



PERSIAN GULF

PERSIAN GULF 2023

India's
Relations with
the Region

Md. Muddassir Quamar
Sameena Hameed
P. R. Kumaraswamy

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Persian Gulf

India's Relations with the Region

Series Editor

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Persian Gulf, the leading publication of the Middle East Institute, New Delhi, India systematically looks at the growing relationship between India and the countries of the Persian Gulf region. Due to rising economic interactions and political engagements, the region has assumed greater importance, and hence requires a methodical study.

About two-thirds of India's oil and gas imports are met by the Persian Gulf countries and the Gulf Arab countries are home to over eight million Indian expatriate labour force. The Persian Gulf is also India's largest sub-regional trading partner and a potential source of investments. As the Persian Gulf witnesses rapid changes, there is a knowledge gap regarding the region and *Persian Gulf* seeks to redress this challenge by offering a systematic understanding of the region, its problems and opportunities for India in the political, economic, social, energy and strategic arena.

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Md. Muddassir Quamar · Sameena Hameed ·
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To
Professor Avraham Sela
With respect, admiration and gratitude

ABOUT MEI@ND

Founded in October 2009 as a private and not-for-profit academic initiative, Middle East Institute at New Delhi (MEI@ND) re-pledges its commitment to generating a serious, nuanced, scholarly and non-partisan understanding of the region for India. During this period, the MEI has undertaken several academic and outreach activities, including *Contemporary Review of the Middle East*, a refereed quarterly published by Sage (India), book series with Knowledge World and several edited volumes, with the participation of young and budding scholars.

As the region dominates India's political, strategic, economic, energy, cultural and social interests in the broader Middle East, the *Persian Gulf Series* was launched in 2012. It systematically tracks, analyses and details bilateral relations annually.

The Series began as an edited volume and when we moved to Springer, we settled for co-authorship for greater coherence and timely execution. The fundamentals of the Series remain the same, namely, *to present India's relations with the region in a comprehensive, holistic and systematic manner.*

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ABBREVIATIONS

ADIA	Abu Dhabi Investment Authority
ADIPEC	Abu Dhabi International Petroleum Exhibition and Conference
ADNOC	Abu Dhabi National Oil Company
AED	Emirati Dirham
AI	Artificial Intelligence
APEDA	Agricultural and Processed Food Products Export Development Authority, India
AQAP	Al-Qaeda in the Arabian Peninsula
B2B	Business-to-Business
bcfd	billion cubic feet per day
bcm	billion cubic metre
BEDB	Bahrain Economic Development Board
BHD	Bahraini Dinar
BJP	Bharatiya Janata Party
BNA	Bahrain News Agency
BP	British Petroleum
bpd	barrels per day
CBY	Central Bank of Yemen
CEPA	Comprehensive Economic Partnership Agreement, India
COAS	Chief of Army Staff, India
CoNS	Chief of Naval Staff, India
COO	Certificate of Origin
CSB	Central Statistical Bureau, Kuwait
DGFT	Director General of Foreign Trade, India
DPIIT	Department for Promotion of Industry and Internal Trade, India

ECR	Emigration Check Required, India
EIA	Energy Information Administration, US
EIU	Economist Intelligence Unit
EPC	engineering procurement and construction
EU	European Union
FAO	Food and Agricultural Organisation, UN
FATF	Financial Action Task Force
FCSA	Federal Competitive and Statistics Authority, UAE
FCSC	Federal Competitiveness and Statistics Centre, UAE
FDI	Foreign Direct Investment
FICCI	Federation of Indian Chambers of Commerce and Industry
Fintech	Financial Technology
FNC	Federal National Council, UAE
FOB	Free On Board
FSC	Federal Supreme Council, UAE
FTA	Free Trade Agreement
FTO	Foreign Terrorist Organisation
GCC	Gulf Cooperation Council
GCC-SG	Secretariate-General of Gulf Cooperation Council
GCC-STAT	GCC Statistical Centre
GDI	Gender Development Index
GDP	Gross Domestic Product
GECF	Gas Exporting Countries Forum
GGGR	Global Gender Gap Report
GII	Gender Inequality Index
GNI	Gross National Income
GNP	Gross National Product
GoI	Government of India
GPC	General People's Congress, Yemen
GRF	General Reserve Fund
GST	Goods and Services Tax, India
GSTATS	General Authority for Statistics
GW	Giga Watt
HDI	Human Development Index
HDR	Human Development Reports
HRW	Human Rights Watch, New York
IAEA	International Atomic Energy Agency, Vienna
IAF	Indian Air Force
IBN	India Business Network
ICA	Federal Authority for Identity and Citizenship, UAE
ICAI	Institute of Chartered Accountants of India
ICC	International Cricket Council
IDEX	International Defence Exhibition, Abu Dhabi

