Gulf Cooperation Council
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The Cooperation Council for the Arab States of the Gulf (Arabic: مجلس التعاون لدول الخليج العربي, originally (and still colloquially) known as the Gulf Cooperation Council (GCC, مجلس التعاون الخليجي), is a regional intergovernmental political and economic union consisting of all Arab states of the Persian Gulf, except for Iraq. Its member states are Bahrain, Kuwait, Oman, Qatar, Saudi Arabia, and the United Arab Emirates. The citizen of these countries refer to them as the Khaleeji (GCC, خليجي), the Arab of the Gulf, or the GCC citizen.

All current member states are monarchies, including three constitutional monarchies (Qatar, Kuwait, and Bahrain),[4][5] two absolute monarchies (Saudi Arabia and Oman), and one federal monarchy (the United Arab Emirates, composed of seven member states, each with its own emir). There have been discussions regarding the future membership of Jordan, Morocco, and Yemen.[6][7]

A 2011 proposal to transform the GCC into a "Gulf Union" with tighter economic, political and military coordination has been advanced by Saudi Arabia, a move meant to counterbalance the Iranian influence in the region.[8][9] Objections have been raised against the proposal by other countries.[10][11] In 2014, Bahrain prime minister Khalifa bin Salman Al Khalifa said that current events in the region highlighted the importance of the proposal.[12]

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Cooperation Council for the Arab States of the Gulf

<table>
<thead>
<tr>
<th>Headquarters</th>
<th>Riyadh, Saudi Arabia</th>
</tr>
</thead>
<tbody>
<tr>
<td>Official languages</td>
<td>Arabic</td>
</tr>
<tr>
<td>Type</td>
<td>Trade bloc</td>
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<tr>
<td>Membership</td>
<td>6 states</td>
</tr>
<tr>
<td>Leaders</td>
<td></td>
</tr>
<tr>
<td>• Secretary General</td>
<td>A. bin Rashid Al Zayani</td>
</tr>
<tr>
<td>• Supreme Council Presidency</td>
<td>Kuwait[1]</td>
</tr>
<tr>
<td>Establishment</td>
<td></td>
</tr>
<tr>
<td>• As the GCC</td>
<td>25 May 1981</td>
</tr>
<tr>
<td>Area</td>
<td></td>
</tr>
<tr>
<td>• Total</td>
<td>2,673,108 km²</td>
</tr>
<tr>
<td></td>
<td>1,032,093 sq mi</td>
</tr>
<tr>
<td>• Water (%)</td>
<td>0.6</td>
</tr>
<tr>
<td>Population</td>
<td></td>
</tr>
<tr>
<td>• 2014 estimate</td>
<td>50,761,260</td>
</tr>
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<td>• Density</td>
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</table>

Founding

Established in Abu Dhabi on 25 May 1981,[13][14] the original union comprised the 1,032,093-square-mile (2,673,110 km²) Persian Gulf states of Bahrain, Kuwait, Oman, Qatar, Saudi Arabia and the United Arab Emirates. The unified economic agreement between the countries of the Gulf Cooperation Council was signed on 11 November 1981 in Abu Dhabi. These countries are often referred to as "the GCC states".

Objectives

Among the stated objectives are:

- Formulating similar regulations in various fields such as religion, finance, trade, customs, tourism, legislation, and administration
- Fostering scientific and technical progress in industry, mining, agriculture, water and animal resources
- Establishing scientific research centers
- Setting up joint ventures
- Unified military (Peninsula Shield Force)
- Encouraging cooperation of the private sector
- Strengthening ties between their people
- Establishing a common currency\[15\][16][17][18]

However, Oman announced in December 2006 it would not be able to meet the target date. Following the announcement that the central bank for the monetary union would be located in Riyadh and not in the UAE, the UAE announced their withdrawal from the monetary union project in May 2009. The name Khaleeji has been proposed as a name for this currency. If realised, the GCC monetary union would be the second largest supranational monetary union in the world, measured by GDP of the common-currency area.\[16\]

This area has some of the fastest growing economies in the world, mostly due to a boom in oil and natural gas revenues coupled with a building and investment boom backed by decades of saved petroleum revenues. In an effort to build a tax base and economic foundation before the reserves run out, the UAE's investment arms, including Abu Dhabi Investment Authority, retain over $900 billion in assets. Other regional funds also have several hundreds of billions of dollars of assets under management.

