



# **ASEAN–GCC Relations in Transition: Diplomatic Engagement to Economic Integration**

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## Introduction

Regional cooperation is one of the factors that shapes economy of any country. The awareness of the importance of this cooperation is one of the backgrounds for the establishment of regional cooperation organizations such as ASEAN (Association of Southeast Asian Nations) and GCC (Gulf Cooperation Council). ASEAN (Association of Southeast Asian Nations) is a regional organization that accommodates Southeast Asian countries to enhance economic and security cooperation. ASEAN consists of 10 member countries, including Brunei, Thailand, Indonesia, Cambodia, Philippines, Myanmar, Malaysia, Vietnam, Laos, and Singapore – although [Timor Leste is slated to become 11<sup>th</sup> member](#). On the other hand, Gulf Cooperation Council (GCC) accommodates 6 Middle Eastern economies. As one of the largest economic blocks in the world, ASEAN cooperates with Saudi Arabia, the United Arab Emirates, Qatar, and other GCC member countries in the spheres of economy, trade, as well as cultural exchange. Although trade and investment activities between ASEAN and Gulf Arab countries have been carried out since the 1970s, the relationship between ASEAN and the GCC was only established in 1990 through the first contact between ASEAN and the GCC. At that time, the Minister of Foreign Affairs of Oman,



Yousuf Bin Alawi as Chairman of the GCC Council of Ministers expressed the GCC's desire to establish formal relations with ASEAN.

[In pic Yousuf Bin Alawi, then Minister of Foreign Affairs of Oman, Courtesy: Oman Observer]

After the initial contact, ASEAN and GCC created a daily contact mechanism, but the integration process of the two organisations

slowed the deepening of bilateral economic and trade cooperation. In September 2008, Dr. Surin Pitsuwan, Executive Director of ASEAN, ASEAN and GCC, has an incredible space for close cooperation and coordination to treat the issues of crude oil prices and food shortages. Then on June 29-30, 2009, the GCC and ASEAN held a ministerial meeting in Bahrain, the capital of the sultanate. The ministers noted that the 1981 GCC Charter and the 2007 ASEAN Charter provide opportunities for the two organizations to develop close and mutually beneficial relations. The ministers also adopted a common vision to provide a solid foundation for the development of this cooperative relationship. ASEAN and GCC cooperation practices the liberal philosophy of “peacepromoting economics and trade”, throughout the relationship both sides oppose the use of external pressure such as military force and American or European-style democracy.

ASEAN and the GCC have made free trade area negotiations as, to date, only 3 ASEAN countries namely Singapore, Indonesia and Cambodia have signed the FTA, while other ASEAN countries are still in the negotiation stage with the GCC. ASEAN as one of the largest economic regions in the world has potential sectors such as transportation and logistics, retail and e-commerce, financial services and fintech, agriculture and food and other sectors that become GCC investment opportunities. ASEAN is a region rich in agricultural resources due to its geographical location which makes ASEAN the best global producer of rice, corn, sugarcane and soybeans. Not only that, ASEAN has certain countries that dominate the production of different goods, such as Indonesia and Malaysia that dominate palm oil production, and Thailand and Vietnam that dominate rice production. On the other hand, due to their geographical conditions, Gulf Arab countries must feel the urgency of food security that threatens human security there. This has led to both sides needing each other for oil, gas and agricultural production resources. Thus, these commodities dominate bilateral trade. ASEAN and the GCC complement each other's needs according to their capacity. So with this they promote cooperation in agriculture and oil trade. In this paper the author will discuss the stages of cooperation between ASEAN and the GCC and how the form of bilateral cooperation between the GCC and ASEAN countries.

## **I. History and Early Stage of ASEAN-GCC COOPERATION**

### **I.I History of ASEAN Establishment**

In the 60s, Southeast Asia was an area where the majority of countries had not long been independent. The global political interests that emerged as a result of the cold war greatly affected the region. Thus, the ASEAN (Association of Southeast Asian Nations) was formed, a regional organization formed by five Southeast Asian countries: Indonesia, Malaysia, the Philippines, Singapore and Thailand. The five countries signed the Bangkok Declaration, also known as the ASEAN Declaration, on August 8, 1967 in Bangkok. ASEAN was established with the aim of establishing active cooperation and mutual assistance on issues of common interest in the social, economic, scientific, and technical field.