IDPs	Internally-Displaced Persons
ILO	International Labour Organisation, UN
IMF	International Monetary Fund
INSTC	International North-South Transportation Corridor
IOC	Indian Oil Corporation
IOCs	International Oil Companies
IOR	Indian Ocean Region
IORA	Indian Ocean Rim Association
IOSCG	India-Oman Strategic Consultative Group
IoT	Internet of Things
IPGL	India Ports Global Limited
IPL	Indian Premier League (cricket)
IPN	Indian Professional Network
IPO	Initial Public Offering
IPP	Independent Power Producer
IPU	Inter-Parliamentary Union
IQD	Iraqi Dinar
IRCON	Indian Railways Construction Limited
IRFFI	International Reconstruction Fund Facility for Iraq
IRGC	Iranian Revolutionary Guard Corps
IRI	Islamic Republic of Iran
IRNA	Iranian News Agency
IRR	Iranian Rial
ISIS	Islamic State of Iraq and Syria
ISN	Indian Sports Network
ISPRIL	Indian Strategic Petroleum Reserves Limited
ISRO	Indian Space Research Organisation
IT	Information Technology
ITC	International Trade Centre, Geneva
ITEC	Indian Technical and Economic Cooperation
ITUC	International Trades Union Confederation
IWPP	Independent Water and Power Plant
JAFZA	Jebel Ali Free Zone, UAE
JCM	Joint Commission Meeting, India
JCPOA	Joint Comprehensive Plan of Action (Iran)
JWG	Joint-Working Group
KAPP	Kuwait Authority for Partnership Projects
KDP	Kurdistan Democratic Party
KIA	Kuwait Investment Authority
KRG	Kurdish Regional Government, Iraq
KSA	Kingdom of Saudi Arabia
KUNA	Kuwait News Agency
KWD	Kuwaiti Dinar

KWH	Kilowatt Hour
LNG	Liquefied Natural Gas
LPG	Liquefied Petroleum Gas
MADLSA	Ministry of Administrative Development, Labour and Social Affairs, Qatar
MBC	Middle East Broadcasting Centre, London
mbpd	million barrels per day
MbS	Mohammed bin Salman, Crown Prince and Prime Minister of Kingdom of Saudi Arabia
MbZ	Mohamed bin Zayed, President of UAE and Ruler of Abu Dhabi
mcm	million cubic metre
MEA	Ministry of External Affairs, India
MEES	Middle East Economic Survey, Nicosia
MERS	Middle East Respiratory Syndrome
MFA	Ministry of Foreign Affairs
MFNE	Ministry of Finance and National Economy, Bahrain
MICE	Meetings, Incentive Conference and Exhibition
mmt	million metric tons
MNCs	Multi-National Corporations
MoD	Ministry of Defence, India
MoF	Ministry of Finance, India
MOFA	Ministry of Foreign Affairs
MoH	Ministry of Health
MoI	Ministry of Interior
MOM	Manage, Operate and Maintain
MoPH	Ministry of Public Health, Qatar
MoU	Memorandum of Understanding
MPNG	Ministry of Petroleum and Natural Gas, India
mtpa	million tons per annum
MW	Mega Watt
NDC	Nationally Determined Contribution
NEC	National Election Commission, UAE
NIA	National Investigation Agency, India
NPK	Nitrogen, Phosphorous, and Potassium
NRI	Non-Resident Indian
NSE	National Stock Exchange, India
NSSA	National Space Science Agency, Bahrain
OCHA	UN Office for Coordination of Humanitarian Affairs
OECD	Observatory of Economic Complexity, MIT Media Lab, US
OECD	Organisation for Economic Co-operation and Development
OETC	Oman Electricity Transmission Company
OIC	Organisation of Islamic Cooperation

