We live in a rapidly changing world that faces an array of challenges: perhaps not least from the coronavirus pandemic that, as I write in March 2020, looks set to change the world in which we have grown up, in ways we can still barely comprehend. And when the dust settles we are likely to be reminded of other, already deep-rooted challenges: some of the more traditional kind from shifts in global power through to the ebb and flow of changing international interests; and of different kinds that range from the parallel threats posed by climate change, through to the still uncertain contours of a future digital world.

The rise of artificial intelligence, cyber warfare, the progressive digitisation of our universe, not to mention renewed awareness of the threat posed by global pandemics and climate change all represent concerns that I believe we are best addressing together and with collective resolve.

Europe and the Arab Gulf are close neighbours. What happens in one region influences and impacts the other. In order to address these interconnected issues in the context of European-Gulf relations, I am pleased and heartened to see how the Bussola Institute continues to develop and evolve towards its goal of becoming a recognised and distinguished centre for research in the heart of Brussels.

I now look forward to Bussola expanding its research activities to play an ever more central role in enabling informed debate between Europe and the Gulf; not least in addressing the urgent and pressing business of maintaining relationships, restoring livelihoods and finding grounds for renewed optimism in this time of unprecedented global crisis.

On behalf of every one of us involved with the Bussola project, I wish you well and hope that we can look forward with confidence to better times ahead, including the strengthening and deepening of ties between our two great regions of the world.

José María Aznar
President of the Honorary Advisory Board of the Bussola Institute

March 2020
The Bussola Institute was established at its headquarters in Brussels at the start of 2018. Hard work and dedicated commitment by a small team of determined individuals started to turn a bold idea into a practical reality. 2019 has seen that reality strengthened, broadened and deepened, particularly in the tighter focusing of its research and in the manner that it has started to contribute to the debate in Brussels and drive some of the key arguments.

Throughout 2019, the Bussola Institute has been enormously successful in hosting a wide range of events to support our growing research capability, including majlis, round tables, workshops, seminars, conferences and exhibitions, dedicated to advancing better understanding and cooperation between Europe and the Gulf. Bussola has also significantly broadened and deepened its cooperation with peer institutes, research centres and international organisations, including the EU Institutions, NATO and the OECD, through conference participation, development of Memoranda of Understanding and collaboration on joint international research and events.

I would like to pay tribute both to the time and commitment of our busy but always engaged Honorary Advisory Board, and also to the Institute’s growing staff team, who share the same vision and passion to explore today’s and tomorrow’s relationships between the Gulf and Europe, the GCC and the EU.

2019 has proved to be an excellent first full year of operation for the Bussola Institute. I am confident that this augurs well for the future and that we can look forward to Bussola consolidating its role as a prominent actor in encouraging and exploring the diversity of relationships between our two globally important regions of the world; each striving to understand new realities, while also holding on to all that is good in our shared cultures and civilisations.

I look forward to 2020 as a year in which I expect to see even stronger growth, increased dynamism and stronger research outcomes, that will continue to build Bussola’s reputation for excellence.

Amal Abdullah Al-Haddabi
Chairperson of the Board of Directors of the Bussola Institute

February 2020
INTRODUCTION

For the Bussola Institute, 2019 was our first full year of research and engagement. Building on the initial 2018 programme of work, this year we further developed and extended our activities in each of the three core pillars of our research programme:

Politics & Security  Economics & Technology  Social and Cultural

I am pleased to report that, over the past 12 months, Bussola has been successful in strengthening its position as an acknowledged centre for research and learning amongst the institutions of the European Union and with peer research organisations.

The eminent members of Bussola’s Honorary Advisory Board have been uniquely dedicated in providing policy and strategic oversight for the institute and in championing our projects and events. We are indebted also to our distinguished Board of Directors for their leadership in guiding and directing the work of the institute.

I am also very proud of the extent to which the Bussola staff team has continued to develop the organisation, maintaining a strong focus on delivering our mission through an increasingly busy programme of Conferences, Seminars, Roundtables and Majlis events at our headquarters in Brussels and elsewhere. Together with our external participation, both with EU institutions and other research institutes in Brussels and internationally, these activities have helped to stimulate better-informed discussion and debate.

This review summarises Bussola’s research and engagement activities under the three broad pillars of activity conducted over the course of 2019.

Throughout 2020, Bussola will continue to increase its output of independent, balanced, high-quality, objective research and analysis that will inform and contribute to the understanding of the issues at hand, alert policy communities, as well as the general public, to important developments taking place, and encourage and pursue innovative ideas that will support stronger GCC-EU partnerships in the future. We also look forward to a busy programme of events, including partnership with the OECD in a major conference on tolerance, cross-cultural awareness and understanding in the context of the future of education.

