

# **Denmark-GCC Relations**





## **Key Domestic Developments**

Denmark is a constitutional monarchy with a representative parliamentary system and a prime minister, who is the head of government, and a monarch, who is the head of state but whose duties are strictly representative and ceremonial. The Danish kingdom also comprises 2 autonomous constituent countries in the Atlantic: the Faroe Islands and Greenland.

Denmark is governed by a coalition comprising the Social Democrats, Venstre (the Liberal Party), and the Moderates. This coalition, led by Prime Minister Mette Frederiksen of the Social Democrats, was formed on December 15, 2022, following the general elections held on November 1, 2022. Notably, this alliance bridges the traditional left-right political divide, marking the first such collaboration in over four decades. The next scheduled elections are the local elections set for November 18, 2025, where all municipal and regional council seats will be contested. The subsequent general parliamentary elections are anticipated to occur no later than October 31, 2026.

Denmark, renowned for its high quality of life and robust social welfare system, is navigating several key domestic issues and developments shaping its socio-political landscape.

**Immigration and Integration:** years, Denmark, under Social Democrat Prime Minister Mette Frederiksen and her center-right predecessor Lars Løkke Rasmussen, has pursued some of the strictest immigration policies in Europe. This includes revoking residency permits for Syrian refugees, making Denmark the first European nation to initiate such actions. These policies have sparked debates about human rights and the balance between national interests and international obligations.

Climate Change: Denmark has set ambitious greenhouse gas emission reduction targets and has made significant progress in implementing efficient climate change mitigation policies. The

green tax reform, which expands carbon pricing from 2025 onwards, is a key component of this strategy. Denmark has also launched a pioneering plan to promote plant-based foods, supported by a €170 million government fund.

Greenland's **Independence Movement:** Greenland, an autonomous territory within the Kingdom of Denmark, is experiencing a resurgence in its independence movement. Historical tensions have resurfaced, particularly concerning controversial "parenting competency" tests in Denmark, which have been criticized for not accommodating cultural differences and disproportionately affecting Greenlandic Inuit women. While support for independence is strong, concerns about economic stability persist, as subsidies from Denmark constitute a significant portion of Greenland's GDP. The movement has also seen opportunity following US President Donald Trump's Greenland acquisition comments.

Denmark's economic outlook remains strong, with a stable GDP growth rate, low unemployment, and continued investments in green technology. However, challenges such as inflation, housing costs, and energy security remain pressing issues in Danish political discourse.

### Key Danish Economic and Social Data

**GDP:** 404.2 billion USD (2023)

**GDP** per capita: 67,967.38 USD (2023)

Annual Growth Rate: 1.9% annual change (2023)

**Inflation:** 1.9% (2024)

**Population:** 5.947 million (2023)

**Unemployment Rate: 2.6% (2024)** 

Credit Rating: Standard & Poor's credit rating for Denmark stands at AAA with stable outlook. Moody's credit rating for Denmark was last set at Aaa with stable outlook. DBRS' credit rating for Denmark was last reported at AAA with stable outlook.

## **Danish Foreign Policy**

Denmark maintains a strong commitment to European integration, global cooperation, and sustainable development. As a member of the EU and NATO, Denmark actively supports European integration and collective security efforts. Denmark has taken a strong stance on the Ukraine conflict, imposing sanctions on Russia and providing military and humanitarian aid to Kyiv.

In May 2023, Denmark released its Foreign and Security Policy Strategy, stating that a core Danish priority is building new partnerships and exploring new opportunities. Specifically, the strategy outlines indicators for Denmark's foreign policy, including:

- 1. Increase Denmark's global engagement and build new alliances and equal partnerships.
- 2. Strengthen Denmark and Europe's resilience broadly.
- 3. Expand Danish positions of strength regarding the green agenda, technology, and health.
- 4. Support and work with Danish companies in the new geopolitical context.