OIJF	Oman-India Joint Investment Fund
OIR	Operation Inherent Resolve, US
OMIFCO	Oman-India Fertiliser Company
OMR	Omani Rial
ONGC	Oil and Natural Gas Corporation, India
OOC	Oman Oil Company
OPEC	Organisation of the Petroleum Exporting Countries
OPEC+	OPEC plus (Members of OPEC and Azerbaijan, Bahrain, Brunei, Kazakhstan, Malaysia, Mexico, Oman, Russia, South Sudan and Sudan)
PAI Division	Pakistan-Afghanistan-Iran Division, MEA, India
PBD	Pravasi Bharatiya Divas (Overseas Indians Day)
PDS	Public Distribution System, Iraq
PDTC	Power for Defence Technology Co, Saudi Arabia
PIB	Press Information Bureau, India
PIF	Public Investment Fund, Saudi Arabia
PIO	Persons of Indian Origin
PPP	Public-Private Partnership
PPP	Purchasing Power Parity
PSA	Planning and Statistics Authority, Qatar
PSF	Peninsula Shield Force, GCC
PSL	Private Sector Participation Law, Saudi Arabia
PTA	Preferential Trade Agreement
PVC	Polyvinyl Chloride
QAR	Qatari Riyal
QIA	Qatar Investment Authority
RAS	Recirculating Aquaculture Systems, UAE
RBI	Reserve Bank of India
RCC	Redeployment Coordination Committee, UN
RSF	Reporters Without Borders
RTA	Roads and Transport Authority, Dubai
SABIC	Saudi Arabian Basic Industries Corporation
SAGIA	Saudi Arabian General Investment Authority
SAMA	Saudi Arabian Monetary Authority
SAR	Saudi Rial
SARS	Severe Acute Respiratory Syndrome
SCO	Shanghai Cooperation Organisation
SDR	Special Drawing Rights (IMF)
SEP	Strategic Energy Partnership
SFD	Saudi Fund for Development
SFDA	Saudi Food and Drug Authority
SGD	Sustainable Development Goals
SGRF	State General Reserve Fund of Oman

SII	Serum Institute of India
SLoCs	Sea Lines of Communication
SME	Small and Medium Enterprises
SOMO	State Organisation for the Marketing of Oil, Iraq
SPC	Supreme Petroleum Council, UAE
SPC	Supreme Political Council, Yemen
SPR	Strategic Petroleum Reserve
SSIFS	Sushma Swaraj Institute of Foreign Services, India
STC	Saudi Trading Corporation
STC	Southern Transition Council, Yemen
SWF	Sovereign Wealth Fund
SWIFT	Society for Worldwide Interbank Financial Telecommunication
TCE	Tata Consulting Engineers
tcf	trillion cubic feet
TEUs	Twenty-Foot Equivalent Units
TWH	Tera Watt Hour
UAV	Unmanned Aerial Vehicle
UNCTD	United Nations Conference on Trade and Development
UNDP	UN Development Programme
UNESCWA	United Nations Economic and Social Commission for Western Asia
UNGA	United Nations General Assembly
UNHRC	United Nations Human Rights Council
UNMHA	United Nations Mission to support the Hodeida Agreement
UNSC	United Nations Security Council
UPR	Universal Periodic Review (UN)
USAID	US Agency for International Development
USCIRF	United States Commission on International Religious Freedom
VAT	Value Added Tax
VoIP	Voice Over Internet Services
VPN	Virtual Private Network
WHO	World Health Organisation, UN
WLL	With Limited Liability
WTI	West Texas Intermediate (Oil Standard)
YER	Yemeni Rial
YOY	Year-On-Year

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Introduction

The Persian Gulf remains at the core of the political, economic, strategic and cultural developments in the Middle East. This emanates mainly from the ascendance of the Gulf Arab States in regional politics and global economy due to the energy resources, strategic location, and logistical and supply-chain infrastructure. The political turmoil in the Middle East since the Arab Spring made the Persian Gulf countries even more important due to their proactive involvement in geo-political contestations and counter-terrorism. The region has immense significance for India, as it is an extended neighbourhood, maritime neighbour, major supplier of oil and gas, and home to nearly 10 million Indian expatriates. Thus, the Persian Gulf is vital for India's economic growth and energy security. Further, regional stability is vital for maritime security and the safety of the sea lines of communication (SLOCs) in the Western Indian Ocean. Notably, India's trade, business, investments and strategic ties with the Persian Gulf have improved with the continued strengthening of political and diplomatic relations. Notwithstanding these, domestic, regional and international challenges need a constant, nuanced and prudent response to turn them into an opportunity.

REGIONAL TRENDS

In 2022, the Persian Gulf witnessed some extraordinary developments which can have long-term implications for the region and India's engagements with it. Some domestic, regional and international trends during the year have significant ramifications for the region and India and need closer scrutiny.