John Dennehy
Secretary General, Bussola Institute
Brussels, February 2020
Bussola's research is designed to be interdisciplinary and overlapping as many current issues and challenges are interlinked. Taken together, this results in a comprehensive research programme with key outcomes that promote better understanding of critical Gulf issues and emphasise the potential for deepening constructive partnerships between the EU and the GCC countries.

Accordingly, Bussola has embarked on research under each of its three core pillars:

- Politics and Security
- Economics and Technology
- Culture and Society
The Bussola Institute is pursuing the following programmes:

**The Changing Security Parameters of the Arabian Peninsula** which focuses on the multiple and multifaceted levels of political and security challenges that have an impact on the domestic, regional and international outlook for stability in the Gulf region, Europe and beyond. A particular emphasis is placed on the way that the foreign and security policies of the GCC states are adjusting to a changing regional environment and how those countries are formulating strategies for improved security and stability in the wider Arab world.

**The Challenges of the Post-Oil Economy** highlights the economic diversification efforts being pursued by GCC countries within the context of global economic energy challenges and the need for sustainable development policies that have an impact and relevance for Europe. The key emphasis lies on understanding and exploring the diverse efforts being made to enable transition to reduce reliance on oil and gas production, to explore new forms of renewable energy, to address the challenges posed by climate change, and to develop post-oil economies that can take advantage of the opportunities already identified as the ‘4th Industrial Revolution’. Much of this is predicated in the development of ‘knowledge economies’ where there is clear overlap between the interests of Europe and the Gulf.

**The Values That Bind Us** explores the key social and cultural elements that have an impact on the GCC-EU relationship with an emphasis on issues promoting greater inter-religious dialogue and countering extremism. A key aspect is to expand networks and provide a differentiated framework under which the dynamics of religion and societal change can best be understood in order to enhance tolerance, diversity and inclusion.
RESEARCH PILLAR 1: POLITICS AND SECURITY
As the Middle East and the Gulf region is undergoing a widespread transition following events such as the US-led invasion of Iraq in 2003 and the outbreak of the Arab Uprising starting at the end of 2010, the GCC states are adjusting their foreign and security policies to reflect the changing parameters. One particular aspect of this Bussola research pillar is to explore the manner in which shifting geostrategic polarities are making an impact on the Arab Gulf region and to analyse the changing approaches of GCC member states to their international relations, both individually and collectively. Moreover, the impact of the changes on the EU-GCC relationship is examined in greater detail. In 2019, Bussola conducted the following events:

The Stability of the EU’s Neighbourhood – February 2019

This Majlis event focused on the role of so-called key states – Russia, Turkey, Iran and Saudi Arabia – on the EU’s eastern and southern neighbourhood policy and how the interaction between them shapes the EU’s foreign and security outlook. Particular emphasis on this majlis session was on how the changing US posture in the Middle East impacts the role of other actors including the EU and the GCC states and what steps can be taken to ensure the future stability of the Middle East region.
Rebuilding Challenges in Iraq: Outline for a GCC-EU Agenda - May 2019

This Seminar, based on Bussola's research paper, analysed the current challenges faced by the Iraqi state as it tries to overcome the devastation and isolation of the past four decades. The particular focus was on exploring the types of reconstruction efforts that the EU and the GCC could undertake jointly in order to ensure that progress on the ground is made and short-term requirements are met.

At a time when much attention is focused on neighbouring Syria, as well as on upheavals occurring in places such as Libya, Sudan and Algeria, it was argued that it is essential not to lose sight of the necessity to ensure that Iraq remains on its path towards stabilisation and recovery. With the GCC states involved in rebuilding political and economic relations with Baghdad, and with the EU committed to supporting the current government’s path, this was an opportune moment to see what the EU and the GCC states might do together in this regard.

Arms Sales and Security in the Gulf – July 2019

This Workshop explored the dynamics of the international debate around sales of armaments and other types of military equipment, with particular reference to the Gulf states. While the US and European manufacturers remain the principal sources of military equipment for Gulf customers, the workshop sought to understand the extent to which these old and long-standing supply relationships will endure, and whether the growing importance of Asian markets for Gulf countries is likely to engender some change, and what impact this could have on broader matters of regional security and the future shape of defence relationships.
The Role of Humanitarian Assistance – October 2019

This Roundtable discussed the role of humanitarian assistance in both present and post-conflict stabilisation strategies with a focus on recent developments in the Middle East. Participants agreed that the region is experiencing numerous conflict situations that are negatively impacting on its stability and beyond. In this environment, the GCC states find themselves being drawn into many of these continuing conflicts from a political and strategic perspective while trying at the same time to pursue a policy approach that combines aid assistance to the wider civilian population within the context of post-conflict stabilisation priorities.

