitious emissions reduction targets and expanding renewable energy investment.

In the Middle East, Australia has sought to balance longstanding security commitments with evolving diplomatic positions. It maintains autonomous sanctions on Iran, complementing UN Security Council measures, and has consistently

condemned attacks on energy infrastructure, such as the 2019 strikes on Saudi oil facilities. While previously deploying forces to Iraq in the fight against ISIS, Canberra has since shifted toward emphasizing stability, humanitarian support, and counter-terrorism cooperation with partners.

A landmark development came on 11 August 2025, when the Albanese government announced that Australia would formally recognize the State of Palestine at the 80th UN General Assembly in September. Foreign Minister The Hon. Penny Wong framed the decision as part of Australia's commitment to accelerating momentum toward a two-state solution, while also supporting humanitarian relief, a ceasefire, and the release of hostages.

This move followed years of policy recalibration, including the October 2022 reversal of Australia's recognition of West Jerusalem as Israel's capital. The August 2025 announcement reflects both diplomatic strategy and shifting domestic sentiment: a July 2025 Demos Australia survey found 45% of Australians in favor of recognition, 23% opposed, and 32% undecided, with support strongest among younger Australians and Labor Party voters. These dynamics illustrate growing public demand for a balanced, humanitarian-oriented foreign policy.

Key Foreign Policy Initiatives

Australian Prime Minister Anthony Albanese has navigated mounting diplomatic challenges amid global crises and shifting regional dynamics. The government has sought to reinforce Australia's role as a trusted partner in the Indo-Pacific, while also responding to conflicts in the Middle East and Europe. Foreign Minister The Hon. Penny Wong has pursued a strategy of pragmatic engagement, balancing support for allies with calls for humanitarian protection and long-term stability.

- In January 2024, Foreign Minister The Hon. Wong traveled to the Middle East to advocate for a ceasefire in the Israel–Gaza conflict, later reaffirming that Australia is “open to

recognizing Palestine during a peace process,” while pressing for governance reforms within the Palestinian Authority.

- On 24 February 2025, marking three years since Russia’s invasion, Australia reaffirmed support for Ukraine. It has committed over A\$1.5 billion, mostly military aid, and imposed its largest sanctions package since 2022, targeting 149 individuals/entities and tightening trade bans, underscoring its commitment to peace and international law.
- In May 2024, Australia hosted Quad ministerial talks on maritime security and infrastructure. Australia advanced AUKUS nuclear-submarine cooperation (March 2024 roadmap), and the Australia-Japan Reciprocal Access Agreement entered into force in August 2024.

Australia -GCC Fact Sheet

Australia Trade in Goods with GCC Countries 2023 (in \$USD)

Country	Import Value	Export Value	Trade Balance
Bahrain	\$152.02M	\$1.10B	\$948B
Kuwait	\$1.33M	\$315.88M	\$314.6M
Oman	\$127.45M	\$396.56M	\$269.1M
Qatar	\$300.78M	\$703.85M	\$403.1M
Saudi Arabia	\$646.27M	\$805.15M	\$158.9M
UAE	\$868.11M	\$3.12B	\$2.3B
Total	\$2.10B	\$6.45B	\$4.35B

Source: Trade Map

Establishment of Diplomatic Relations

- **Saudi Arabia:** 1974
- **Kuwait:** 1974
- **United Arab Emirates:** 1975
- **Qatar:** 1980
- **Oman:** 1981
- **Bahrain:** 1987

Key Officials with Responsibility for the Gulf Region

- Penny Wong, Foreign Affairs
- Don Farrell, Trade and Tourism
- Pat Conroy, Minister for International Development and the Pacific and Minister for Defence Industry
- Tim Watts, Assistant Minister for Foreign Affairs
- Tim Ayres, Assistant Minister for Trade
- Jan Adams, Secretary of the Department of Foreign Affairs and Trade

Key Research Centers and Think Tanks

- [Lowy Institute](#)
- [Australian Strategic Policy Institute](#)
- [The Australia Institute](#)
- [Centre for International Security Studies](#)
- [Australian Institute of International Affairs](#)
- [Centre for Arab and Islamic Studies \(CAIS\), Australian National University](#)
- [Australian Institute of International Affairs \(AIIA\)](#)

