EN

ANNEX 11

Of the Commission Implementing Decision on the 2019 Annual Action Programme for cooperation with third countries to be financed from the general budget of the European Union

**Action Document for Enhanced EU-GCC political dialogue, cooperation and outreach**

1 **KEY IDENTIFICATION DATA**

<table>
<thead>
<tr>
<th><strong>Title of the Action</strong></th>
<th>Enhanced EU-GCC political dialogue, cooperation and outreach</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Country/region/global</strong></td>
<td>The countries of the Cooperation Council for the Arab States of the Gulf (GCC): Bahrain, Kuwait, Oman, Qatar, Saudi Arabia and the United Arab Emirates plus EU countries when appropriate.</td>
</tr>
<tr>
<td><strong>Sector of intervention</strong></td>
<td>NA</td>
</tr>
</tbody>
</table>
| **Indicative budget** | Total: EUR 3 500 000  
EC contribution: EUR 3 500 000 (100%)  
Other contributions: NA |
| **Duration and target start date of implementation** | 36 months - Q1 2020 |
| **Method of implementation** | Direct management - Procurement |
| **DAC code(s)** | NA |
| **Markers (from CRIS DAC form)** | General policy objective | Not targeted | Significant objective | Main objective |
| | Participation development/good governance | ☐ | ☑ | ☐ |
| | Aid to environment | ☑ | ☐ | ☐ |
| | Gender equality (including Women In Development) | ☐ | ☑ | ☐ |
| | Trade Development | ☑ | ☐ | ☐ |
| **RIO Convention markers** | Biological diversity | ☑ | ☐ | ☐ |
| | Combat desertification | ☑ | ☐ | ☐ |
| | Climate change mitigation | ☑ | ☐ | ☐ |
| | Climate change adaptation | ☑ | ☐ | ☐ |
| **Global Public Goods and Challenges (GPGC) thematic flagships** | NA |
2 RATIONALE AND CONTEXT

2.1 Action summary

The countries of the Cooperation Council for the Arab States of the Gulf (GCC) have embarked upon ambitious multiyear national plans that aim to bring about far reaching changes in both economic and social areas. The European Union (EU) has a strategic interest in enhancing its cooperation with the Gulf region as a close partner: from volume of bilateral trade to shared interest in regional stability.

In the context of the ongoing stalemate around the crisis among GCC countries, the EU has been enhancing bilateral relations with the GCC members. An important manifestation of this trend has been the signing of bilateral Cooperation Arrangements (CA) encompassing political dialogue and sectoral cooperation in areas of mutual interest, with the aim to accompany the individual countries' economic diversification and social transformation.

So far, Cooperation Arrangements have been signed with Kuwait, United Arab Emirates, Qatar and most recently with Oman. Preparations are under way to conclude a Cooperation Arrangement with Saudi Arabia. These Arrangements intend to support and strengthen relationships between the two sides, by promoting political dialogue, information sharing, experts' meetings and consultations, and by fostering mutual understanding.

In this political context, the proposed action aims to contribute to a stronger relationship between the EU and the GCC by enhancing the political dialogue, cooperation and outreach between the two sides, both regionally as well as at the level of individual countries in the region.

The project will thus help position the EU as a partner of choice in the ongoing national transformation processes of the GCC countries, facilitate effective implementation of the Cooperation Arrangements with the GCC countries, enhance the understanding and visibility of EU in the region and help deepen the people to people links between the two regions.

2.2 Background/Context/Rationale for PI funding

The ongoing stalemate around the crisis among GCC countries, since June 2017, has shaken fundamentally the stability of the region and is producing negative spillover to the wider region (e.g. increasing competition for assets in the Horn of Africa). The crisis among the GCC member states has also negatively impacted the functioning of the regional organisation at its full potential as well as the EU’s ability to effectively partner with it. Together with other regional challenges to peace and stability (ongoing conflicts in Syria and Yemen, and increasing regional tensions with regards to Iran), these dynamics have an impact on the EU’s political, economic and security interests.