### **I.II History of GCC Establishment**



[The first ever meeting of GCC. [Courtesy: Intercontinental Hotel Abu Dhabi 1981]

Saudi Arabia, Kuwait, the United Arab Emirates, Qatar, Bahrain and Oman formed Gulf Cooperation Council (GCC) on May 25, 1981 in Abu Dhabi, UAE. The formation of the GCC was triggered by the need to enhance regional cooperation in the face of security and economic challenges in the region, especially after the 1979 Iranian Revolution and the 1980-1988 Iran-Iraq War. The aim of the GCC is to coordinate, integrate, and connect its member states in various fields, including politics, economic security, and social affairs. The basic principles of the GCC are based on similarities in history, culture, religion, and political systems among its member states.

### **I.III Early Contacts and Economic Background (1970-1990)**

Trade and investment activities between the Gulf Arab states and South and Southeast Asian countries have been more visible since the 1970s. At its 1986 meeting, the GCC Council of Ministers decided to build relations with countries in the Far East, particularly with South Korea and ASEAN. However, until 1990, there was no formal contact mechanism between ASEAN and the GCC. They used the UN General Assembly to hold limited meetings.

### **I.IV Initial Meetings and Formalization of Relations (1990-2007)**

In New York, on the sidelines of the United Nations General Assembly (UNGA), ASEAN Foreign Ministers held their first meeting with GCC counterparts in the same year. United Nations General Assembly (UNGA). ASEAN is working with the GCC to develop modalities of cooperation in various fields'' when asked about the sustainability of the plan to sign a formal ASEAN-GCC agreement (Khan, 2007). Then during the UN General Assembly in September 2007, the ASEANGCC Foreign Ministers held a meeting that was set up to give impetus to the strengthening of ASEAN-GCC relations.

### **I.V Establishment of Consultative Mechanism (2009-2012)**

This plan was subsequently approved at the second ASEAN-GCC ministerial meeting in June 2010 in Singapore (ASEAN, 2025). Four ASEAN-GCC joint working level meetings were organized in response to the outcomes of the Second ASEAN-GCC Ministerial Meeting: (a) ASEAN-GCC

Consultative Meeting on Education in Bangkok in November 2010; (b) ASEANGCC Working Group Meeting on Food Security and Agricultural Investment in Doha in May 2011; (c) ASEAN-GCC Tourism Consultation in Luang Prabang in June 2011; and (d) ASEAN-GCC Senior Economic Officials Meeting in Salalah, Oman, in July 2011. Currently, ambassadors from every GCC member state (Bahrain, Kuwait, Oman, Qatar, Saudi Arabia, and the United Arab Emirates) have been accredited to ASEAN. Capital cities of GCC Member States such as Manama, Kuwait City, Muscat, Doha, Riyadh, and Abu Dhabi are also home to ASEAN committees.

#### **I.VI ASEAN-GCC Ministerial Meetings and Enhanced Institutionalization (2013-2024)**

The third ASEAN GCC Ministers' Conference, held in Manama in November 2013, led to the implementation of the first ASEAN GCC workshop held in Singapore in 2014. The forum was visited by government officials, academics, businesses and representatives of ASEAN and GCC member states and focused on specific measures and initiatives to promote cooperation between the ASEAN-GCC. At RIAD in Saudi Arabia, ASEAN and GCC held their summit on October 20, 2023. The joint explanation of ASEAN and GCC was adopted by two dynamic region leaders during the summit. It includes a framework for ASEAN and the GCC to improve and expand their partnerships and use growth opportunities that allow for collaboration between the two regions based on the future of the partnership and the values and values embodied in the UN Charter. ASEAN and the GCC recognize the great potential of partnerships by further strengthening their cooperative relationships, increasing it to a higher level, and successfully implementing joint explanations and FOCs. In terms of the economy, ASEAN and the GCC still promote economic cooperation designated by the FOC, focusing on trade and investment, energy, nutritional safety and tourism. Saudi Arabia held the ASEAN-GCC Joint Regional Strategy Dialogue session on the sidelines of the World Economic Forum's Special Conference on Global Cooperation, Growth and Energy for the Development of RIAD 28.-29 (WEF). The conference served as the venue for events for government managers and businesses to discuss important cooperation between ASEAN and the GCC, including trade and investment, energy and climate transitions, and the digital economy. On November 20, 2024, at the Secretariat of the ASEAN Headquarters/Association, the first meeting

between the ASEAN Standing Representative Committee (CPR) and the GCC Ambassadors Council in Jakarta was critical for the assessment of the implementation of the focus and provided a way to further explore the specific areas of the ASEAN GCC (ASEAN, 2025).

