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ASEAN-GCC Relations: Strategic Convergence Between Southeast Asia and the Gulf Region

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Introduction

The relationship between the Association of Southeast Asian Nations (ASEAN) and the Gulf Cooperation Council (GCC) has undergone a major transformation over the past few years. Once largely defined by energy trade and bilateral commercial exchanges, the relationship is now evolving into a broader geopolitical and economic alignment. This evolution reflects structural changes taking place in the international system, including the redistribution of economic power toward Asia, exacerbating geopolitical competition between China and the United States, changes in trade routes, and the growing importance of middle-power diplomacy. Rather than viewing one another solely as markets or energy suppliers, ASEAN and the GCC increasingly recognize that they possess aligning strategic interests that extend beyond trade, investment, and digital transformation into geopolitics.

Analysis

During recent years, there has been growth in the institutional dimension of ASEAN-GCC relations. The inaugural ASEAN-GCC Summit held in Riyadh in October 2023 ushered in a formal political framework for cooperation. The momentum endured through to the second summit in 2025 held in Kuala Lumpur. These gatherings demonstrated that both organizations increasingly perceive the other as a strategic partner. The summit agendas extended beyond traditional commercial issues to include investment, digital transformation, food security, renewable energy, climate cooperation, logistics, tourism, education, and maritime security. More importantly, the summits initiated a process of institutionalization through the establishment of regular ministerial meetings, business forums, central bank consultations, and policy dialogues. Such mechanisms suggest that ASEAN-GCC cooperation is evolving into a long-term strategic relationship.

One of the principal drivers behind ASEAN-GCC alignment is the changing global economy. Over the past two decades, Asia has become the world's engine of economic growth. At the same time, the Gulf states have gradually diversified their commercial partnerships, increasingly orienting them toward Asia, with Southeast Asia representing one of the fastest-growing energy markets. ASEAN's population of approximately 700 million people, rapid urbanization, an expanding industrial base, and a rising middle class continue to generate increasing demand for oil, liquefied natural gas, petrochemicals, and refined petroleum products. For the Gulf states, whose long-term economic planning depends on stable export markets, Southeast Asia offers the kind of sustained demand that will remain essential even as global energy systems gradually transition toward lower-carbon sources.

On the reverse side, ASEAN views the GCC as far more than an energy supplier. The Gulf states have accumulated vast financial resources through decades of hydrocarbon exports and have established some of the world's largest sovereign wealth funds, which are increasingly seeking investment opportunities beyond traditional Western markets. Southeast Asia, with its growing digital economy, infrastructure needs, manufacturing capacity, and relatively strong economic growth, represents an attractive destination for Gulf capital.

ASEAN also stands to benefit from closer ties with the GCC when it comes to the issue of sustainable water management. With the region's population projected to reach 750 million by mid-century, growing demand on water resources will make water security a pressing challenge. As a result, ASEAN countries are likely to rely increasingly on desalination to supplement their water supplies. Saudi Arabia is particularly well positioned to serve as a strategic partner in this regard, as it is the world's largest producer of desalinated water, accounting for around 22 percent of global production.

Photo Source: ASEAN (2023)

Wider context

The alignment between the GCC and ASEAN is taking place at a time when both organizations are redefining their positions within an emerging multipolar international order. Neither ASEAN nor the GCC seek to be restricted to any one, distinct geopolitical bloc. Instead, both have adopted pragmatic foreign policies designed to maximize flexibility in the international arena while maintaining productive relations with all major powers. This shared diplomatic philosophy has become one of the foundations of the GCC-ASEAN partnership.

As argued, the long-dormant GCC-ASEAN relations have seen a sudden revival since 2023. Global trends have pushed the two sides to pursue a more active relationship. The GCC's effort to build closer ties with ASEAN is part of a bigger trend of the wealthy Arab states pivoting toward Asia. While in terms of security and military, the GCC remains strongly aligned with the United States, the Gulf states are not limiting themselves to traditional partners. Instead, they are looking elsewhere to diversify their foreign policy and commercial portfolio. The expanding relations with ASEAN serve these objectives.

The Southeast Asian countries are rapidly emerging as economic powers with untapped commercial potential. Their growing economic weight is translating into greater geopolitical influence on the global stage. Similar to the GCC, ASEAN members are looking to diversify their external partnerships. But similarities do not end here. ASEAN members, like the GCC countries, have largely avoided becoming pawns in the intensifying strategic competition between the United States and China. Instead, they have sought to benefit from this rivalry by positioning themselves as dynamic economic powerhouses, offering attractive investment environments and forward-looking development models.

In its effort to reach out to ASEAN, the GCC is not an exception. Nearly all major powers-- and an increasing number of middle powers – are seeking active engagement with Southeast Asia. Russia, for instance, has actively expanded its outreach as evidenced by recent high-level bilateral visits and large-scale summits, including the ASEAN-Russia Summit, held in Kazan in June 2026. Likewise, China, the EU, Turkey, Japan, and others are pursuing closer economic and political cooperation with ASEAN. The underlying calculus is well-known – diversifying external economic and foreign policy partnerships is an important strategy for enhancing resilience and adapting to ever-increasing global instability.