The region is also an emerging hotspot for events, including the 2006 Asian Games in Doha, Qatar. Doha also submitted an unsuccessful application for the 2016 Summer Olympic Games. Qatar was later chosen to host the 2022 FIFA World Cup, but it is possible that Qatar might lose the right to host the game because of its poor human rights records.\[19\]

Recovery plans have been criticized for crowding out the private sector, failing to set clear priorities for growth, failing to restore weak consumer and investor confidence, and undermining long-term stability.\[20\]

**Logo**

The logo of the GCC consists of two concentric circles. On the upper part of the larger circle, the Bismillah phrase is written in Arabic, which means "By the name of god" and on the lower part the Council's full name, in Arabic. The inner circle contains an embossed hexagonal shape that represents the Council's six member countries. The inside of the hexagon is filled by a map encompassing the Arabian Peninsula, on which the areas of the member countries are borderless and colored in brown. On the edge of the hexagon are colors representing the flags of the six member countries.

**Economy**

**Internal market**

A common market was launched on 1 January 2008 with plans to realise a fully integrated single market.\[21\] It eased the movement of goods and services. However, implementation lagged behind after the 2009 financial crisis. The creation of a customs union began in 2003 and was completed and
fully operational on 1 January 2015. In January 2015, the common market was also further integrated, allowing full equality among GCC citizens to work in the government and private sectors, social insurance and retirement coverage, real estate ownership, capital movement, access to education, health and other social services in all member states. However, some barriers remained in the free movement of goods and services. The coordination of taxation systems, accounting standards and civil legislation is currently in progress. The interoperability of professional qualifications, insurance certificates and identity documents is also underway.

**Monetary union**

In 2014, Bahrain, Kuwait, Qatar and Saudi Arabia took major steps to ensure the creation of a single currency. Kuwait's finance minister said the four members are pushing ahead with the monetary union but said some “technical points” need to be cleared. "A common market and common central bank would also position the GCC as one entity that would have great “influence on the international financial system” he added. The implementation of a single currency and the creation of a central bank is overseen by the Monetary Council. There is currently a degree to which a nominal GCC single currency already exists. Businesses trade using a basket of GCC currencies, just as before the euro was introduced, the European Currency Unit (ECU) was long used beforehand as a nominal medium of exchange. Plans to introduce a single currency had been drawn up as far back as 2009, however due to the financial crisis and political differences, the UAE and Oman withdrew their membership.

**Mergers and Acquisitions**

Companies and investors from GCC countries are active in Mergers and Acquisitions. Since 1999, more than 5,200 transactions with a known value of US$ 573 billion have been announced. They are not only active in national deals or within GCC, but also as important investors in cross-border M&A abroad. The investor group includes in particular a number of Sovereign Wealth Funds.

**Infrastructure**

The Gulf Cooperation Council launched common economic projects to promote and facilitate integration. The member states have cooperated in order to connect their power grids. A water connection project was launched and plans to be partly in use by 2020. A project to create common air transport was also unveiled.

The GCC also launched major rail projects in order to connect the peninsula. The railways are expected to fuel intra-regional trade while helping reduce fuel consumption. Over $200 billion will be invested to develop about 40,000 kilometres of rail network across the GCC, according to Oman’s Minister of Transport and Communications. The project, estimated to be worth $15.5 billion, is scheduled to be completed by 2018. “It will link the six member states as a regional transport corridor, further integrating with the national railway projects, deepening economic social and political integration, and it is developed from a sustainable perspective.” stated, Ramiz Al Assar, Resident World Bank advisor for the GCC.
Saudi Arabian Railways, Etihad Rail, and national governments have poured billions into railway infrastructure to create rail networks for transporting freight, connecting cities and reducing transport times.[29]

