

Gulf Cooperation Council (GCC)

The 41st Gulf Cooperation Council (GCC) was held recently, in January 2021, and it saw a historic end to the three and a half years of an embargo on Qatar. In this article, you can read all about the GCC and its relevance, and also about India's relationship with the Gulf trade bloc. This is an important topic for the [UPSC](#) international relations segment.

Gulf Cooperation Council (GCC) - Background & Origins

The GCC was formed in 1981 by an agreement among Saudi Arabia, Bahrain, Oman, Kuwait, Qatar and the United Arab Emirates (UAE), that was concluded in Riyadh, Saudi Arabia.

- It is an economic and political union comprising of all the Arab countries of the Persian Gulf except Iraq.
- Although its current official name is Cooperation Council for the Arab States of the Gulf, it is still popularly and unofficially known as the Gulf Cooperation Council, its former official name.
- The grouping was formed in view of the similar political establishments in the countries based on Islamic principles, their geographical proximity, joint destiny and common objectives.

GCC Members

The six members of the GCC are Saudi Arabia, Qatar, Oman, UAE, Bahrain and Kuwait. There are also discussions for possible future memberships for Yemen, Jordan and Morocco.

The members comprise:

1. 2 absolute monarchies (Saudi Arabia, Oman)
2. 3 constitutional monarchies (Qatar, Bahrain, Kuwait)
3. 1 federal monarchy (UAE)

The GCC members are some of the fastest-growing economies of the world. It has a total GDP (nominal) of \$1.638 trillion.

GCC Objectives

The chief objectives of the GCC are to have integration, coordination and inter-connection between the member countries in all fields, and:

- Strengthen people-to-people ties.
- Formulate similar regulations in finance, economy, customs, trade, tourism, administration, legislation.
- Foster scientific and technical cooperation in the areas of agriculture, mining, industry, animal resources and water.
- Have a unified military.
- Set up scientific research centres.
- Establish joint ventures and encourage private sector cooperation.

The GCC had aims of integrating into a single market with a common market being established in 2008. However, the implementation of this objective has been lagging behind. The customs union has been operational since 2015. However, some barriers remain in the free movement of goods and services. There are also plans to have a single currency (the proposed name is Khaleeji).

The GCC consists of the Supreme Council, the Ministerial Council and the Secretariat General.

1. **Supreme Council:** It is the highest GCC authority and comprises the heads of state of all the member states. It meets once a year and resolutions are taken by a majority vote. The Supreme Council determines the overall policy of the GCC.
2. **Ministerial Council:** It consists of the foreign ministers of the members and meets once in three months. It frames policies and makes recommendations on means of developing cooperation and coordination amongst the Member States in the economic, social and cultural spheres.
3. **Secretariat General:** It prepares reports, budgets, etc. for the Council. It assists the members in implementing decisions made by the Supreme and Ministerial councils. It is headed by the Secretary-General, who is appointed for a three-year term.

GCC Latest News

In 2017, four countries, Saudi Arabia, UAE, Egypt and Bahrain had imposed a partial blockade on Qatar on allegations that Qatar was supporting terrorism.

- The other countries were angry with Qatar for siding with Iran.
- Qatar had dismissed the allegations.
- Days before the 41st GCC Summit in January 2021, there was full restoration of ties between the five countries.
- India welcomed the restoration of ties between the countries.

GCC and India

For India, the GCC countries are significant because of many reasons.

- GCC countries, with large hydrocarbon reserves, are crucial for India's energy requirements while the region has been a good market for Indian products.
- There is also a huge presence of Indians in the GCC countries particularly Saudi Arabia and UAE, in the form of skilled and unskilled workers.
- For the past four decades, energy and manpower have been the two major drivers of India's relationship with the region.
- Negotiations for the India-Gulf Cooperation Council (GCC) Free Trade Agreement (FTA) are in a crucial phase of talks.
- Recently, after the revocation of Article 370 and the CAA, both the UAE and Saudi Arabia had not taken hostile positions against India on the issues.
- India and GCC members are members of the [FATE](#).
- India has multilateral and bilateral military exercises with most of the GCC countries.

