



Delegation for relations with the Arab Peninsula

25.5.2023

MISSION REPORT

following the 12th EU-Oman Inter-Parliamentary Meeting

Delegation for relations with the Arab Peninsula

Members of the mission:

Hannah Neumann	(Greens) (Chair and Leader of the
mission)	
Mohammed Chahim	(S&D)
Adam Bielan	(ECR)

Other participants:

Two political advisers (Greens and ECR),
One member of the EP Secretariat

Introduction

At the beginning of the present term, the European Parliament's Delegation for relations with the Arab Peninsula, envisaged an ambitious programme of activities and meetings in order to reinforce parliamentary and political ties with the Gulf countries.

Together with Saudi Arabia, Oman was the first country visited by an official DARP delegation during the present mandate. After the end of the COVID-19 emergency, a delegation of the Consultative Assembly of Oman led by its Speaker H.E. Khalid bin Hilal Al Mawali, reciprocated the EP visit to Muscat and met with DARP in Brussels on 2 December 2022.

The mission to Oman took place from 13 to 16 May 2023. The visit was very well organised thanks *inter alia* to the efforts of the EU Embassy to Saudi Arabia and Oman and to the very efficient protocol services of the Consultative Assembly of Oman.

The delegation met with representatives of both chambers of Oman's Council, namely the Consultative Assembly and the State Council, as well as with the Under-Secretaries of State on foreign relations, education and cultural heritage. The visit also included very informative meetings with the European Union Member States' diplomatic representatives in Oman and with women active in the Omani business community.

All meetings took place in a very friendly and constructive atmosphere. EP's interlocutors were sincerely interested in exchanging views with representatives of the European Parliament. Despite the limited time available to the IPM itself, there was a consensus that bilateral parliamentary cooperation should be improved and that meetings may become more structured and complete. This may, *inter alia*, pave the way for a deeper cooperation with the local consultative Council and ultimately reinforce the role of the European Parliament in the region in line with its approach based on the concept of parliamentary diplomacy.

Summary account of meetings

A. Bilateral and parliamentary relations

Relations between the European Parliament and Oman's Council have traditionally been good and relatively regular. The last Inter-Parliamentary Meeting (IPM) took place in 2022 in Brussels and the visit to Oman occurred in 2020.

The meeting highlighted the strong interest of both parties to enhance parliamentary cooperation and ensure a regular calendar of meetings and reciprocal visits. Both parties agreed to explore opportunities for cooperation between the European Parliament and the Consultative Assembly of Oman in areas of common interest, such as economic diversification, education, research, innovation and climate change.

Dr Hannah Neumann stressed that the EP and its parliamentary diplomacy could play a significant role in defusing the current tensions in the region. The DARP chair thanked Oman for having built over the years an effective and result-oriented diplomacy aiming to secure stability and enhance international cooperation in the Middle East.

Unsurprisingly, the Omani Speaker and his colleague from the State Council insisted on the strong interest Oman attaches to enhancing bilateral relations with the EU and in their lasting interest to secure a visa waiver for their nationals enabling them to freely travel to Europe.

The DARP chair discussed the reasons for the current stalemate of the visa waiver with her interlocutors and, while not showing excessive expectations on a possible resumption of the legislative proceeding before the end of the current term, reiterated her lasting support to the legitimate quest by Oman to be granted a visa-free access for its citizens to the EU. The planned opening of an EU Embassy in Muscat was also debated during the meetings with the Oman's Councils chambers.

The EP delegation was also invited to follow the sitting of the Omani lower chamber and was publicly welcomed by the Speaker.

B. Foreign Relations of Oman and bilateral political relations

Oman's foreign policy has been traditionally based on good neighbourly relations and on avoiding meddling in other countries' affairs (friend of all, enemy of none). Sultan Haitham pledged in January 2020 that he would follow Sultan Qaboos' "*principles of peaceful coexistence among nations and people, and good neighbourly behaviour of non-interference in the affairs of others*". Friendship, reconciliation, adherence to a nonaligned policy and mutual co-operation are its main characteristics, making Oman a discreet but efficient intermediary (e.g. the conflict in Yemen or recent KSA-Iran rapprochement). In GCC internal disputes, Muscat avoids to take sides – as demonstrated during the June dispute rift opposing Qatar to Saudi Arabia, the UAE and Bahrain.

Relations with the UK and US remain the centre of Oman's foreign policy. In May 2019, the US and Oman announced an agreement to allow the US Navy regular access into Oman's strategic port of Duqm (the UK had been the primary partner in developing this port) and that of Salalah.

While highly appreciated in Oman, the EU and its Member States seem to play a limited role in the country's foreign relations compared to its traditional partners mentioned above. The EU has been trying to enhance its position in the country, but much of the future relations are tied up to the concession of a Schengen area visa waiver and to the opening of a full-fledged diplomatic representation in Muscat (Oman's affairs are currently covered by the EU delegation in Riyadh, Saudi Arabia).