**Politics and governance**

**Supreme council**

The supreme council is the highest authority of the organization. It is composed of the heads of the member states. It is the highest decision-making entity of the GCC. The supreme council sets the vision and the goals of the Gulf Cooperation Council. Decisions on substantive issues require unanimous approval, while issues on procedural matters require a majority. Every member state has one vote.[30]

**Ministerial Council**

The Ministerial Council is composed of the Foreign Ministers of all the Member States. It convenes every 3 months. It primarily formulates policies and makes recommendations to promote cooperation and achieve coordination among the member states when implementing ongoing projects. Its decisions are submitted in the form of recommendations to the Supreme Council for its approval. The Ministerial Council is also responsible for preparations of meetings of the Supreme Council and its agenda. The voting procedure in the Ministerial Council is the same as in the Supreme Council.[30]

**Secretariat General**

The Secretariat is the executive arm of the Gulf Cooperation Council. It takes decisions within its authority and implements decisions approved by the Supreme or Ministerial Council. The Secretariat also compiles studies relating to cooperation, coordination, and planning for common action. It prepares periodical reports regarding the work done by the GCC as a whole and regarding the implementation of its own decisions.[30]

**Monetary Council**

On 15 December 2009, Bahrain, Kuwait, Qatar and Saudi Arabia announced the creation of a Monetary Council to introduce a single currency for the union. The board of the council, which set a timetable and action plan for establishing a central bank and choose a currency regime, will met for the first time on 30 March 2010. Kuwaiti foreign minister Mohammad Sabah Al-Sabah said on 8 December 2009 that a single currency may take up to ten years to establish. The original target was in 2010. Oman and the UAE later announced their withdrawal of the proposed currency.

In 2014, major moves were taken to ensure the launch of a single currency. Kuwait's finance minister stated that a currency should be implemented without delay. Negotiations with the UAE and Oman to expand the monetary union were renewed.[25]

**Patent Office**
The GCC Patent Office was approved in 1992 and established soon after in Riyadh, Saudi Arabia.[31] Applications are filed and prosecuted in the Arabic language before the GCC Patent Office in Riyadh, Saudi Arabia, which is a separate office from the Saudi Arabian Patent Office.

**Peninsula Shield Force**

Amidst the Bahraini uprising, Saudi Arabia and the UAE sent ground troops to Bahrain in order to protect vital infrastructure such as the airport and highway system.[8][32][33][34] Kuwait and Oman refrained from sending troops.[8][35] Instead, Kuwait sent a navy unit.[36]

In September 2014 GCC members Saudi Arabia, Bahrain, UAE, Qatar plus pending member Jordan, commenced air operations against ISIL in Syria cooperation. Saudi Arabia and the UAE however are among the nations that oppose the Muslim Brotherhood in Syria, whereas Qatar has historically supported it. They also pledged other support including operating training facilities for Syrian Rebels (Saudi Arabia) and allowing the use of their airbases by other countries fighting ISIL.

**GCC Standardization Organization (GSO)**

This is the standardization organization of the GCC, and Yemen also belongs to this organization.[37]

**Gulf Organization for Industrial Consulting (GOIC)**

The Gulf Organization for Industrial Consulting (GOIC) was founded in 1976 by the Gulf Cooperation Council (GCC) member states: The United Arab Emirates, Bahrain, Saudi Arabia, Oman, Qatar and Kuwait, and in 2009, Yemen joined the Organization is headquartered at Doha Qatar. The organization chart of GOIC includes the Board members and the General Secretariat. The Board is formed by member state representatives appointed by their governments.[38]

**Secretaries-General**

<table>
<thead>
<tr>
<th>Tenure</th>
<th>Name</th>
<th>Country</th>
</tr>
</thead>
<tbody>
<tr>
<td>April 1993 – April 1996</td>
<td>Fahim bin Sultan Al Qasimi[40]</td>
<td>United Arab Emirates</td>
</tr>
<tr>
<td>1 April 2002 – 31 March 2011</td>
<td>Abdul Rahman bin Hamad Al Attiyah[42]</td>
<td>Qatar</td>
</tr>
<tr>
<td>1 April 2011 – present</td>
<td>Abdullatif bin Rashid Al Zayani</td>
<td>Bahrain</td>
</tr>
</tbody>
</table>