The discussion was led by Dr. Abdullah Al Rabeeah of the King Salman Humanitarian Aid and Relief Centre in Riyadh, Saudi Arabia who focused particularly on the role that the Kingdom of Saudi Arabia plays when it comes to providing necessary assistance within both regional and international frameworks and how those efforts can be better anchored in cooperation with European institutions and partners.

Rising Tensions in the Gulf: How Europe Might Respond? – October 2019

Events in the Gulf region concerning Iran, particularly the September 2019 attacks on Saudi oil installations, dramatically increased tensions including the possibility of a wider armed conflict drawing in the United States and the GCC states. While the parties weighed their options, European responses remained muted, mostly limited to calls for de-escalation and a return to the diplomatic table. Given the widespread consequences that a renewed conflict in the Gulf would have, the question was asked whether Europe could really afford to continue with its current passive policy approach to the emerging crisis.
This Majlis discussion focused on the current drivers for conflict in the Gulf, the implications for regional, European as well as international security, and analysed potential scenarios for the months ahead. A key emphasis of the discussion was on the options available to European governments as they struggle to come up with policies that prevent the situation from unravelling further.

**RESEARCH PAPERS**

In 2019, the Pillar 1 research programme published the following papers:

**The Growing Role of Arabian Gulf Countries in Africa**

This paper suggested that the development of political, as well as security partnerships between Arab and Islamic countries led by the GCC will be most valuable in Africa, as well as serving the interests of both the EU and NATO.

**The 2019 European Parliament Election and its relevance for GCC-EU Relations**

The paper explains the European electoral process, particularly to audiences in the Arabian Gulf states, as well as explores potential opportunities and challenges that might arise in EU-GCC relations as a result of likely political shifts arising from the outcome of the May 2019 European elections.

**Key Challenges for Iraq: A Way Forward for EU and Gulf Involvement**

This paper took as its point of departure that Iraq appears to be at a tipping point where the current government in Baghdad is likely to be more warmly disposed to Gulf involvement and investment than it has been at any time over the past 15 years, while at the same time, Iran may be less able to resist the expansion of Gulf influence across the whole of Iraq.

For the EU, it seems that this is also an opportune moment as it begins to shift its support for the Iraqi state from humanitarian assistance to a greater emphasis on programmes that support Iraq’s medium- and long-term economic development. As a result, there are a number of opportunities and potential benefits of Gulf engagement and investment in Iraq including taking advantage of a unique moment of strategic inflexion in Iraq, both to stabilise the country further and leverage the wider sense of international optimism for the success of the new government, as well as to harness strong international, particularly US and EU, support for the new government and for a new start for Iraq.
RESEARCH PILLAR 2:
ECONOMICS AND TECHNOLOGY
The Bussola Institute is focusing the second pillar of its research activities on various aspects of how the countries of the GCC are developing national strategies for using present energy wealth to develop and transition towards becoming ‘post-oil economies’ that will be both sustainable and enduring. This economic transformation across the Gulf states is also of deep interest to the EU and its member states, many of which are closely enmeshed with major economic projects and educational developments across the GCC.

In that light, it has been agreed that it is not only important to identify the challenges of the transition to post-oil economies but also to highlight the many opportunities that appear as a result, whether in emerging fields of technology, the growing relevance of Asia within the economic realm, or grasping how the rising relevance of the climate agenda impacts both the Gulf region and Europe.

EVENTS

In 2019, Bussola conducted the following event under this pillar:
Climate Change: Partnership Opportunities in the Framework of EU-GCC Relations – November 2019

This Seminar launched a more extensive focus exploring the potential for cooperation between Europe and the Gulf on climate change and broader environmental issues. The specific emphasis was on the potential for the EU and the GCC regions to develop greater partnership in climate negotiations, climate policy, clean energy and low carbon technologies. While the Gulf countries have often been criticised for the size of their ‘carbon footprints’, it is important to recognise that the Gulf region is one of the most vulnerable when it comes to the impacts of climate change, including: increasing temperatures, rising sea levels, advancing desertification and more extreme weather events. Already, the impact of climate change is observable on the fragile ecosystem of the region, which in turn is threatening serious consequences for the economic and development advances achieved in this part of the world over recent decades.