Covid-19: Although Covid-19 remained a cause of global concern in early 2022, the spirit of human resilience and pharmaceutical and technological advancements began to show results. Consequently, by mid-to-late 2022, the signs of weakening of the global health crisis became apparent, and the focus shifted to managing the economic fallouts of the pandemic and the disruptions it caused. In the region, the energy-rich Gulf Cooperation Council (GCC) countries, especially Qatar, UAE and Saudi Arabia, were able to make strides in reversing the economic downturn. On the other hand, Bahrain and Oman struggled in their economic recovery due to depleting oil production and exports. Kuwaiti economy continued to lag because of political instability and uncertainty. Iran, Iraq and Yemen struggled due to mismanagement of resources, political instability, international sanctions, social unrest and the ongoing civil war in the case of Yemen. While the health and logistics crises witnessed since 2020 eased, the long road ahead for economic recovery continues to be challenging.

Ukraine Crisis: Russian invasion of Ukraine in February 2022 rekindled the memory of Cold War era international politics when Eastern Europe was the battle ground for global geo-political contestations and the tensions between the US and the then Soviet Union. The crisis in Ukraine divided the world, with the US and Western European countries coming out in support of Ukraine and condemning the Russian invasion, while China, Iran and Belarus supported Russian claims and military action.¹ Many others, such as India, Türkiye, Egypt and the GCC countries, chose to remain neutral while underlining the need to avoid escalation and respecting the sovereignty of each state. Saudi Arabia and UAE refused to explicitly side with the US in the United Nations

¹ Robert S. Foa, Margot Mollat, Han Isha, Xavier Romero-Vidal, David Evans and Andrew J. Klassen, "A world divided: Russia, China and the West", October 2022, Centre for the Future of Democracy, University of Cambridge, https://www.bennettinstitute.cam.ac.uk/wp-content/uploads/2023/01/A_World_Divided.pdf, accessed 27 July 2023.

to condemn and sanction Russia and defied pressure to isolate Moscow, especially in the international energy market. Alternatively, Qatar capitalised by expanding gas supplies to the European market as a replacement for Russian supplies. The Saudi decision to go ahead with OPEC+² plans to cut oil production kept the international oil prices stable, much to the chagrin of the Biden administration, which was hoping for lower prices to stifle Russian oil revenues. Partly because of the Qatari importance in the global energy market, the Western criticism of Qatari human rights records during the run-up to the FIFA World Cup became moderated. For its part, Doha used it to run a counter-media and public relations offensive, accusing Western governments and analysts of ulterior motives and racist behaviour.³

FIFA World Cup: The organisation of the FIFA World Cup in Qatar in November–December 2022 underlined the oil-rich Gulf countries’ quest to be the hub of international sporting, entertainment and cultural events. The international, especially Western European, criticism of Qatar hosting the mega football event over human and labour rights violations during the run-up to the event bordered on racism and reminded the world of the continued oriental lens of governments and civil society in Europe.⁴ For Qatar and Gulf Arab states, the event became a showpiece to display intra-GCC and intra-Arab bonhomie with various regional leaders, including Mohammed bin Salman (MbS) and Mohammed bin Zayed (MbZ) visiting Doha during the event and sharing screen space and photo ops with Emir Tamim bin Hamad al-Thani.

The Iranian team did not lip sync the national anthem during their opening game against England in solidarity with protestors at home; but this led to a backlash domestically and forced them to abandon the symbolic defiance in subsequent matches. Some Iranian protestors,

² OPEC+ includes 13 members of OPEC plus 10 other major oil producing countries, namely Azerbaijan, Brunei, Kazakhstan, Bahrain, Malaysia, Mexico, Oman, Russia, Sudan and South Sudan.

³ Belén Fernández, “The massive hypocrisy of the West’s World Cup ‘concerns’”, *Al-Jazeera*, 28 November 2022, <https://www.aljazeera.com/opinions/2022/11/28/the-massive-hypocrisy-of-the-wests-world-cup-concerns>, accessed 27 July 2023.

⁴ Gulcin Kazan Doger, “Western media criticism of World Cup host Qatar ‘old orientalism refashioned for modern audience’”, *Anadolu Agency*, 30 November 2022, <https://www.aa.com.tr/en/europe/western-media-criticism-of-world-cup-host-qatar-old-orientalism-refashioned-for-modern-audience/2752080>, accessed 27 July 2023.

however, showed public solidarity with the protests at home by organising small demonstrations outside the stadiums in Doha. Qatar allowed the sympathy and support for Palestine and hostility towards Israel among the Arab masses to be displayed during the matches and on the streets during the event. Beyond politics and geopolitics, the successful organisation of the World Cup by Qatar underlined the ability of the rich GCC countries to pull off mega sporting events despite their limited capacity in terms of size, population and infrastructure. Despite the much-discussed restrictive socio-cultural environment, it underscored the immense possibilities for such mega-cultural extravaganza.