Key Regional Experts

- [Dr. Rodger Shanahan](#), Nonresident Fellow at the Lowy Institute.
- [Professor Sally Totman](#), Political Analyst, Australian Institute of International Affairs
- [Amin Saikal](#), Emeritus Professor, Australian National University.
- [Shahram Akbarzadeh](#), Research Professor, Deakin University
- [Abdullah Saeed](#), Professor, University of Melbourne



Key Recent Literature

- [Study On the Prospects and Possible Benefits Of A Free Trade Agreement Between Australia and the Gulf Cooperation Council \(GCC\) – Australian Department of Foreign Affairs and Trade.](#)
- [Challenges and Opportunities for Australian Businesses in GCC - Doren Chadee, Banjo Roxas, and Tim Rogmans.](#)



Australia-GCC Recent Developments

Currently, GCC-Australia economic relations encompass trade and investment across a wide range of goods and services, primarily agricultural products (including live animals, meat, dairy, vegetables, sugar, wheat, and other grains), as well as automotive and resource exports. Australia and the GCC countries have established trade-related organizations, such as the Australian Business Group (AusBG) in the GCC and the Australian Arab Chamber of Commerce in Australia. Trade in agricultural products has seen a significant boost due to rising food security concerns in the GCC. In 2023, Australia secured new contracts to export an additional \$1 billion worth of agricultural goods to GCC countries. The automotive sector has also grown, with an increase in exports of electric vehicles and related technologies from Australia to the GCC.

Negotiations for a Free Trade Agreement between Australia and the GCC states began in 2007 and have thus far been inconclusive. As of mid-2023, discussions resumed with renewed efforts

to finalize an agreement by 2025. Both sides are optimistic about reaching a mutually beneficial agreement to enhance economic cooperation and reduce trade barriers. In parallel, Australia pursued a bilateral Comprehensive Economic Partnership Agreement (CEPA) with the UAE. Signed in November 2024, it became Australia's first bilateral trade agreement with a GCC state.

Education is also a critical aspect of the GCC-Australia relationship. Saudi Arabia leads in the number of students studying in Australia, followed by Kuwait, Oman, the UAE, Bahrain, and Qatar. Student enrollments declined by 7% in 2020 and by 17% in 2021 due to the COVID-19 pandemic, as Australia's borders were closed to international students. However, enrollments have since recovered, with the number of student visas granted increasing by 35% in December 2021 compared to December 2020. In 2023, Australia launched several new scholarship programs aimed at GCC students, resulting in a 20% increase in enrollments from the region. These programs focus on renewable energy, healthcare, and digital technology. Virtual exchange programs have also been introduced to address challenges posed by previous travel restrictions.

In terms of politics and security, Saudi Arabia and Australia have established cooperation in countering terrorism and extremism, advocating for global peace and stability. Both countries are members of the Global Coalition to Defeat ISIS and the International Syria Support Group.

The UAE and Australia enjoy strong trade relations as well as cooperation in the education, defense, aviation, and security sectors. In April 2014, the UAE and Australia signed an agreement on Cooperation in the Peaceful Uses of Nuclear Energy, leading to Australia supplying the UAE with uranium for its civilian nuclear power program. This cooperation has expanded to renewable energy projects. In early 2024, the two countries signed an agreement to collaborate on solar energy initiatives, aiming to increase the UAE's renewable energy capacity and support Australia's clean energy exports.



Oman and Australia are members of the Indian Ocean Rim Association (IORA), promoting safety, security, sustainable growth, and balanced development in the Indian Ocean region. Additionally, Australia and the GCC states have strengthened cooperation on cybersecurity, establishing a joint task force in 2023 to combat cyber threats and enhance digital infrastructure security. In response to ongoing geopolitical tensions, Australia has increased its diplomatic engagements with the GCC, advocating for peaceful resolutions and stability in the Middle East.

Australia - Bahrain

December 2024: Assistant Minister for Foreign Affairs, The Hon. Tim Watts, visited Bahrain for the 2024 IISS Manama Dialogue, where he met with the Minister of Foreign Affairs of Bahrain, HE Abdullatif bin Rashid Al Zayani, to discuss the strong ties of friendship and cooperation between the two countries and exchange views on a range of regional and global issues of mutual concern.