**RESEARCH PAPERS**

Bussola also researched and published the following paper:

Climate Change: Partnership Opportunities in the Framework of EU-GCC Relations

This paper argues that the six countries of the GCC are as deeply concerned by the impact of climate change as their European counterparts. They are equally determined to make a significant contribution to climate change research, while also playing a full part in international negotiations to resolve the challenges posed by our warming planet.

Outlining the principal challenges ahead, this paper explores the potential for partnership between the EU and the GCC countries in this shared endeavour. It also marks the start of a major programme of research by the Bussola Institute aimed at supporting and encouraging cooperation between Europe and the Gulf on this closely shared agenda.
RESEARCH PILLAR 3:
CULTURE AND SOCIETY
In an age of extremes and religious misunderstanding, in 2019 the Bussola Institute continued its programme of research aimed at improving international recognition and understanding of values that intersect across religions and provide the foundations for mutual respect, improved understanding and deepening interfaith tolerance.

Since the initiation of this important research programme in April 2018, leading figures from across Europe and the Arab Gulf have come together in a series of Bussola events to discuss approaches and policies from around the world that have helped to heal divisions and continue to foster more open and tolerant societies.

During the year, Bussola hosted an important international Forum that identified the elements of best practice which underpin some successful initiatives engaged in building tolerant societies, and explored how policies for shared values might best be replicated.

The next phase of this initiative will see the establishment of an Action Research Project that aims to build on the outcomes of the Forum by providing analysis of social, political and cultural polarisation and the resulting intolerance emerging in Europe and the Gulf region. Bussola will also establish a focused network to co-ordinate the efforts of those who are leading initiatives in the field of tolerance and shared values.
During the year, Bussola conducted a series of events under this pillar. These included:

Majlis Event – Brussels: February 2019
A Conversation on Tolerance and the Potential of Interfaith Dialogue

Mindful of the historic visit to the UAE by Pope Francis in early February 2019, where he attended a landmark ‘International Interfaith Meeting on Human Fraternity’, Bussola hosted a further majlis at its Brussels headquarters. This was entitled: ‘The Values that Bind Us: A Conversation on Tolerance and the Potential of Interfaith Dialogue’ and explored further the importance of interfaith dialogue and particularly tolerance as key factors in building societies and reducing religious tensions and conflicts.

The Majlis brought together 20 religious leaders, diplomats and civil society representatives from across the international spectrum to discuss important questions concerning shared values, the importance of interfaith understanding, and dialogue. The Majlis identified several themes that were deemed worthy of further consideration and development. These included:

- The importance of strong leadership so that the message of tolerance is communicated more powerfully and more effectively across all communities and faiths.

- The need to improve the quality of religious education and the need to inculcate ideas of tolerance and mutual respect from the earliest ages, so that children grow up understanding the many ideas shared across all religions while also appreciating that religious differences need to be understood, tolerated and even embraced.

- The importance of volunteering, particularly amongst young people, so that this becomes a core responsibility for every society. Volunteering provides an excellent means for promoting understanding and bridging age, class and differences of view.

- The promotion of interfaith tolerance still requires stronger role models who will be naturally followed and supported by global communities. This is now especially important in increasingly secular societies where a lack of religious understanding and frequent prejudice have become more pronounced.

- As ever, the media, both social and mainstream, have a vital part to play in changing religious narratives, embracing messages that encourage tolerance and shaping international attitudes and perceptions.
Values that Bind Us Roundtable – Brussels: March 2019

In March, Bussola hosted a ‘roundtable’ event, further exploring the theme of the ‘Values that Bind Us’. The event was based around a presentation by the prominent US academic, John Esposito, Professor of Religion & International Affairs and Islamic Studies at Georgetown University in Washington, D.C. who is well known as a prolific author and the Founding Director of the Prince Alwaleed Center for Muslim-Christian Understanding at Georgetown University.

The Roundtable discussion again underlined the challenge of overcoming deep-rooted suspicions that efforts to promote interfaith tolerance and dialogue are being used as cover for wider political ambitions, particularly within the Gulf states. This also suggests a point of convergence between Bussola’s political and cultural research pillars. It re-emphasised the essential point that religious differences are being used as cover for prejudice, racism, social intolerance, nativism, populism and justification for the return of ‘white supremacism’. Fundamentally, it again reaffirmed the importance of religious majorities refusing to allow their faiths to be hijacked by small extremist minorities – not just within Islam but across all religions.