## **II. Forms OF Multisectoral Cooperation between ASEAN and GCC**

The cooperative relationship between ASEAN and the GCC has grown over time not only diplomatically, but also through multi sectoral cooperation. Various fields such as investment, energy, trade, education, and handling global crises are the main concerns along with the commitment of both regions to build strategic collaboration.

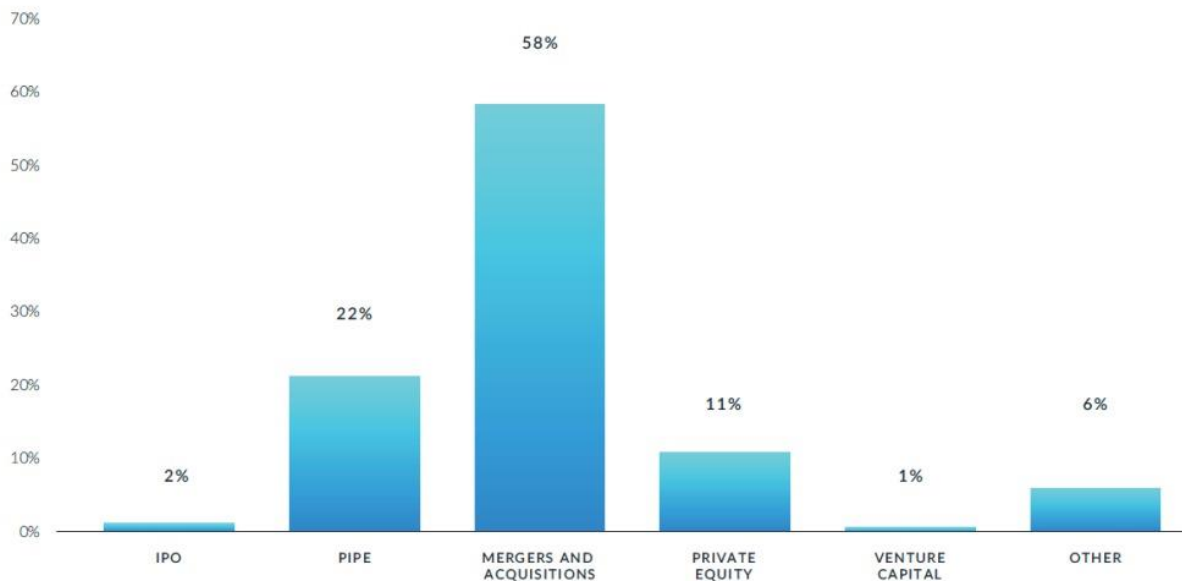
### **II.I Cooperation in Energy (Oil, Gas and Renewable Energy)**

The main focus of ASEAN and GCC relations remains on clean and low-carbon energy cooperation. Several GCC member states, notably Saudi Arabia and Oman, have established strategic cooperation with a number of ASEAN countries in the development of oil refineries and petrochemicals. The intensity of this relationship is demonstrated by Saudi Aramco's cooperation in Malaysia and Oman's cooperation in Indonesia. In the ASEAN-GCC Framework of Cooperation 2024-2028, both parties commit to "Explore ASEAN-GCC cooperation in energy and clean lowcarbon energy technologies, including technology development for energy efficiency, renewable energy, and alternative sources of clean energy as well as the promotion of effective energy efficiency practices and conservation measures" (ASEAN, 2023). Clean energy transition is the focus of current cooperation in addition to fossil energy. For example, the United Arab Emirates is providing substantial funding for renewable energy projects around the world including Southeast Asia after shifting away from fuels that cause global warming and supporting the goal of reducing emissions by 20% by 2030. The investment will be used to implement clean energy, such as renewable energy, nuclear, and hydrogen, in accordance with the COP summit international climate agreement

## II.II Investment and Infrastructure

To illustrate GCC's investment orientation, (pict...) highlights the breakdown of announced industrials, energy, and resources transactions by GCC investors between 2020 and Q3 2023. PitchBook Data (2023) shows that 58% of GCC transactions in this sector take the form of mergers and acquisitions, while other deal types such as private equity (11%), PIPE (22%), and venture capital (1%) remain relatively limited. This indicates that GCC investors prioritize consolidation and large-scale acquisitions as their primary investment strategy in energy and infrastructure.