Surprisingly, geography too serves as a strong force drawing the GCC and ASEAN closer together. Though there is considerable distance between them, the Gulf states and the Southeast Asian countries are part of the wider Indian Ocean Region (IOR)– a vast space bound by interrelated economic and geopolitical developments. The economy of the IOR, which is itself part of the vast Indo-Pacific region, is on the rise and the countries located there are increasingly interconnected economically and geopolitically. This is not necessarily an exclusively modern phenomenon. Eastern Africa, southern parts of the Arabian Peninsula, India's shorelines, and South-East Asia coexisted in a closely knit economic space from ancient times to the medieval era. A similar process is taking place in the modern period as well, powered by an increasingly interconnected global economy and the development of modern technologies.

Related to the concept of the economy of the Indian Ocean is maritime security which has become an increasingly important geopolitical consideration linking ASEAN and the GCC. Together, the two regions control several of the world's most strategically significant maritime chokepoints. The Strait of Hormuz serves as the principal exit route for Gulf energy exports, while the Bab el-Mandeb connects the Red Sea to the Indian Ocean. Southeast Asia controls the Strait of Malacca and the Singapore Strait, through which a substantial share of global maritime commerce passes. These sea lanes collectively form the backbone of international trade linking Southeast Asia, the Middle East, and India.

Photo Source: Ananta Centre (2024)

Though these developments serve as powerful sticking points for the GCC and ASEAN to develop a strong relationship, another factor that has pushed the two entities closer has been the rapidly changing global order. The end of the unipolar moment led by the United States ushered in a more diversified, albeit chaotic, order often referred to as a multi-polar system with Washington, Beijing, and other major actors playing an active geopolitical game, without any one actor able to singlehandedly dominate global politics. A multi-polar world order, in turn, ushers in an era of regionalism which boosts the strategic alignment between the GCC and ASEAN. Both are delineated geographic regions consisting of ambitious countries with large economic potential allowing them to seek a more independent role on the international stage.

This brings to light another facet of the relationship – middle power diplomacy. Both the GCC and ASEAN countries comprise states with hefty economies increasingly translating their economic weight into geopolitical influence. As a result, they seek to position themselves as middle powers. While they may not have the capacity to shape the global order on the scale of major powers, they nevertheless are strong enough to influence regional connectivity and certain aspects of international trade allowing them to shape developments within their immediate respective neighborhoods. Amid the evolution of the global order and exacerbating tensions between Beijing and Washington, the time is ripe for middle power diplomacy. Both GCC and ASEAN countries are keen to capitalize on this momentum to expand their diplomatic and strategic relevance.

Middle-power diplomacy is intricately linked to strategic autonomy, creating natural compatibility between ASEAN and the GCC. Neither organization wishes to become an instrument of great-power competition. Instead, both seek to maximize economic opportunities while preserving independent decision-making. This shared worldview distinguishes ASEAN-GCC relations from many other contemporary international partnerships, which are often driven by ideological considerations or rigid military alliances. The ASEAN-GCC cooperation is largely pragmatic, focusing on mutual economic interests, loose geopolitical ideas, and the innate ambition to translate their human and economic capital into tools which would better protect them from large players.

Looking ahead

Despite the ongoing momentum, a few obstacles continue to limit the expanding ASEAN-GCC relations. Regulatory differences, varying investment frameworks, logistical bottlenecks, and political diversity complicate deeper integration.

Regional conflicts involving Iran, Gaza, and the Red Sea periodically generate uncertainty for commercial activity, while intermittent tensions in the South China Sea present parallel challenges for Southeast Asia. Both ASEAN and the GCC also rely heavily on consensus-based decision-making, which often slows implementation even after ambitious political agreements have been reached.

Nevertheless, the long-term trajectory remains positive. Over the next decade, economic integration is likely to deepen through expanded investment agreements, greater sovereign wealth fund participation in Southeast Asian infrastructure, enhanced cooperation in renewable energy and digital technologies, and more institutionalized food security partnerships. Collaboration in artificial intelligence, green finance, logistics, and maritime governance will probably become increasingly prominent components of the relationship.

Another issue which is expected to take on new importance is a comprehensive ASEAN-GCC Free Trade Agreement (FTA). Although its signing remains aspirational, given global trends and the need for economic diversification work on formalizing the FTA is likely to accelerate. This is especially so given the GCC's and ASEAN's already established tight commercial ties with major blocs including the Russia-led Eurasian Economic Union, the European Union, and the United States. Moreover, several ASEAN countries are actively working on signing bilateral FTAs with the GCC, underscoring the growing momentum toward deeper economic cooperation between the two regions.