Meanwhile, most GCC countries are facing increasing socio-economic pressures and are reshaping their governance models. All six members have outlined for themselves ambitious agendas for economic diversification and social transformation embodied in the countries' respective "Vision" programmes. Such ambitious transformative and social liberalization processes represent a unique opportunity for the EU, as one of the region’s main trade partners and with a direct stake in the region's stability and economic development, to further enhance its relations with the GCC countries.

Besides political dialogue and economic cooperation, there is clear added value in the EU further enhancing its engagement with the GCC countries on issues such as youth/women empowerment/culture/education, which also form a part of their respective transformation processes, and where the EU enjoys a strong trajectory.

The EU-GCC relationship is anchored in the 1988 Cooperation Agreement, which covers a variety of sectors of cooperation. An EU Delegation opened in Riyadh in 20014. In 2013-2014, the EEAS started developing bilateral relations with other GCC states – the Delegation in Abu Dhabi was opened in 2013 and planning for the opening of a new Delegation in Kuwait in 2019 is under way.

1 Saudi Vision 2030, Bahrain 2030, New Kuwait 2035, Oman Vision 2020, Qatar National Vision 2030, UAE Vision 2021
The EU is keen to see regional cooperation frameworks maintained and is supportive of intra-Gulf negotiated solution to the GCC crisis. Nevertheless, the crisis has made it imperative that in parallel with EU-GCC work at the regional level, bilateral cooperation avenues with individual Gulf countries are fully explored. Thus, focus needs to be placed on enhancing cooperation with the individual GCC member states according to their specificities, notably by supporting the implementation of the signed and to be signed Cooperation Arrangements, concluded between the EEAS and Ministries of Foreign Affairs of GCC countries. Such arrangements encompassing political dialogue and sectoral cooperation in areas of mutual interest have been concluded so far with Kuwait, UAE, Qatar and Oman.

In this context, in addition to other ongoing Partnership Instrument (PI) funded activities in the region such as the EU-GCC Clean Energy Network and the EU-GCC Dialogue on Economic Diversification, further strategic activities – as outlined in this proposal – would be crucial in spearheading the implementation of the Cooperation Arrangements. This will help present the EU as an even-handed interlocutor that reaches out to the different societal structures and actors in addition to the GCC public authorities.

This project will focus on bilateral cooperation with each of the GCC countries and eventually merge into a regional logic, given that regional integration strengthens the foundations for future cooperation in the GCC and contributes to regional peace and stability. It will help build and implement a well-structured partnership to accompany each country in the implementation of its respective national vision/ national transformation process and to enhance EU-GCC cooperation in addressing mutual challenges in the region.

The proposed project is in line with the Global Strategy for the European Union’s Foreign and Security Policy, which underlines the need for the EU to deepen dialogue with GCC countries.

The action is well aligned with the Partnership Instrument (PI) Regulation and is framed under its objective 1, "to enhance EU bilateral, regional, inter-regional and multilateral cooperation and partnership strategies", as well as objective 4 “to enhance and widen the understanding and visibility of the EU and of its role in the world scene”.

In addition, this action contributes to the priorities identified under PI Multiannual Indicative Programme (MIP) 2018-20 and mainstreams the following cross-cutting issues: Multilateralism (building alliances) contributing to a global order based on international law, EU principles and values (democracy, rule of law, human rights and fundamental freedoms, respect for human dignity, the principles of equality, including gender equality, and solidarity); Resilience and Innovation.

2.3 Lesson learnt

The proposed project will build upon the experience and best practices drawn from other ongoing actions in the GCC.

The experience of implementing the project EU Policy and Outreach Partnership ( EUPOP) in the region, has highlighted a number of challenges such as the limited public diplomacy and operational engagement with the GCC given the relatively recent presence of the EU on the Arabian Peninsula; existing scope for improvement in the understanding of the role of the EU and its member states; the need to strengthen trust between the partners on both sides. Based on this, the present action proposes an integrated approach to stepping up EU-GCC engagement by combining support to the political dialogue with a strong people to people outreach.