Maritime security is an area of strong cooperation between the Sultanate and the European Union. Fighting piracy off the Horn of Africa in the Gulf of Aden is a pressing issue for both sides, and Oman has emerged as a valuable partner of the EU in the Operation Atalanta's framework since its inception in December 2008, by providing logistical support (Omani ports of Muscat, Duqm and Salalah are frequently used by EUNAVFOR vessels).

As a result of this fruitful cooperation, the EU NAVFOR and the Royal Navy of Oman frequently conduct joint military activities – the last one took place in October 2021.

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The meeting with H.E. Mohammed Nasser Al Wahabi, Undersecretary of the Administrative and Financial Affairs of the Ministry of Foreign Affairs, was rather fruitful. During the meeting, members enquired about the attitude of Oman vis-à-vis the war in Ukraine and the recent unrest in Iran. The key, albeit only partly recognised role of Oman, in christening the KSA-Iran deal was also evoked during the discussion. Members also debated the role of the EU in the region in light of the recent appointment of a new EU special representative for the Gulf and the publication in 2022 of the first structured EU strategy on the Gulf.

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Members also gave a much-appreciated lecture to the post-graduate students of the Omani Diplomatic Institute. The presentation focussed on EU values and principles in foreign policy and on the concept of “parliamentary diplomacy” promoted by the EP.

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The EP official delegation was welcomed by the EU Ambassador to Saudi Arabia and Oman Patrick Simonnet, and by the EU diplomatic representatives based in Muscat (met in a separate meeting kindly hosted by the Ambassador of the Kingdom of Netherlands to Oman).

The EU Ambassador acknowledged that, for long years, the GCC and Oman were not considered a top priority for Europe. He explained that the recent communication on enhancing strategic ties with the Gulf tries to patch this failure and aims at creating new ties with Oman and the other Gulf states. He insisted that there is great potential for cooperation between the EU and Oman especially in the field of promotion of renewable energies, fight against climate change and cooperation on sectoral issues. He also confirmed that the communication envisions an enhanced person-to-person dimension (including enhanced flexibility on visas for Omani nationals) as well as on the respect of human rights and on women empowerment.

C. The political context

Sultan Qaboos bin Sa’id Al Said who passed away in 2020 is recognised as the father of Modern Oman. In 1970, Oman had just three schools and two hospitals. By 2003, the country had 1022 schools, 49 hospitals and 200 health centres.

At Qaboos’s death, Haythim bin Tariq Al Said, a cousin of Qaboos, became the ninth Al Said monarch on 11 January 2020. The new Sultan Haythim bin Tariq Al Said is a cousin of the late Sultan Qaboos. The new Omani ruler was born October 1954. He served since 2002 as Minister of Heritage and Culture and previously served in senior positions in Oman’s foreign ministry. Haythim’s selection bypassed his two older brothers – Asad bin Tariq and Shihab bin Tariq – who many experts considered were more likely successors than Haythim. Upon assuming the leadership, Sultan Haythim indicated a commitment to continue Qaboos’s policies. On the domestic front, the focus remains on the implementation of the “Vision 2040”, the lowering of the public debt (introduction of a 5 percent value-added tax (VAT) in April 2021, better involvement of the private sector in the Sultanate’s economy) and the diversification of the oil-dominated economy.

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During the various meetings with Omani authorities, the EP delegation had the opportunity to debate about the current domestic situation in Oman with particular regard to the social and economic reforms promoted by the new head of State and enshrined in the so-called “Oman 2040 vision”.

D. Economic and trade relations with the European Union

The efforts to modernize Oman’s economy and society have been positively commented by MEPs. Oman has in fact launched a new global strategy (“Vision 2040”) aiming to secure a real diversification of the national economy and increase the involvement of young Omanis including women in the private sector.

Oman is in particular investing on logistics (notable the three ports co-managed by EU port authorities, respectively Rotterdam, Antwerp and Lorient) and fisheries.

Foreign direct investments from the EU have tripled in recent times and the EU represents one of the most important trading partners of Oman. The fact that, for various reasons, the EU is still not in a position to offer a package for a fully-fledged FTA does not seem to dramatically affect economic bilateral cooperation.

Members regretted that until now it was not possible to reinforce economic ties with Oman and suggested that the best way to enhance cooperation in this field passes through the negotiation and the signing of sectoral bilateral agreements especially in the field of renewable energies and green hydrogen.