According to the strategy, Denmark plans to achieve its foreign policy goals by strengthening its commitment to the EU, as it plays a crucial role in Denmark's opportunities to build equal partnerships abroad. Denmark's strategy calls for a "a wholehearted Danish commitment to the EU...that stands firm and assumes a more active role on the foreign policy stage," which includes translating economic weight into global influence and entering international partnerships. The strategy also calls for "both strengthened political dialogue and for the EU to offer even more concrete, sustainable solutions that are adapted to local demand" while strengthening the EU's impact as a multilateral actor and expanding the EU's partnerships with various organizations.

Denmark also enjoys a strong alliance with the US, rooted in NATO cooperation and shared democratic values. However, recent shifts in US policy under President Donald Trump's second term have raised concerns, particularly regarding US-EU trade relations, Greenland acquisition comments, and NATO commitments. The Danish government has opposed US suggestions of acquiring Greenland and remains committed to its autonomy within the Kingdom of Denmark. In February 2025, Prime Minister Mette Frederiksen reiterated that Greenland is not for sale, responding to US President Donald Trump's interest in purchasing the island. She emphasized Greenland's importance to Denmark acknowledged the Arctic's growing significance in security and defense matters. Moreover, in August 2025, Denmark summoned a top US diplomat after a report that at least three people with connections to President Trump have been carrying out covert influence operations in Greenland.

Denmark's Middle East policy emphasizes regional stability and fostering promoting economic development in the region. A cornerstone of this approach is the Danish-Arab Partnership Programme (DAPP), which aims at supporting human rights and employment for young people in the MENA region. Since 2003, Denmark has worked with partner organizations in the MENA region as part of the general Danish foreign and development policy. A new phase of DAPP was launched in 2022 and continues until 2027 in Morocco, Tunisia, Egypt, and Jordan. In addition, the release of Denmark's Foreign and Security Policy Strategy in May 2023 asserts that a core Danish priority is building new partnerships and exploring new opportunities, including with the Middle East.

## Key Foreign Policy Initiatives

In February 2025, the Danish government announced plans to increase its military by setting up a 50 billion-kroner (\$7 billion) fund that will raise the country's defense spending to more than 3% of GDP.



- In January 2025, Denmark announced a \$2 billion plan to boost Arctic security. Defense Minister Troels Lund Poulsen made the announcement following repeated statements by US President Donald Trump, who has said he would "get Greenland."
- In August 2024, as part of a new Africa strategy, Denmark announced plans to open embassies in Senegal, Tunisia, and Rwanda. The strategy also includes strengthening diplomatic staff in Egypt, Kenya, South Africa, Nigeria, and Ghana while closing embassies in Mali and Burkina Faso due to limited operational scope following recent military coups.
- In June 2024, Denmark secured a seat on the UN Security Council for the 2025-2026 term after a vote in the UN General Assembly.
- In March 2023, the Danish government and a broad majority in the Folketing (Parliament) established the Ukraine Fund to ensure continued Danish support for Ukraine. As of November 21, 2024, Denmark has committed approximately DKK 50 billion in military support for Ukraine under the Ukraine Fund, covering expenditures from 2023 to 2028.

## 3. GCC-Denmark Fact Sheet

Danish trade in goods with GCC countries, 2023 (USD)

Country	Exports	Imports	Total Trade
Bahrain	\$54.5M	\$18M	\$72.5M
Kuwait	\$132M	\$205M	\$337M
Oman	\$113M	\$23.5M	\$136.5M
Qatar	\$139M	\$43.2M	\$182.2M
Saudi Arabia	\$1.22B	\$92.3M	\$1.31B
United Arab Emirates	\$687M	\$51M	\$738M

Source: The Observatory of Economic Complexity (OEC)



## Key Research Centers and Think Tanks

- Danish Institute for International Studies (DIIS)
- University of Copenhagen Department of Political Science

## Selected Key Regional Experts

- Corine van Emmerik, DIIS
- Fannie Agerschou-Madsen, DIIS
- Helle Malmvig, DIIS
- Maria-Louise Clausen, DIIS
- Martin Hvidt, Center for Contemporary Middle East Studies, University of Southern Denmark

## 4. Key Developments in GCC-Denmark Relations

The relationship between Denmark and the Gulf Cooperation Council (GCC) countries has developed over time, with a notable increase in engagement in recent years. Both sides have worked towards fostering stronger ties. The European Commission's 2022 Joint Communication on "A Strategic Partnership with the Gulf' has set the framework for deeper cooperation, reflecting mutual interests.