Some common key factors for success can be observed as part of the design and implementation of projects in the region. These are (inter alia) ensuring continuous dialogue with and systematic involvement of the GCC stakeholders (both country and regional level) in Europe as well as in the region; importance of a strong political as well as operational steer from the EU Delegations in the region and the importance of continually informing and coordinating with the different EU services including the EEAS (geographic, thematic, horizontal services such as Strategic Communication), the relevant services of the European Commission as well as the Member States.
Finally, it is important that the proposed action allow for flexibility to adjust the working methods and tools (means and activities) to the actual needs during the implementation period.

### 2.4 Coherence and complementarity

The proposed project will serve as a practical tool to enhance the political dialogue, cooperation and outreach between the EU and the GCC. It will be a key means to operationalise select areas of the bilateral Cooperation Arrangements as well any agreements arrived at by both sides in the framework of political and policy dialogues. As such, this project is naturally coherent with EU’s foreign and sectoral policies in the region.

The proposed action will closely coordinate with and complement the ongoing PI supported actions in the region, notably the EU-GCC Clean Energy Network and EU GCC Dialogue on Economic Diversification. As explained above, lessons learnt from ongoing and past PI projects in the region will be incorporated into the design and implementation of this action. Public diplomacy activities currently supported by the project EU Policy and Outreach Partnership (EUPOP) will be integrated and followed-up, in the present project.

In line with the "Information and Communication Handbook for EU Delegations", particular attention will be given to ensuring the complementarity and added value of this project vis-à-vis initiatives funded by EU Member States and other relevant stakeholders in the region. Visibility and communication activities will furthermore be aligned with the EU Delegations’ yearly communication plan.

### 2.5 EU added value

Given the economic and geopolitical importance of the region, it is important for the EU and its Member States to step up their engagement with the GCC.

The project will strengthen the strategic alliance between the EU and the countries in the region. It will do so by positioning the EU as a partner of choice in the ongoing national transformation processes of the GCC countries, facilitate effective implementation of the Cooperation Arrangements with the GCC countries, enhance the understanding and visibility of EU in the region and help deepen the people-to-people links between the two regions. In a region where the presence of the Member States representation varies widely, EU’s proactive role becomes even more relevant.

This action will follow the joint up approach to achieving EU regional and global foreign policy objectives as outlined in EU’s Global Strategy. It will work closely with the EU Member States to increase the EU’s and member states’ network of partners in the GCC, and enhance the image of the EU and the EU MS as the primary partners of choice for the national transformation processes being promoted by the different GCC countries.

### 2.6 Cross-cutting issues

Taking into account local circumstances, gender equality will be mainstreamed throughout the implementation of the action by (inter alia) ensuring gender balanced speaker panels, round tables and working groups including at high-level representation, encouraging stakeholders who invite women as keynote speakers, etc. Gender equality will also be addressed by inclusion of gender-relevant issues in the political and policy dialogues wherever possible. Promoting opportunities for participation of youth, who constitute a very large part of the Gulf population, will cut across the various activities. Active engagement of civil society (including women and youth networks) will be sought throughout the implementation. Measures will be taken to reduce the environmental impact of the project’s activities. Lastly, efforts will be made towards more accessible project resources e.g., more accessible event venues, accessible project website etc.

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2 In line with EU Gender Equality Action Plan (GAP II 2016-2020).
3 ACTION DESCRIPTION

3.1 Objectives

The overall objective of this action is to contribute to a stronger relationship and help strengthen the alliance between the European Union and the GCC countries and the region on the basis of mutual interest.

The specific objective of this action is to enhance the political dialogue, cooperation and outreach between EU and the GCC (both regionally as well as with individual countries in the region).