In 2022, Oman quantified its long-term national hydrogen plans. Due to consequent solar radiation, wind speed, large availability of lands and easy access to water, Oman's geographical location provides an ideal setting for hydrogen production. Accordingly, the Sultanate aims to produce 1 to 1.25 million tonnes (Mt) of hydrogen by 2030, 3.5 Mt by 2040 and 8 Mt by 2050. This is an ambitious project for a small state, when compared to the 10 Mt European Union-wide production target by 2030. The Government also aims to derive 30% of electricity from renewable energies by 2030, as part of Oman Vision 2040.

The REPowerEU Plan launched by the European Commission in May 2022, besides setting out the objective to produce up to 10 million tonnes of renewable hydrogen in the EU, also proposes to facilitate 10 million tonnes of renewable hydrogen imports by 2030. Thenceforth, thorough cooperation between the European Union and the Sultanate in the hydrogen sector could contribute to strengthening diplomatic ties with a strategic actor of the Gulf – in a context of China’s growing influence in the region – while fulfilling the objectives set by the European Commission.

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During the meetings with the Omani authorities, and especially with the State Council, our interlocutors reiterated the strong interest for Oman to increase the level of European direct investments to the country. Oman, for its position, stability and quality of workforce, would also be an ideal candidate to become a logistic and commercial hub for European companies.

Diversification of the economy, reducing dependency from oil and gas and develop viable alternative economic sectors (notably tourism and fisheries) are also other major priorities

whose importance is commonly acknowledged by both the Government and the local business community. The “Omanisation” of the economy, i.e. reducing reliance upon foreign workers especially in the private sector, is also seen as a major element in the future development of the country.

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Members also debated on the ways to increase cooperation between the EU and Oman in the field of research and education.

Oman is eligible for Erasmus plus programmes and records a high level of applications, but there are ways to enhance academic and school exchanges and enable Omani students to study in Europe.

As far as research is concerned, H.E. Dr. Saif bin Abdullah Al Hadabi, Undersecretary of the Ministry of Higher Education, Scientific Research and Innovation called for more cooperation with the EU but complained that due to the small size and resources of local universities, they are not always able to compete on equal footing in European projects under the 7th Research & Innovation Framework Programme for 2021-2027 also known as Horizon Europe.

E. Human rights, social rights and women empowerment

Members expressed appreciation for a Human Rights Dialogue between the European Union and the Sultanate of Oman whose first meeting was held in Muscat on 26 September 2022.

The meeting with a selected group of female business executives allowed for a greater understanding of the changing role of women in the Omani society.

Members regretted that only two women were elected to the Consultative Assembly in 2019. They express appreciation instead that 15 out of 85 members of the State Council, designated by the Sultan, are women, showing that the Omani executive is paying growing attention to the need to secure an appropriate role for women in the political life of the country. The DARP chair made the wish that the Omani parliament may gradually improve its gender balance and wished that October 2023 elections might see the women’s representation to the Council of Oman significantly increase. Some Omani interlocutors alleged that the number of women elected to the parliament was due to fact that the country outside its capital Muscat is still rather conservative and less open to change.

Conclusions

As mentioned above, the visit was a genuine success in terms of parliamentary diplomacy from many points of view. It allowed for the reinforcement of political and parliamentary ties with Oman, and highlighted the convergence of both parties on a number of key political issues.

Building on this positive outcome, the EP Delegation for relations with the Arab Peninsula will be trying to organise another Inter-Parliamentary meeting with Oman in Brussels before the beginning of the electoral recess period.

While the mission as such was very positive, drawing attention to possible fields of cooperation such as trade, research, innovation, security, and clean and renewable energies, there are still some issues that require further improvement. The European Parliament should continue to closely follow the situation in the country and further work on the setting up of a permanent cooperation with the Consultative Assembly of Oman (and more in general with all GCC bodies) also in fields such as regulatory legislation and exchange of good practices.

The good institutional meetings demonstrate the strong interest Oman has in working with the EU and its Parliament, as well as the existence of a climate of trust and the solid reputation DARP has been able to secure during the present term.

The mission did not have a large echo in the country but comments were generally positive. Nevertheless, person-to-person contacts with the local population were rather limited and may deserve to be further improve in future visits. It is difficult to estimate the impact of the visit on EU citizens; however, feedback from the EU diplomatic corps was positive. Several interlocutors wished that the cooperation with the EU and its Parliament in the country be further reinforced.

Proposals for follow-up

Closely follow the developments in the two key dossier involving Oman, namely the visa waiver for Omani nationals and the opening of a full-fledged EU diplomatic seat in Muscat. To this end, sending a letter to HRVP Borrell to call for a speedy opening of the EU mission in 2023.

Organise the XIII EP–Oman IPM in Brussels or Strasbourg in 2024.

In cooperation with the relevant EP Committees and sub-Committees (AFET, SEDE, DEVE, DROI), continue to monitor the political, economic, and social situation in Oman.