### Breakdown of Announced Industrials, Energy, and Resources Transactions by GCC Investors by Deal Type (2020 – Q3 2023)



Source: PitchBook Data, Inc.

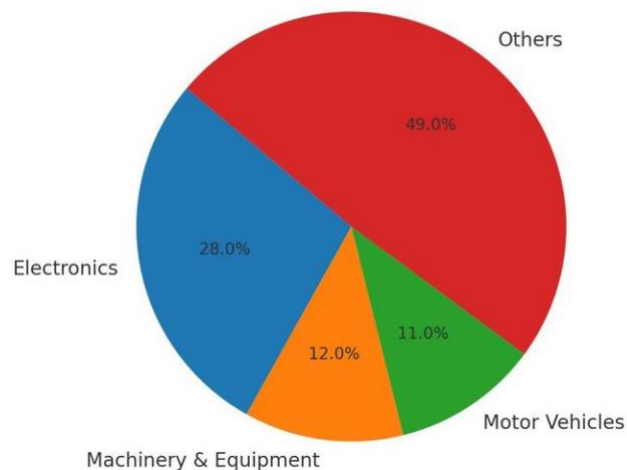
Within the past decade, the engagement between ASEAN and the GCC in this sector has also increased significantly. According to the Economist Impact report (2021), between January 2016 and September 2021, GCC countries invested approximately US\$13.4 billion into the ASEAN region. The United Arab Emirates (UAE) accounted for around 74% of this amount, followed by Oman at about 20%. This shows that Gulf capital is concentrated in several key ASEAN economies, particularly Indonesia, Malaysia, and Singapore. A prominent example is the cooperation between

DP World (UAE) and Maspion Group (Indonesia) in developing a US\$1.2 billion logistics park and port in East Java, which reflects the ASEAN–GCC focus on infrastructure that enhances regional connectivity and global trade (Economist Impact, & Dubai Chamber., 2021).

In contrast, ASEAN investment into the GCC region remains relatively modest, standing at around US\$3.6 billion, largely from Singapore. This imbalance reflects the untapped potential for expanding two-way long-term investment engagement. However, barriers such as limited market information, regulatory complexity, and underdeveloped institutional frameworks continue to hinder cross-regional investment flows. Addressing these challenges requires a more structured approach, including the advancement of comprehensive investment and trade agreements to foster deeper ASEAN–GCC cooperation (Economist Impact, & Dubai Chamber., 2021).

### II.III Trade and Improved Market Access

ASEAN Exports to GCC (2016–2020)  
Source: Economist Impact (2021)



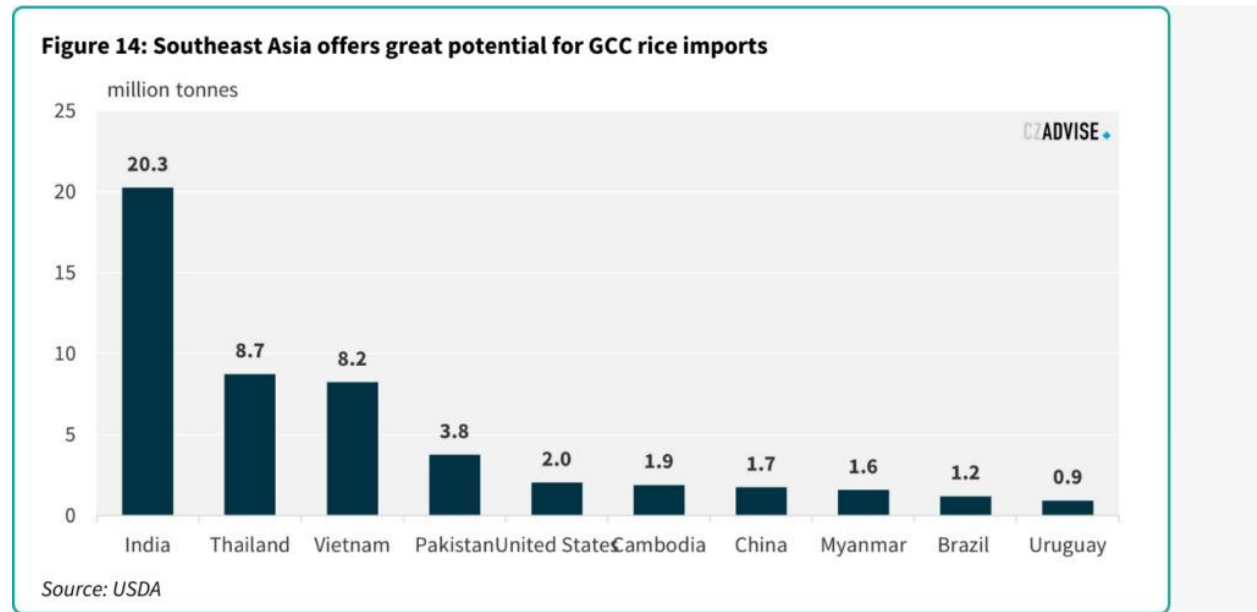
Trade between ASEAN and the GCC continues to grow, but has not been maximized. According to Economist Impact data (2021), ASEAN accounted for about 6% of GCC imports from 2016 to 2020.