The main expected results are:

1. EU is positioned as a partner of choice in the ongoing national transformation processes of the GCC countries in areas of mutual interest
2. More effective implementation and monitoring of the Cooperation Arrangements is facilitated
3. Understanding and perception of the EU by both state and non-state stakeholders in the region is enhanced
4. Trust and mutual understanding between EU and GCC citizens is strengthened (including a wide range of diverse population groups)

Activities that will allow the accomplishment of these results and the project objectives include inter-alia:

- Design and implementation of country specific strategies for EU-GCC partnership (based on GCC countries national visions and on the bilateral cooperation arrangements) on select social, economic and political issues
- Design and implementation of an EU-GCC regional engagement strategy
- Policy analysis and advice including drafting of policy briefs, situation analysis, studies etc. Where possible, these would be gender and youth responsive
- Support to high-level EU-GCC regional and bilateral meetings
- Design and implementation of an EU-GCC people to people outreach strategy that reflects inclusiveness and diversity (i.e. gender and youth sensitivity).
- Design and implementation of communication campaigns in traditional and social media, aiming towards improved visibility and understanding of the EU and of EU-GCC cooperation
- Creation of thematic platforms or other relevant mechanisms for greater information and knowledge exchange between governmental and non-governmental (youth groups, foundations, women’s groups, think-tanks etc.) stakeholders

The specific topics that the project should focus on will be decided based on an identification process carried out by the project in its inception phase.

The identification process will take stock of common interests, challenges and the respective fields of competence of the EU and GCC, and will develop tailored recommendations for each country as well as recommendations for topics to be addressed at the regional level. Some topics that could potentially be covered include inter-alia youth, women’s empowerment, education, culture, research and innovation, digital cooperation, climate change and cooperation in the field of security and counter-terrorism. The two high level events expected to take place in the region: Expo 2020 in UAE and G20 Summit in Saudi Arabia in 2020 will be taken into account and leveraged when designing the project activity plan.

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4 Specific focus on women and gender equality is included in the national transformation plans of some of the GCC countries, for example Saudi Arabia's Vision 2030. Additionally, gender diversity has begun to be recognised as a potential leverage for economic diversification. Cf McKinsey 2017 Report: "promoting Gender Diversity in the Gulf" https://www.mckinsey.com/business-functions/organization/our-insights/promoting-gender-diversity-in-the-gulf
3.2 Stakeholders

The action will be implemented in the six countries of the Gulf Cooperation Council and in the European Union. It will focus on bilateral cooperation with each of the GCC countries and eventually merge into a regional logic as relevant.

Main stakeholders of the action will be public and private stakeholders in each of the six GCC countries, GCC as a regional organisation and the EU. EU Member states will be closely involved through their representatives in the region with the aim of maximising synergies with their ongoing initiatives.

The main target groups of the action are:

- GCC public stakeholders – Ministries and other public bodies in each of the six GCC countries; the GCC Secretariat
- EU public stakeholders - EEAS and European Commission services (both in the Delegation and in headquarters), EU Member States representatives in the region
- Other Stakeholders in EU and in GCC – Academia, think tanks, civil society, media (both traditional and social media stakeholders), private sector, cultural sector stakeholders etc.

3.3 Risk assessment and management

A.1. The main assumption is that the overall political, social and economic situation in the EU and the Gulf will remain conducive to enhancing dialogue and cooperation at bilateral and regional levels.

A.2. It is also assumed that all stakeholders involved, will stay committed to the objectives throughout the duration of the project and will be willing to cooperate.

<table>
<thead>
<tr>
<th>Risk description</th>
<th>Risk level (High, Medium, Low)</th>
<th>Mitigating measure</th>
</tr>
</thead>
<tbody>
<tr>
<td>Diminished interest on part of the GCC stakeholders</td>
<td>Medium</td>
<td>Continuous assessment of political and policy priorities in the region; Consistent engagement with key partners in the region in areas of mutual interest; Prioritisation by the project of areas of high mutual interest; Put in place a systematic mechanism for consultation and information on project activities with GCC partners throughout the implementation period.</td>
</tr>
<tr>
<td>Political situation in the region or developments in internal political/social situation of the GCC countries make implementation of project activities difficult.</td>
<td>Medium</td>
<td>Continuous assessment of the political and social situation in the region to identify potential obstacles to the project; Ensure sufficient flexibility in project design to adapt activities to evolving political and social context.</td>
</tr>
<tr>
<td>Unexpected crisis or ad-hoc irritants undermine the EU-GCC technical or political relations negatively impacting the project activities.</td>
<td>Low</td>
<td>Continuous analysis of the relations to identify such risks in a timely manner and to propose measures to address technical level irritants/risks that lie within the project’s reach.</td>
</tr>
</tbody>
</table>
3.4 Communication and EU visibility

Communication and visibility of the EU is a legal obligation for all external Actions funded by the EU.