**Member states**

There are six member states of the union:
<table>
<thead>
<tr>
<th>Flag</th>
<th>Common name</th>
<th>Official name in English</th>
<th>Official name in romanized Arabic</th>
<th>Type of government</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Bahrain</td>
<td>Kingdom of Bahrain</td>
<td>Mamlakat al-Bahrain</td>
<td>Constitutional monarchy</td>
</tr>
<tr>
<td></td>
<td>Kuwait</td>
<td>State of Kuwait</td>
<td>Dawlat al-Kuwayt</td>
<td>Parliamentary system, constitutional monarchy</td>
</tr>
<tr>
<td></td>
<td>Oman</td>
<td>Sultanate of Oman</td>
<td>Salṭanat ʻUmān</td>
<td>Absolute monarchy</td>
</tr>
<tr>
<td></td>
<td>Qatar</td>
<td>State of Qatar</td>
<td>Dawlat Qaṭar</td>
<td>Constitutional monarchy</td>
</tr>
<tr>
<td></td>
<td>Saudi Arabia</td>
<td>Kingdom of Saudi Arabia</td>
<td>Al-Mamlaka al-ʻArabiyya as-Suʿūdiyya</td>
<td>Absolute monarchy</td>
</tr>
<tr>
<td></td>
<td>United Arab Emirates</td>
<td>United Arab Emirates</td>
<td>Al-Imārāt al-ʻArabiyyah al-Muttaḥidah</td>
<td>Federal monarchya</td>
</tr>
</tbody>
</table>

*a* Elective by monarchs *de jure*, hereditary *de facto*.

### Macro-economic trend

<table>
<thead>
<tr>
<th>Year</th>
<th>GDP (millions)</th>
<th>GDP per capita (as % of USA's GDP per capita)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1980</td>
<td>$250,675</td>
<td>152.00</td>
</tr>
<tr>
<td>1985</td>
<td>$183,069</td>
<td>60.19</td>
</tr>
<tr>
<td>1990</td>
<td>$207,735</td>
<td>41.28</td>
</tr>
<tr>
<td>1995</td>
<td>$261,072</td>
<td>37.10</td>
</tr>
<tr>
<td>2000</td>
<td>$375,483</td>
<td>36.26</td>
</tr>
<tr>
<td>2005</td>
<td>$664,582</td>
<td>45.19</td>
</tr>
<tr>
<td>2010</td>
<td>$1,084,647</td>
<td>56.56</td>
</tr>
</tbody>
</table>

### Sports

The union has served as a grouping for sports co-operation and competition. The GCC states have an annual Meeting of the Youth and Sports ministers to boost youth and sports initiatives in the region; in 2015, this gathering was held for the 29th time. The promotion of the hosting of international sports events has also served an economic purpose for the union's countries, leading to investment and development in the region.

The GCC Games, a quadrennial multi-sport event, was established by the union and first held in 2011. There are numerous long-running GCC Championships for individual sports, including: the Gulf Cooperation Council Athletics Championships (first held in 1986; youth section from 2000) sailing, basketball, swimming, tennis, gymnastics (senior and youth levels), weightlifting, futsal, snooker and table tennis.
2014 Saudi–Qatari rift

Qatar's support for the Muslim Brotherhood across the MENA area, Hamas and radical Islamists in Libya have led to increasing tensions with other Arab states of the Persian Gulf. These came to a head during a March 2014 meeting of the Gulf Cooperation Council, after which the UAE, Saudi Arabia and Bahrain announced the recall of their ambassadors to Qatar.

Some financial economists have interpreted the 2014 Saudi–Qatari rift as the tangible political sign of a growing economic rivalry between oil and natural gas producers, which could "have deep and long-lasting consequences" beyond the MENA area.