ASEAN's main exports to the GCC include electronics (28%), machinery and equipment (12%), and motor vehicles (11%). Crude oil and plastic polymers are the main products ASEAN imports from GCC countries (Economist Impact, & Dubai Chamber., 2021). This trade structure suggests a complementary relationship: ASEAN provides technology and manufactured products, and the GCC provides energy and raw materials. Although ASEAN-GCC cooperation is on the rise, there are still barriers behind it, as their trade relationship is not yet based on a Free Trade Agreement (FTA). With this in mind, ASEAN and the GCC have begun working towards a Free Trade Agreement (FTA) between the two. A statement was made by the US-ASEAN Business Council in 2023 that ASEAN was formally proposing an FTA with the GCC as part of efforts to enhance economic partnerships across the region (US-ASEAN Business Council, 2023). It is hoped that this FTA will reduce tariffs, simplify trade processes, and improve supply chain connectivity.

#### **II.IV Education and Cultural Exchanges**

Cooperation between ASEAN and the GCC has begun to expand beyond economics and energy, but has also begun to develop in the areas of education and culture. Although cooperation in this area has not been as intensive as in other sectors, the focus has started to be on human resource capacity building through various technical training programs and professional certifications. Islamic finance training, Islamic finance certification, and training related to regulatory development of the financial technology sector are examples of the efforts that have been made (Economist Impact, & Dubai Chamber., 2021).

## II.V Addressing Global Crises (Food, Pandemic, Maritime Security)



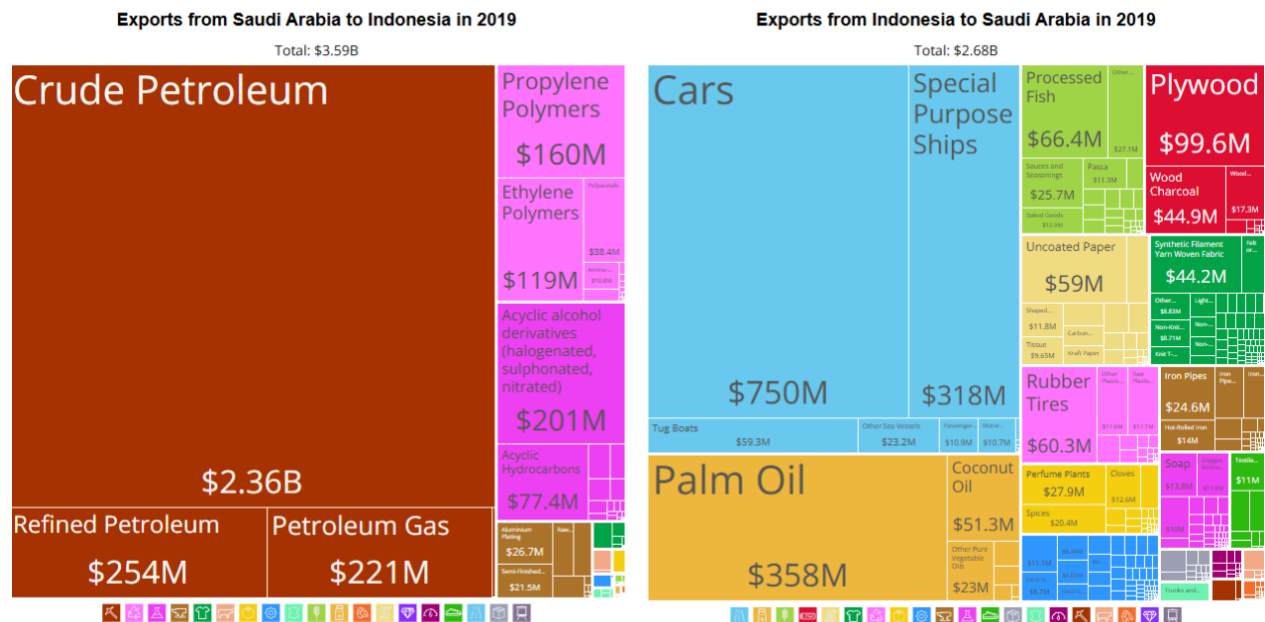
Data shows that Thailand and Vietnam as ASEAN countries have a large contribution in rice exports to the global market, thus potentially strengthening food security cooperation with the GCC. ditulis setelah Southeast Asia has great potential to become a food provider for the GCC countries, especially such as rice, soybean and other tropical (Economist Impact, & Dubai Chamber, 2021). It is also important to highlight the diversification of ASEAN food sources and suggest cooperation with the GCC to address global supply chains (May, 2025). (Multilateral forums such as the ASEAN Maritime Cooperation Portal (2024) also play a role for ASEAN and the GCC to communicate on maritime security. The forum serves as a platform for information exchange and cooperation initiatives in maritime security. The Indo-Pacific and Gulf regions serve as international logistics routes, so it is vital to keep shipping lanes safe, protect fisheries and combat terrorism (ASEAN, 2024).