Australia - Oman

- June 2025: Head of the Omani Mission in Australia, Aiysha Altoubi, participated in Future of Mining Australia 2025 to present Oman Vision 2040 plans for the mining sector, calling for broader partnerships with Australia. She also met with Austrade's General Manager for the Middle East, Africa, and Pakistan, Bryony Hilless, to discuss areas of possible collaboration in the fields of education, mining, renewable energy, and innovation.
- January 2024: Oman elevated its diplomatic presence in Australia by opening a full Embassy in Canberra, following Royal Decree No. 59/2023 issued in September 2023.
- March 2023: Australian investment firm Subco offered to extend the Oman Australia Cable (OAC) undersea cable by 1,200 km to set up a new branch at Salalah in Oman, offering a secure route for internet connectivity between Australia, the Middle East, and Europe.

Australia - Kuwait

- November 2024: Kuwait and Australia held their second Senior Officials' Talks in Kuwait City, which involved a variety of government and commercial stakeholders. Trade, investment, and education were key focal points of the discussions.
- November 2024: Australia's Ambassador for Gender Equality, Stephanie Copus-Campbell, visited Kuwait to promote discussions on women's economic and political empowerment, and highlight the critical role of women in peace and security negotiations.
- July 2024: The Australian Embassy in Kuwait hosted a gala reception to commemorate the 50th anniversary of Australian-Kuwaiti diplomatic relations. The event brought together Australian alumni and friends of Australia in Kuwait, celebrating five decades of partnership.

Australia - Qatar

- July 2025: Australian oil and gas player Santos announced the signing of a mid-term LNG supply contract with QatarEnergy Trading LLC (QET). The contract entails the delivery of approximately 0.5 million tonnes per annum (mtpa) of LNG over two years, beginning in 2026. The volumes will be supplied from Santos' portfolio on a delivered ex-ship basis.
- August 2024: Prime Minister and Minister of Foreign Affairs of Qatar, HE Sheikh Mohammed bin Abdulrahman Al Thani, visited Australia, marking the first visit to Australia by a Qatari head of government in over 50 years. During his visit, he attended high-level meetings with Australian Prime Minister Anthony Albanese, Deputy Prime Minister and Minister for Defence The Hon. Richard Marles, and Minister for Foreign Affairs The Hon. Penny Wong, discussing cooperation in economics, trade, clean energy, technology, and regional diplomacy.



- July 2024: Australia's Department of Foreign Affairs received the Copy of Credentials of HE Ali bin Saad Al Hajri as Ambassador Extraordinary and Plenipotentiary of the State of Qatar to Australia.
- July 2024: Special Envoy of the Minister of Foreign Affairs HE Ambassador Faisal bin Abdullah Al Hanzab received Australian Special Representative on Afghanistan, Ms. Amanda McGregor, and Ambassador of Australia to the State of Qatar, Mr. Shane Flanagan to discuss broader bilateral cooperation between Qatar and Australia and explored opportunities to develop those ties further.
- December 2024: Deputy Prime Minister The Hon. Richard Marles visited Saudi Arabia, where he met with the Minister of Defence, HH Khalid bin Salman, and Minister of Industry and Mineral Resources, HE Bandar bin Ibrahim Al-Khorayef, to discuss ways of enhancing economic and diplomatic ties and collaboration within the G20 framework and other multilateral institutions.
- October 2024: Aussie Expo Riyadh 2024 was held in Saudi Arabia to promote Australia–Saudi Arabia trade and investment ties. Supported by the Australian Embassy and Austrade, it featured businesses across the education, healthcare, agrifood, resources, and innovation sectors. The expo highlighted Australia's expertise and created networking opportunities.

Australia - Saudi Arabia

- August 2025: Minister of Health of Saudi Arabia, HE Fahad Abdulrahman AlJalajel, paid an official visit to Australia, where he met with health authorities to discuss strengthening cooperation in public health, innovation, healthcare investment, and digital health.
- May 2025: Supported by Austrade and partners, over 50 Australian exporters showcased premium meat, dairy, health, and convenience products at the Saudi Food Show, the largest food and beverage sourcing event in the Kingdom of Saudi Arabia.
- February 2025: Saudi Minister of Foreign Affairs, HH Prince Faisal bin Farhan, held a series of high-level diplomatic meetings with Australian Foreign Minister The Hon. Penny Wong on the sidelines of the G20 Foreign Ministers' Meeting in South Africa to enhance bilateral relations and exchange insights on regional and international matters of shared concern.
- January 2025: The Australian-Saudi Business Council hosted a joint forum in Riyadh to discuss the enhancement of collaboration and trade between the two countries.
- March 2024: MidOcean Energy, in which Aramco holds a minority stake, completed the acquisition of Tokyo Gas's interests in three Australian LNG projects—specifically stakes in Gorgon LNG, Pluto LNG, and Queensland Curtis LNG.
- November 2023: Minister of Defence, HH Khalid bin Salman, received a telephone call from Australian Deputy Prime Minister and Minister of Defense, The on.HHon. Richard Marles, to review bilateral relations and discuss the developments in Gaza.
- September 2023: Aramco signed definitive agreements to acquire a strategic minority stake in MidOcean Energy for \$500 million without disclosing the stake's size. MidOcean Energy is an LNG company formed and managed by EIG.
- June 2023: President of the Australia Saudi Business Council and Forum, Sam Jamsheedi, signed an agreement with Abdel Hadi Abdullah Al-Qahtani & Sons Co. (AHQ & Sons) for Trademark Group to represent AHQ & Sons exclusively in Australia.