When the ambassadors withdrew, the GCC was probably already on the verge of a crisis linked to the emergence of distinct political blocs with conflicting interests. Saudi Arabia, the UAE and Bahrain were beginning to engage in a political struggle with Qatar, while Oman and Kuwait represent a non-aligned bloc within the GCC. The ambassadors crisis also seriously threatened the GCC’s activities, adversely affected its functioning and could arguably even have led to its dissolution.

Related states

Since the creation of the council in 1981 its membership has not expanded, with all members being Arab monarchies.

Some GCC countries have land borders with Iraq, Jordan and Yemen, and sea borders with Iran, Egypt, Sudan, Eritrea, Djibouti, Somalia, and Pakistan.

Egypt

Only Sinai peninsula lies in the Arabian peninsula, Bahrain has been vocal about its stance on Egypt joining the GCC, in 2011, Bahraini Foreign Minister has called for Egypt to be admitted as a member of the GCC.

Iraq

Iraq is the only Arab country bordering the Persian Gulf that is not a member of the Gulf Cooperation Council. In 2012, Iraqi Defence Minister Saadoun al-Dulaimi stated that Iraq wants to join the GCC. Kuwait supports Iraq joining the GCC. The lack of membership of Iraq is widely believed to be due to the low-income economy, its substantial Shia population, its republican political system, and its invasion of member state Kuwait during the Gulf War.

Iran

At the December 2012 Manama summit, the GCC states called for an end to Iranian interference in their internal affairs.

Jordan and Morocco
In May 2011, Jordan's request to join the GCC, which had been first submitted 15 years earlier, was accepted and Morocco was invited to join the union.[70][71][72] In September 2011 a five-year economic plan for both countries was put forward after a meeting between the foreign ministers of both countries and those of the GCC States, the first GCC meeting since May which included the Jordanian and Moroccan ministers. Although a plan for accession was being looked into, it was noted that there was no timetable for either's accession, and that discussions would continue.[65]

As Jordan and Morocco are the only two Arab monarchies not currently in the council, the current members see them as strong potential allies. Jordan borders member Saudi Arabia and is economically connected to the Persian Gulf States. Although Morocco is not near the Persian Gulf, the Moroccan foreign minister Taieb Fassi Fihri notes that "geographical distance is no obstacle to a strong relationship".[65]

Yemen

Yemen was in negotiations for GCC membership, and hoped to join by 2015. Although it has no coastline on the Persian Gulf, Yemen lies in the Arabian Peninsula and shares a common culture and history with other members of the GCC.[7] The GCC has already approved Yemen's accession to the GCC Standardization Authority, Gulf Organization for Industrial Consulting (GOIC),[73] GCC Auditing and Accounting Authority, Gulf Radio and TV Authority, GCC Council of Health Ministers, GCC Education and Training Bureau, GCC Council of Labour and Social Affairs Ministers, and Gulf Cup Football Tournament. The Council issued directives that all the necessary legal measures be taken so that Yemen would have the same rights and obligations of GCC member states in those institutions.[74]

Related organizations

The GCC members and Yemen are also members of the Greater Arab Free Trade Area (GAFTA). However, this is unlikely to affect the agenda of the GCC significantly as it has a more aggressive timetable than GAFTA and is seeking greater integration.

See also

- Arab Cooperation Council
- Peninsula Shield Force
- Arab states of the Persian Gulf
- Arab League–Iran relations
- U.S.–Middle East Free Trade Area (US-MEFTA)
- Euro-Mediterranean free trade area (EU-MEFTA)
- Council of Arab Economic Unity (CAEU)
- Khaleeji, the Council's proposed currency
- Gulf Railway
- Middle East economic integration
- Gulf Organization for Industrial Consulting (GOIC)

References


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5. "US State Dept's Country Political Profile - Bahrain" (PDF).
9. Template:Cite web=title=Analysis: Saudi Gulf union plan stumbles as wary leaders seek detail
36. "Kuwait naval units join Bahrain mission ... 'Plot foiled'". Arab Times. Retrieved 31 August 2012.

External links

- The Cooperation Council for the Arab States of the Gulf - Secretariat General (http://www.gcc-sg.org/eng/)


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