### III. Bilateral Cooperation between GCC and ASEAN nations

#### III.I Saudi Arabia – Indonesia

The Indonesia-GCC Free Trade Agreement (I-GCC FTA) was officially launched on July 31, 2024, and on September 9-13, 2024 the first round of negotiations took place in Jakarta. During this meeting, both parties discussed various topics such as investment, trade in goods, services, customs procedures, and trade barriers and facilitation. It is expected that the outcome of these discussions will result in basic principles for further negotiations, with a virtual meeting scheduled for October 2024. The second round of negotiations will be held in Riyadh, Saudi Arabia, in February 2025, with the target of reaching a substantive agreement by the end of 2025.

The relationship between Indonesia and Saudi Arabia as a major trading partner in the GCC has long been established. In 2021, total trade between the two countries reached US\$4.8 billion. Indonesian export products that are in high demand in Saudi Arabia include cars, plywood, paper, palm oil, and processed food products such as Sasa, ABC, and Sosro brands. Indonesia's food and beverage sector receives great support from the visit of Hajj and Umrah pilgrims, which reaches more than 10 million people each year.



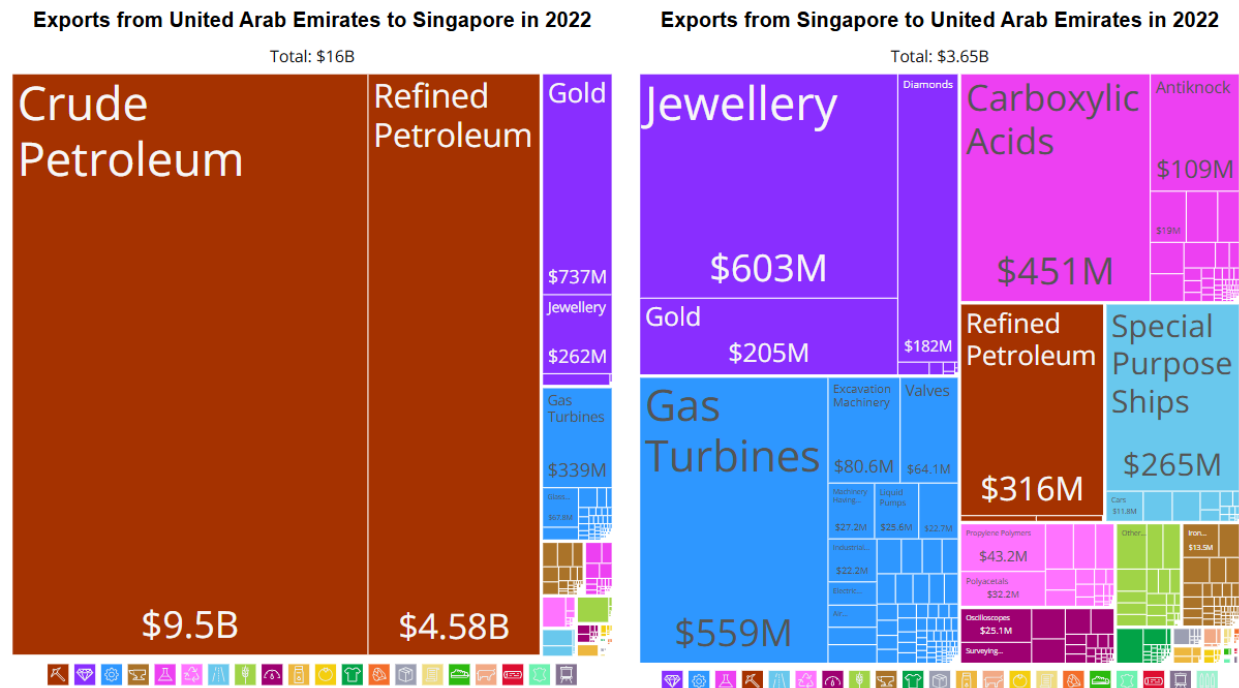
Picture 1. Products exported between Saudi Arabia and Indonesia. Source : <https://oec.world/en/profile/bilateral-country/sau/partner/idn?selector541id=2019>