Denmark plays an important role in regional and global security, particularly in counterterrorism and maritime security. It has been an active participant in the Global Coalition against Daesh and previously led NATO's Mission Iraq (NMI). Additionally, Denmark contributes to the European naval operation AGENOR in the Strait of Hormuz to ensure maritime security. Closer security collaboration between Denmark and GCC nations is necessary, particularly in intelligence sharing and naval defense, given the increasing threats in the Gulf region.

Trade and investment between Denmark and GCC nations are stable but hold untapped potential. Denmark operates two trade councils in Saudi Arabia and the UAE, facilitating business collaborations. In Saudi Arabia, Denmark focuses on health, technology, and green energy sectors, aligning with the Saudi Green Initiative. Economic ties are also growing with Bahrain, Qatar, and the UAE, particularly in renewable energy and fintech. GCC megaprojects such as NEOM and Qiddiya provide Danish firms with further opportunities in construction, digital technology, and sustainable development.

#### **GCC-Denmark**

On the sidelines of the 79th session of the United Nations General Assembly in New York, chaired by HE Sheikh Mohammed bin Abdulrahman Al Thani, Prime Minister and Minister of Foreign Affairs of Qatar, the first joint ministerial meeting between the GCC and Nordic states was held on September 26, 2024. HE Jasem Mohamed Albudaiwi, Secretary General of the GCC, emphasized the importance of the discussions, stating that the meeting "reflects the mutual desire to expand relations and enhance strategic cooperation between the GCC states and the Scandinavian countries in order to address current political, economic, and security challenges."

On March 2023, HE Jasem Mohamed Albudaiwi, Secretary General of the GCC, met with HE Liselotte Plesner, Ambassador of the Kingdom of Denmark to the Kingdom of Saudi Arabia. During the meeting, the two diplomats stressed the importance of strengthening GCC-Danish relations on all levels, including through the EU's strategic partnership.

#### **Bahrain-Denmark**

On February 24, 2024, Bahrain and Denmark, along with Australia, Canada, the Netherlands, New Zealand, the United Kingdom, and the United States, issued a joint statement in response to the Houthis' continued attacks on the Red Sea. The group previously issued a similar joint statement on February 3, 2024.

#### **Kuwait-Denmark**

In February 2024, Q8 Denmark and its partners opened a new filling station for trucks running on liquefied natural gas (LNG) in Denmark. The station is a joint venture between Sweden's OK ekonomisk förening (OK Economic Association) and Kuwait Petroleum International, which launched Denmark's first truck LNG station in 2022.

#### **Oman-Denmark**

On October 6, 2024, a high-level Omani delegation visited UNICEF's Global Supply and Logistics Hub in Copenhagen to strengthen humanitarian cooperation. The delegation included representatives from the Ministry of Foreign Affairs, the Ministry of Education, the Children First Association, the Oman Charitable Organization, Dar Al-Atta, and the private sector. They explored UNICEF's procurement and delivery operations, aligning with Oman's recent contribution to UNICEF regarding Gaza.



#### **Oatar-Denmark**

- In February 2025. HE Permanent Representative of the State of Qatar to the United Nations Sheikha Alya Ahmed bin Saif Al-Thani, and HE Permanent Representative of Denmark Ambassador Martin Bille Hermann, chaired the first session to facilitate informal consultations on the reform of the UN Security Council.
- HE Anders Bjorn Hansen, the Ambassador of Denmark to the UAE and Qatar, underscored in July 2024 the potential collaboration between the Scandinavian country and Qatar in healthcare technology. The Ambassador also outlined cooperation in different sectors. such as green transition and green solutions, artificial intelligence, and biomedicine.