This Action shall contain communication and visibility measures, which shall be based on a specific Communication and Visibility Plan of the Action, to be elaborated at the start of implementation.

Appropriate contractual obligations shall be included in, respectively, the procurement and grant contracts, and delegation agreements.

The Communication and Visibility Manual for European Union External Action⁵, which came into force on 1 January 2018, shall be used to establish the Communication and Visibility Plan of the Action and the appropriate contractual obligations.

4 IMPLEMENTATION ARRANGEMENTS

4.1 Method of implementation

Procurement (direct management)

(a) The programme will be implemented via service contract(s).
(b) Indicative timing: call(s) for tender expected to be launched 2nd Quarter 2019.

4.2 Indicative budget

<table>
<thead>
<tr>
<th>Method of Implementation</th>
<th>Amount in EUR million</th>
</tr>
</thead>
<tbody>
<tr>
<td>Procurement (direct management)</td>
<td>3.5</td>
</tr>
<tr>
<td>Total</td>
<td>3.5</td>
</tr>
</tbody>
</table>

The Commission will ensure that the EU appropriate rules and procedures for providing financing to third parties are respected, including review procedures, where appropriate, and compliance of the action with EU restrictive measures⁶.

4.3 Organisational set-up and responsibilities

Relevant EU services in Headquarters and in EU Delegations in the region (Riyadh, Abu Dhabi and the planned Delegation in Kuwait) will ensure appropriate technical and political steer to the action. The EU delegations will work closely with the implementing partner to ensure technical and political inputs and support necessary for the definition and implementation of specific activities in their respective countries.

A project steering committee (PSC) will be set up to provide overall political steer to the project. It will be composed of representatives of relevant EU services in Headquarters and Delegations.

EU Member States representatives in the region (Heads of Mission/ Sectoral Counsellors as relevant) will be regularly informed and consulted in order to maximise synergies with their own activities.

⁶ www.sanctionsmap.eu Please note that the sanctions map is an IT tool for identifying the sanctions regimes. The source of the sanctions stems from legal acts published in the Official Journal (OJ). In case of discrepancy between the published legal acts and the updates on the website it is the OJ version that prevails.
Lastly, relevant stakeholders from the GCC (both at country and regional levels) will be informed and consulted on an ongoing basis. Active involvement and participation of relevant GCC counterparts will be sought in the different activities implemented under the project.

4.4 Performance monitoring

The day-to-day technical and financial monitoring of the implementation of this Action will be a continuous process and part of the implementing entity’s responsibilities. To this end, the implementing entity shall establish a permanent internal, technical\(^7\) and financial monitoring system for the Action and elaborate regular progress reports (not less than annual) and final reports.

Every report shall provide an accurate account of implementation of the Action, difficulties encountered, changes introduced, as well as the degree of achievement of its results. The progress and final reports shall provide quantified and qualitative data in relation to the logical framework indicators which will include relevant indicators from the list of core and corporate indicators.

The report shall be laid out in such a way as to allow monitoring of the means envisaged and employed and of the budget details for the Action. The final report, narrative and financial, will cover the entire period of the Action implementation.

The Commission may undertake additional Action monitoring visits both through its own staff and through independent consultants recruited directly by the Commission for independent monitoring reviews (or recruited by the responsible agent contracted by the Commission for implementing such reviews).

4.5 Evaluation and audit

For this Action, the Commission may carry out interim and/or final/ex-post evaluation(s) via independent consultants contracted by the Commission based on specific terms of reference.

Without prejudice to the obligations applicable to contracts concluded for the implementation of this Action, the Commission may, on the basis of a risk assessment, contract independent audits or expenditure verification assignments.

As the “N+1” rule applies for contracting under this decision, external evaluations and audits, as well as additional external monitoring referred to under section 4.4. above, will be funded from sources other than those allocated to this specific Action.

\(^7\) The technical monitoring should include gender disaggregated data as far as possible.