Indonesia also imports a large amount of oil from Saudi Arabia. In 2019, 49.18% of Indonesia's total oil imports came from Saudi Arabia, with the import value reaching US\$4.29 billion. On the other hand, the two countries have a bilateral investment treaty (BIT) signed in 2003, and Saudi Arabia has invested \$24.6 billion in Indonesia between 2016-2021. In addition, the Indonesian government has made a memorandum of understanding (MoU) with partners who supply the needs of Hajj and Umrah pilgrims using Indonesian products, optimizing existing market opportunities.

### III.II United Arab Emirates – Singapore

The relationship between Singapore and the United Arab Emirates (UAE) has been established since 1985 and continues to grow. The two countries strengthened cooperation through the Singapore-UAE Joint Committee established in 2014. In 2008, Singapore and the Gulf Cooperation

Council (GCC) signed the Free Trade Agreement (GSFTA), which provides tariff-free access for 99% of Singapore's exports as well as GCC products to Singapore. This FTA liberalizes sectors outside of WTO agreements and provides special access in business services, construction, education, and healthcare.



Picture 2. Products exported between UEA and Singapore. Source : <https://oec.world/en/profile/bilateral-country/are/partner/sgp?selector541id=2022>

In 2022, Singapore's exports to the UAE reached \$3.65 billion, with key products such as jewellery (\$630 million), gas turbines (\$559 million) and broadcasting equipment (\$574 million). In contrast, UAE exports to Singapore reached \$14.4 billion, comprising crude oil (\$8.22 billion), refined petroleum (\$4.07 billion), and gold (\$743 million). In addition, Singapore and the UAE plan to collaborate on the development of low-carbon technologies, including hydrogen fuel and carbon capture (CCUS). At the Abu Dhabi Sustainability Week Summit, Singapore President Halimah Yacob stated that the two countries will strengthen their memorandum of understanding (MoU) on environmental protection, climate change and sustainable development. On January 19, 2023, UAE renewable power company Masdar signed an MoU with Tuas Power Singapore, France's EDF

Renewables, and PT Indonesia Power to develop renewable energy in Indonesia and export it to Singapore (Begum, 2022).

### **III.III Qatar – Malaysia**

In 2006, the GCC and Malaysia agreed on a trade framework to enhance cooperation in commercial, investment and technical areas. Although free trade agreement (FTA) talks began in 2011, Malaysia has yet to sign an FTA with the GCC. Malaysia's Minister of Foreign Affairs, Datuk Seri Mohamad Hasan, revealed that Malaysia continues to wait for an FTA with GCC members. However, Malaysia already has good relations with Qatar, one of the GCC member countries. In 2017, to support cooperation between Qatar and Malaysia, the Qatar Chamber of Commerce was established. The chamber then held a meeting with Malaysia's Minister of Plantation Industry and Commodities, to discuss ways to enhance cooperation between the private sectors of the two countries, including in commercial, economic, investment, agriculture, food security, as well as partnership opportunities between companies. In 2021, the value of trade between Qatar and Malaysia reached \$660 million, up from \$494 million in 2020.