- June 2023: Australian MP and Assistant Foreign Minister, The Hon. Tim Watts, attended the Ministerial Meeting of the Global Coalition to Defeat ISIS (D-ISIS) hosted in Riyadh, Saudi Arabia.
- February 2023: Saudi Arabia and Australia signed several agreements to promote trade and investment during the Saudi-Australian Business Forum, which was organized by the Federation of Saudi Chambers.
- September 2024: UAE Minister of State for Foreign Trade, HE Dr. Thani bin Ahmed Al Zeyoudi, visited Australia and met Australia's Minister for Trade and Tourism, The Hon. Don Farrell, for trade discussions.
- May 2024: UAE Minister of State for International Cooperation, HE Reem Al Hashimy, led a delegation to Australia to discuss trade, defense, and energy collaboration ahead of the 50th anniversary of diplomatic ties between the two countries.

Australia - UAE

- July 2025: Australian energy player Santos received a final, non-binding, indicative offer from a consortium led by XRG, a subsidiary of Abu Dhabi National Oil Company (ADNOC), comprising Abu Dhabi Development Holding Company (ADQ) and global investment firm Carlyle, to purchase all of its shares.
- May 2025: The 10th session of the Joint Consular Committee took place in Canberra, with UAE delegate Faisal Eissa Lutfi and Australia's Ciara Spencer reaffirming consular collaboration and commemorating 50 years of diplomatic relations.
- April 2025: Australia's 28th Governor-General The Hon. Sam Mostyn paid an official visit to the UAE, where she met UAE President HH Sheikh Mohamed bin Zayed Al Nahyan, reaffirming cooperation across multiple sectors, including development, trade, education, and sustainability.
- December 2024: Deputy Prime Minister The Hon. Richard Marles and Assistant Minister for Foreign Affairs, The Hon. Tim Watts, visited the UAE and met UAE President HH Sheikh Mohamed bin Zayed Al Nahyan to deepen both economic and security cooperation.
- November 2024: UAE Deputy PM and Foreign Minister HH Sheikh Abdullah bin Zayed Al Nahyan visited Australia and met with The Hon. Richard Marles, Penny Wong, and Don Farrell, coinciding with the signing of the Comprehensive Economic Partnership Agreement (CEPA).
- April 2024: Deputy Prime Minister and Defence Minister The Hon. Richard Marles visited the UAE and met UAE President HH Sheikh Mohamed bin Zayed Al Nahyan to advance strategic and security cooperation.

Supporting Documents

GRC Publications and Workshops

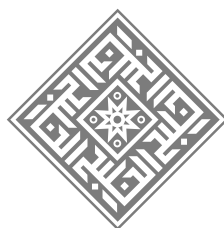
- Dubai and Australian Relationships by Patricia Berwick – Gulf Research Center – January 2009.
- Gulf Cooperation Council Relations with Australia by Patricia Berwick – Gulf Research Center – January 2009.
- *Engaging Iran: Australian and Canadian Relations with the Islamic Republic* by Robert J. Bookmiller – Gulf Research Center – January 2009.

Araa Publications

- Saudi Arabia and Australia: Established Convergence Tools, Similar Ambitions, and Common Challenges – September 2023
- Details of the Deal for Australia and the Effects of Announcing the New Tripartite Military Alliance – October 2023

GRC recent interviews on the issues related to Australia

- Dr. Abdulaziz Sager, Chairman of the GRC, received the Ambassador of Australia to the Kingdom of Saudi Arabia, Mr. Mark Donovan, and his colleagues at the GRC headquarters in Riyadh, Saudi Arabia, on August 9, 2022.



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