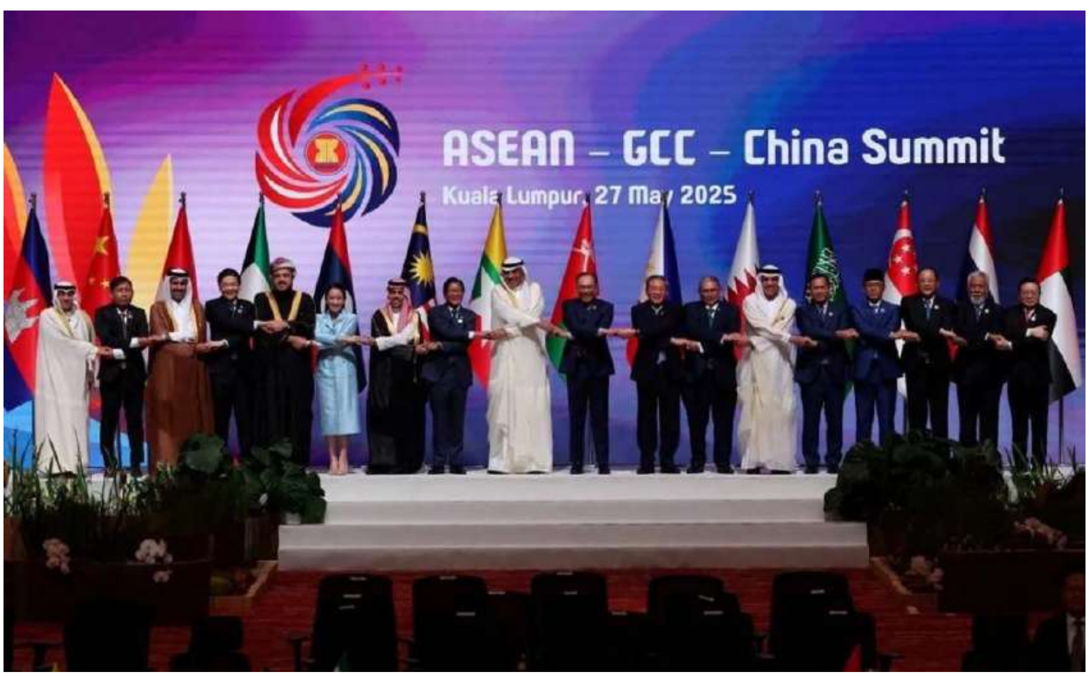

Photo Source: [Asharq Al-Awsat](#) (2025)

Ultimately, ASEAN-GCC relations illustrate the emergence of a new model of interregional cooperation in an increasingly multipolar world. Unlike Cold War alliances or ideologically driven partnerships, this relationship is built upon pragmatic economic interests, strategic flexibility, and mutual recognition that middle powers possess growing influence over the future international order. Neither organization seeks to challenge existing global institutions directly, yet together they increasingly shape patterns of trade, investment, connectivity, and diplomatic engagement across the Indo-Pacific and the Middle East. These and other issues--ranging from food and digital security to instability in the Middle East--are likely to feature prominently on the agenda of the third GCC-ASEAN Summit, scheduled to be held in 2027.

Policy recommendations

To move the cooperation forward, the two sides could think of adopting an approach that will convert broad commitments into a portfolio of measurable projects rooted in a clear institutional cooperation. Not only should the leaders meet biennially, but foreign ministers should also hold an annual dialogue, alternating between the Gulf and Southeast Asia. This meeting should set priorities, resolve political obstacles and approve progress. A small joint implementation unit, staffed by the ASEAN and GCC secretariats, should maintain the workplan and assign lead countries and flag deficiencies in cooperation.

Annual sectoral ministerial engagement should be also activated. Energy and digital-economy ministers, defense ministers or national-security advisers could meet on yearly basis to work on maritime security, critical infrastructure, cyber threats and crisis communication. Additionally, working groups should be established on energy, water and food resilience; artificial intelligence and digital governance. A separate trade task force should work on accelerating the proposed ASEAN-GCC free-trade agreement.

An annual Track 1.5 of think tan cooperation could be institutionalized six months before the foreign ministers' dialogue. A network of Gulf and Southeast Asian think tanks would convene officials, researchers and business leaders, who will prepare a set of realistic recommendations.

Last, but not least the GCC and ASEAN could set up a project-preparation facility that will finance feasibility studies and de-risk cross-regional projects. The secretariats should publish annual indicators covering projects launched, capital mobilized, regulatory agreements concluded and officials exchanged.

Conclusion

As global economic gravity continues to shift toward Asia, and as the Gulf accelerates its transformation from a hydrocarbon exporter into a diversified investment and technology hub, the strategic significance of ASEAN-GCC relations will continue to grow. The partnership is no longer only about energy or trade. Rather, it represents an emerging geopolitical axis linking two of the world's most dynamic regions through connectivity, economic diversification, and geopolitical autonomy. If current trends continue, ASEAN and the GCC will become increasingly influential architects of the evolving Eurasian and Indo-Pacific order, demonstrating that the future of global geopolitics will be shaped not only by great powers, but also by increasingly coordinated coalitions of economically powerful middle states.

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