

GCC IN REVIEW

*A Weekly Publication of the main news surrounding the
GCC States*

29 May – 1 June

Kingdom of Bahrain:

Wednesday, 31 May- Bahrain's Ministry of Justice, following a long investigation process, has ordered the dissolution of the Democratic Action Society, also known as Waad, for supporting terrorism. Links between terrorist groups loyal to Ayatollah Isa Qassim and the Waad party have emerged during the al-Diraz security operation conducted last week by Bahrain's security forces.

Kingdom of Saudi Arabia:

Monday, 29 May- Saudi Arabia's air support enabled Yemen's national armed forces to succeed in their effort to control the Republican Palace in Taiz which was previously used by Houthi fighters as their Headquarter in the town. This comes as Yemen's national army, loyal to the internationally recognised government led by Abd Rabbih Mansur Hadi, pushes to liberate the city from Iran-backed Houthi rebels.

Tuesday, 30 May- Putin welcomed Saudi Deputy Crown Prince Mohammad Bin Salman in the Kremlin in an attempt to secure a Saudi-Russia détente. Tensions between the two oil producing giants are related to strong divergences on Syria's political future and on cutting OPEC's production output.

Wednesday, 31 May- Yemen's Minister of Defense, Brigadier General Mahmoud al-Subaihi, hailed the air support provided to Yemeni troops by the Saudi led military coalition and described it as a pivotal factor allowing Yemen's national army to carry out offensives aimed at liberating Taiz and Nahm from Houthi control.

Thursday, 01 June- Rosneft boss Igor Sechin and Saudi Aramco chief Amin Nasser held a formal meeting to develop cooperation and plan joint projects between the two companies. This meeting

unveils great potential for economic cooperation between Saudi Arabia and Russia despite Saudi's initial opposition and Russia's strong support for the reduction of OPEC's oil output.

State of Kuwait:

Thursday, 01 June- A spokesman for Kuwait's Ministry of Interior declared that an Iranian Ayatollah, who entered the country illegally, has been deported from the country. Ayatollah Mohammed Al-Fali came to Kuwait using a pseudonym to hide his true identity. Iran is currently attempting to expand its regional influence by undermining the cohesion of members of the Gulf Cooperation Council.

State of Qatar:

Thursday, 01 June- Moody's downgraded ratings of major firms in Qatar from AA3 to AA2, given the country's weak external position and the uncertainties surrounding the growth model's sustainability. This move, by the prominent rating agency, further evidences the dangers of the new Qatari foreign policy which entails support for organisations such as Hamas, the Muslim Brotherhood and the Shura Council of Mujahideen in Derna while legitimizing Iran's regional ambitions. Such foreign policy strongly contrasts the interests of Qatar's main traditional allies in the GCC and the West.

Sultanate of Oman:

Thursday, 01 June- China-based Mingyuan Holdings Group Co Ltd, a leading petrochemical company, plans to set up a major methanol-to-olefin plant alongside a giant green field methanol scheme at the China-Oman Industrial Park, in the sultanate. This demonstrates the increasing importance of Oman for the development of China's petrochemical industry. Investing in Oman is crucial for China's petrochemical companies given the historic agreements between US and EU petrochemical companies and the other GCC members.

United Arab Emirates:

Monday, 29 May- UAE Minister of State for Foreign Affairs Anwar Gargash has warned Qatar that patience and tolerance are running out. The diplomatic rift between Qatar and other GCC countries erupted as the Emir, Tamim bin Hamad Al Thani, gave a speech in which he refused solidarity against Islamist militants and Iran's regional meddling. The UAE is currently leading the efforts to convince the Qataris a change in their foreign policy is needed to ensure the effectiveness of the GCC.