Iran Nuclear talks: The talks between Iran and the other signatories to the Joint Comprehensive Plan of Action (JCPOA) held in Vienna halted in March 2022 over different approaches to the core issues. While the US and Iran engaged in the talks indirectly, both sides reportedly insisted on different issues. The Iranian side wanted guarantees against future unilateral withdrawals in the event of change of US administration and the lifting of sanctions on the Iranian Revolutionary Guards Corps (IRGC). The US was keen to stop uranium enrichment by Iran and complete adhere to JCPOA commitments before any agreement. These differences escalated after the International Atomic Energy Agency (IAEA) inspection of Iranian nuclear sites in 2022 that Iran was in violation of JCPOA.⁵ Indirect talks between Iran and the US resumed in August, but the outbreak of protests in September over Kurdish-Iranian woman Mahsa Amini's death derailed the process; the European countries, who were spearheading the revival of the nuclear deal, opted to go slow. Hence, until 31 December 2022, despite several rounds of talks, there were no notable signs of a breakthrough in the Vienna talks.

Protests in Iran: The Islamic Republic faced one of the largest protests since the Green Movement (2009) in the wake of the death of Mahsa Amini on 16 September 2022 in the custody of the *Ghast-e-Irshad* (morality police). Iran has since 2018 witnessed sporadic protests over inadequate civic amenities, human rights abuse and curtailment of women's freedom. The Raisi government, after coming to power in

⁵ International Atomic Energy Agency (IAEA), "NPT safeguards agreement with the Islamic Republic of Iran", Report by the Director General, GOV/2022/26, 30 May 2022, <https://www.iaea.org/sites/default/files/22/06/gov2022-26.pdf>, accessed 27 July 2023.

August 2021, had promised a resolution of civic issues to contain social unrest, but Amini’s death sparked a widespread protest over women’s rights. What started as an angry outburst by family and friends of Amini quickly escalated into a country-wide protest demanding better rights and greater freedom, especially for women, and in a matter of weeks, transformed into a mass movement against a “repressive” regime. After initial reluctance, the Islamic Republic resorted to using force to quell the unrest and blamed external forces—Israel, Saudi Arabia and the US—for trying to destabilise Iran.⁶ Tehran also blamed the Iranian Kurdish opposition based in the Iraqi Kurdish autonomous region, for supporting the Iranian protestors and launched missile attacks against some targets in Iraq in November. Police and security action reportedly led to over 500 deaths and thousands of arrests.⁷ Regime supporters also organised counter-protests, and by the end of 2022, signs of weakening of protests could be noticed.

Yemen Crisis: The crisis in Yemen continued through 2022 despite the six-month ceasefire between April and September. The three domestic belligerents—Houthis, the UN-recognised government and Southern Transition Council—were not ready to scale down violence and resolve differences through political negotiations. The Saudi inability to defeat the Houthi rebels and force a political solution underlined its limitations, although its strategic goal of preventing a complete Houthi takeover was successful. However, the lack of an exit plan and continued infighting among the Hadi government factions hurt Riyadh’s interests and international image.

Moreover, Houthi missile and drone attacks heightened security concerns inside the Kingdom. In January 2022, drone and missile attacks were launched against targets in UAE, and in retaliation the Saudi-led coalition intensified air strikes against Houthis in northern Yemen and Sana’a. Due to regional and UN efforts, a two-month ceasefire was reached on 2 April, which helped in de-escalating. After two extensions in June and August, the ceasefire ended in October, but the fighting did

⁶ Reuters, “Iran says U.S. attempting to use unrest to weaken country”, 27 September 2022, <https://www.reuters.com/world/middle-east/iran-says-us-trying-violate-sovereignty-over-unrest-warns-response-2022-09-26/>, accessed 27 July 2023.