#### Saudi Arabia-Denmark

- In May 2025, Minister of Industry and Mineral Resources HE Bandar Alkhorayef visited Denmark. The visit focused on strengthening cooperation in the health, industrial, and sectors, while exploring mining investment opportunities in key industries, aligned with the goals of Saudi Vision 2030.
- HH Prince Faisal bin Farhan, Saudi Arabia's Minister of Foreign Affairs, received his Danish counterpart, HE Lars Løkke Rasmussen, in Riyadh on February 2, 2025. Rasmussen's visit was the first by a Danish foreign minister to Saudi Arabia in over nine years. The ministers reviewed various ways to strengthen relations between the two countries. They also met on the sidelines of the 79th United Nations General Assembly in New York City on September 27, 2024.
- On September 17, 2024, HRH Prince Turki bin Talal bin Abdulaziz, Governor of the Aseer Region and Chairman of the Aseer Region Development Authority (ASDA), received the Ambassador of the Kingdom of Denmark to the Kingdom of Saudi Arabia, HE Liselotte Plesner.

- In July 2024, HRH Prince Fahd bin Jalawi bin Abdulaziz bin Musaed, Vice President of the Saudi Olympic and Paralympic Committee (SOPC), Head of the Saudi Delegation, and President of the Asian Triathlon Confederation attended an official reception held by the Danish Triathlon Federation in Paris on Tuesday, on the sidelines of the 2024 Olympic Games. During the reception, His Highness discussed ways to develop triathlons globally with Marisol Casado, President of the International Triathlon Union (ITU).
- On February 7, 2024, HRH Prince Salman bin Sultan bin Abdulaziz, the Governor of Madinah, received HE Liselotte Plesner, Ambassador of the Kingdom of Denmark to the Kingdom of Saudi Arabia. The two discussed the Saudi Vision 2030 and its transformative power.
- In January 2024, HE Adel Al-Jubeir, Minister of State for Foreign Affairs, Cabinet Member, and Climate Affairs Envoy of the Kingdom of Saudi Arabia, received the Ambassador of the Kingdom of Denmark to the Kingdom of Saudi Arabia, HE Liselotte Plesner.

#### **United Arab Emirates-Denmark**

- In May 2025, a UAE delegation led by HE Omran Sharaf, Assistant Foreign Minister for Advanced Science and Technology, visited Copenhagen to explore new opportunities for cooperation in emerging and advanced technologies, development, and research, as well as strategic priority sectors.
- In March 2025, UAE Foreign Minister HH Sheikh Abdullah Bin Zayed Al Nahyan met with His Majesty King Frederik X, King of the Kingdom of Denmark at the Royal Palace in Copenhagen during his official visit. The two discussed bilateral relations and ways to enhance cooperation.
- In November 2024, HH Sheikh Mohammed bin Hamad bin Mohammed Al Sharqi, Crown Prince of Fujairah, received HE Anders



Bjorn Hansen, Ambassador of the Kingdom of Denmark to the UAE. The two officials discussed mutual interests and enhancing bilateral relations.

- On July 25, 2024, HH Sheikh Ammar bin Humaid Al Nuaimi, Crown Prince of Ajman, received at his office in the Ajman Ruler's Court, HE Anders Bjørn Hansen, Ambassador of the Kingdom of Denmark to the UAE,
- In February 2024, HH Sheikh Abdullah bin Zayed Al Nahyan, Minister of Foreign Affairs, received HE Lars Løkke Rasmussen, Minister of Foreign Affairs of Denmark, to discuss various aspects of bilateral relations between the two countries. The two diplomats discussed enhancing cooperation in various fields such as economic, commercial, investment, and renewable energy.
- HE Mr. Anders Bjørn Hansen, the Danish Ambassador to the UAE, stated in an interview on February 4, 2024, that UAE-Denmark relations are growing more substantial due to increasingly developing commercial ties and cooperation in climate action following COP28 held in December in Dubai. The Danish Prime Minister, several other ministers, and His Majesty King Frederik X of Denmark, then Crown Prince, also attended COP28. Denmark's presence at COP28 included a pavilion and the largestever business delegation, representing over 30 companies.

## 5. Supporting Documents

#### **GRC** Publications

- GCC-NB8 Relations December 2024
- Nordic Countries & Saudi Arabia Relations -September 2024
- NB8 & GCC Countries Relations September 2024
- GCC-Denmark Relations September 2023
- GCC-NB8 Relations July 2023







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