Bussola Institute Forum – Brussels, June 2019
“Policies for Shared Values: Building Tolerant Societies”

In June, Bussola brought together some of the most senior figures from Europe and the Gulf in a Forum to further the Institute’s understanding of the challenges of tolerance and the pursuit of interfaith dialogue. Opening the Forum, United Arab Emirates Minister Zaki Nusseibeh, one of his country’s founding fathers and a key participant in Pope Francis’s visit to the UAE in February 2019, recalled St Francis’s doctrine of tolerance and forgiveness. In a passionate call for greater tolerance and openness, he declared: “We must stop using religion to incite violence. We have to use our different faiths to encourage tolerance, not division.”
In the ensuing forum discussion with the former President of Ireland, Dr Mary McAleese, Minister Zaki Nusseibeh insisted that the ‘pursuit of tolerance’ must not be dismissed as PR gimmick. Greece’s former Minister of Education and EU Commissioner, Anna Diamantopoulou, agreed that building tolerant societies is an oft-stated political goal but that in her experience there is neither the patience nor the will to build more tolerant societies from the ground up. “Delivering and maintaining tolerant societies is a constant challenge, even in the most democratic societies. Sometimes we in Europe forget this and take the very notion of tolerance for granted.”

Wrapping up the forum, France’s former prime minister, François Fillon, reminded the Bussola audience of Europe’s history. He observed: “We have no lessons in tolerance to give to the rest of the world. Our history has too often been of complete intolerance; imposing our faith on our colonial empires and even burning people to death for their religious beliefs.”

The central message from Bussola’s forum was that building tolerance and combating religious extremism is a long-term process that must put early years’ education at its heart. Children are “blank sheets” former President of Ireland Mary McAleese suggested. “They learn intolerance.”
During 2019, Bussola successfully strengthened its position within the Brussels research community. Pursuing innovative and carefully focused programmes of research, the Institute has started to establish a reputation as a unique centre for research and debate concerning issues that are of shared interest and importance to the countries of Europe and the Arab Gulf.

Like many long-time neighbours, Europe and the Gulf region enjoy relationships founded on historic friendships, deeply entwined economic partnerships, shared security concerns and cultural links stretching back millennia. However, Bussola recognises that we live in a fast-changing world and that it is important for both the Arab Gulf and Europe to recognise and understand how newly emerging challenges of shifting power relationships, climate change, novel technologies and the gathering pace of the 4th Industrial Revolution will effect relations in the decades ahead.

Accordingly, in 2020 Bussola will embark on a series of new research projects, each of which will be intended to explore and understand specific issues linked to deepening understanding of the challenges ahead.

2019 has enabled Bussola to become fully established at its headquarters in Brussels. It is developing a strong and positive reputation for engagement and innovative research. With increasing numbers of expert staff, 2020 will see Bussola building on these foundations and increasing the tempo and dynamism of its work exploring and encouraging more informed relations between Europe and the Gulf.

CONCLUSION and OUTCOMES

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THE HONORARY ADVISORY BOARD MEMBERS

H.E. José María Aznar
Former President of the Government of the Kingdom of Spain

H.E. Dr. Mary McAleese
Former President of Ireland

H.E. Francois Fillon
Former Prime Minister of France

H.E. Jadranka Kosor
Former Prime Minister of the Republic of Croatia

H.E. Anna Diamantopoulou
Former Minister and EU Commissioner, Greece

H.E. Anders Fogh Rasmussen
Former Prime Minister of Denmark and former NATO Secretary General
VISION
The vision of the Bussola Institute is to be a world-class Research Institute that is acknowledged as the premier source of understanding and knowledge concerning relations between Europe and the Gulf states.

MISSION
The Mission of the Bussola Institute is to generate and share information and knowledge, that fosters improved understanding and promotes stronger Gulf-European relations through rigorous research and objective analysis.

VALUES
- Bussola is committed to developing high-quality, evidence-based, innovative research and objective analysis, free from bias or political influence.
- Bussola aims to be regarded as a trusted and independent research centre through delivering impartial advice, learned opinion and credible analysis.
- Bussola believes in the vital importance of open communication, consultation and collaboration with stakeholders, including Governments, the European Union and the wider community of internationally respected organisations, research institutes, academia and individuals.
- Bussola is committed to the principles of continuous improvement, innovation and evaluation which will underpin all of its activities.
- In its drive for excellence, Bussola will monitor, evaluate and measure the quality of all of its research, outputs and events against international, peer-level research and best practice.
- The achievement of Bussola’s goals will be underpinned by the delivery of strategic direction and supportive systems within the institute.
- Bussola values its staff and will create an environment where they learn, develop and contribute to the goals of the institute.
- Bussola is accountable, mission-focused and respectful in its dealings with partners, stakeholders, suppliers and staff.