⁷ Iran International, “Number of civilians killed during Iran protests rises to 506”, 21 December 2022, <https://www.iranintl.com/en/202212216716>, accessed 27 July 2023.

not escalate to pre-cessate fire levels. In April, Riyadh engineered a transition as Hadi relinquished power to a presidential council headed by Rashad al-Alimi.⁸ Iran continued its low-scale support for Houthis while the UAE strengthened its stronghold over Aden and Socotra Island areas by aligning with the STC.⁹

Political Stalemate in Iraq: The parliamentary elections in Iraq in October 2021 resulted in Moqtada al-Sadr gaining the upper hand as his Sairoon Movement bagged 73 seats in the 329-member Council of Representatives. In addition, the newly formed Sunni Taqaddum (Progressive) Party gained 37 seats. Since no bloc could get to a simple majority, a political stalemate ensued leading to inordinate delays in government formation. The parties could not agree on power sharing and electoral reforms. Contentious issues also included finding a successor for President Barham Salih. In August 2022, the political differences escalated into street fights with the Sadrist supporters descending on streets in the Green Zone, prompting counter-protests by pro-Iran militias, causing heightening fears of a civil war. Eventually, Sadr announced his withdrawal from politics leading to the mass resignation of Sairoon members from parliament in anticipation of forcing a fresh election.¹⁰ However, the move empowered the rival State of Law party of Nouri al-Maliki, which used the electoral laws to increase its seats after Sairoon's withdrawal. It paved the way for Abdul Rashid Latif being elected president in October, who appointed Mohammed Shia al-Sudani as prime minister, who finally gained the confidence of parliament on 27 October 2022 to end the political stalemate.

Elections in the GCC States: A key factor shared by the six members of the GCC is their less open political system. They are monarchies wherein the hereditary ruler controls the state and government. There

⁸ Ali al-Sakani, "Yemen inaugurates new presidential council", *Al-Jazeera*, 19 April 2022, <https://www.aljazeera.com/news/2022/4/19/yemen-inaugurates-new-presidential-council>, accessed 27 July 2023.

⁹ Armed Conflict Location & Event Data Project (ACLED), "Regional overview: Middle East 11 December 2021-7 January 2022", 13 January 2022, <https://acleddata.com/2022/01/13/regional-overview-middle-east-11-december-2021-7-january-2022/>, accessed 24 May 2023.

¹⁰ Ahmed Rasheed, "Iraqi Shi'ite Sadrist lawmakers resign from parliament", *Reuters*, 13 June 2022, <https://www.reuters.com/world/middle-east/iraqi-shiite-cleric-sadr-asks-his-partys-lawmakers-resign-parliament-statement-2022-06-12/>, accessed 19 June 2023.

are nonetheless nuanced differences in their functioning. For example, the UAE is a federation of seven family-ruled Emirates with a Federal Supreme Council (FSC) headed by a president to run the federal government. Bahrain, Kuwait and Qatar are constitutional monarchies, while Saudi Arabia and Oman have not adopted any constitution. In recent years, these monarchies have gradually adopted some form of elections for greater domestic legitimacy and acceptance by international observers. To a large extent, the elected bodies in the GCC States only have consultative or advisory functions and are inconsequential regarding government formation or policy orientation. Moreover, elections are contested by independent candidates, as political organisations or parties are prohibited in GCC countries, except for Bahrain and Kuwait. In the case of Saudi Arabia (and Qatar until 2021), the elections are confined only to the municipal councils, while the parliament (*Majlis al-Shura*) is a nominated body. In 2022, elections were held in Bahrain and Kuwait.

Regional Reconciliations: The Abraham Accords between Israel and some Arab states concluded in 2020 started a trend of reconciliations among regional adversaries, rivals and foes. In January 2021, the GCC countries buried their hatchet by signing the Al-Ula Declaration ending the four-year Qatari isolation. The UAE worked towards easing tensions with Iran, Türkiye and Bashar al-Assad regime in Syria. Saudi Arabia and Iran began indirect talks in Baghdad in early 2021, leading up to the first Baghdad Conference in August 2021, attended by Iranian and Saudi representatives, among others. The trend strengthened in 2022, with UAE and Saudi Arabia resuming diplomatic engagements with Türkiye. In the meantime, efforts towards bringing Syria back to the Arab League fold gained momentum due to Emirati, Jordanian and Iraqi initiatives. Saudi Arabia also moderated its position on the Syrian re-entry into the Arab League. With Iran, the progress in talks halted because of the uncertain fate of the Vienna talks and the eruption of mass protests in September. In addition to the political and geo-political factors, the post-Covid-19 geo-economic compulsions and the change of administration in Washington nudged regional countries to manage differences through diplomacy.

Tense Relations with the US: The relations between Persian Gulf countries and the US have been tense since Joe Biden assumed office in January 2021, mainly due to the lack of clarity in prioritising