Malaysia has several companies in various sectors operating in Qatar and getting a lot of investment from the country, including tourism, banking, real estate, and industrial sectors. On November 19, 2024, Qatar Airways Cargo and MASkargo announced the launch of a strategic partnership that began on October 1, 2024. The partnership successfully transported around 2,400 tons of cargo, including more than 600 tons of perishable goods and 130 tons of pharmaceuticals. The deal gives MASkargo access to key markets in Europe, GCC, Levant, and Africa. Conversely, Qatar Airways Cargo gains increased capacity to access markets in Australia, New Zealand, Southeast Asia, and Northeast Asia. In July 2024, both parties also signed a memorandum of understanding (MoU) to offer better products and achieve operational synergies, as well as strengthen the relationship through codeshare agreements covering 62 international destinations.

### **III.IV Oman – Thailand**

On February 16, 2009, envoys from six Gulf Cooperation Council (GCC) member states, namely Qatar, Oman, UAE, Bahrain, Kuwait and Saudi Arabia paid a courtesy call on the Thai foreign minister, Mr. Kasit Piromya. During the meeting, the two sides discussed efforts to strengthen economic cooperation and investment in Thailand, tourism among GCC travelers and ways to resolve the situation in the Southern Province. Regarding economic cooperation, Mr. Kasit Piromya provided the GCC delegation with updates on the Royal Thai Government's policies to boost the Thai economy and the prime minister's planned visit to the Middle East to build trade and investment confidence. Thailand already has a good relationship with one of the GCC member countries, Oman. The establishment of diplomatic relations in 1980 brought good relations between the two countries until now. When Deputy Prime Minister Somkid Jatusripitak paid an official visit to the sultanate of Oman in 2016, the two sides agreed to enhance trade and economic cooperation in various sectors, such as fisheries, hospitality, medical tourism, and energy security, through encouraging contacts between their private sectors that will be the driving force in these sectors. Oman is a potential gateway for Thailand to the GCC market, and Oman welcomes Thailand as a gateway to ASEAN. Oman invites Thailand's private sector to invest in Oman's Special Economic Zones, in areas such as oil refining and petrochemical industries.



According to a report on the website (The Observatory of Economic Complexity) In 2023, Thailand's total exports to Oman reached \$596 million. The main products exported by Thailand are Delivery trucks (\$214 million), Polycarboxylic Acid (\$123 million), and Automobiles (\$80.6 million). Over the past 5 years. Exports from Thailand to Oman have increased annually by 16%, growing from \$284 million in 2018 to \$596 million in 2023. In the same period, Oman's total exports to Thailand amounted to In 2023, Oman exported \$1.23 billion to Thailand. The main products that Oman exports to Thailand are Oil Gas (\$491 million), Semi-Finished Iron (\$481 million), and Nitrogen Fertilizer (\$68.5 million). Over the past 5 years, exports from Oman to Thailand have increased at an annualized rate of 42.6%, growing from \$208 million in 2018 to \$1.23 billion in 2023.

### III.V Kuwait – Philippines



Picture 5. Filipino workers waiting outside the Philippine embassy in Kuwait. Source :

[https://news.cgtn.com/news/3d3d514f7867544d77457a6333566d54/share\\_p.html](https://news.cgtn.com/news/3d3d514f7867544d77457a6333566d54/share_p.html)

As a member of ASEAN, the Philippines is involved in the cooperation section between ASEAN and the GCC. Formal cooperation began in 2009 during the first ASEAN-GCC ministerial meeting in Bahrain. This cooperation is not only limited to economics and trade, but also covers geopolitical issues, security, and the protection of migrant workers - issues that are particularly relevant to the Philippines as many of its citizens work in GCC countries. This is because during the Marcos regime in the 1970s implemented a strategy to boost the economy. The Philippines partnered with one of the GCC countries, Kuwait, on migration. In 2015, the total number of Filipino workers in Kuwait was 260,000. However, in 2018 the relationship between the two parties was threatened to end due to the death of 7 Filipinos in Kuwait. On April 30, President Duterte imposed a permanent ban on working in Kuwait, but this ban only lasted for one month. Kuwait itself gave the most

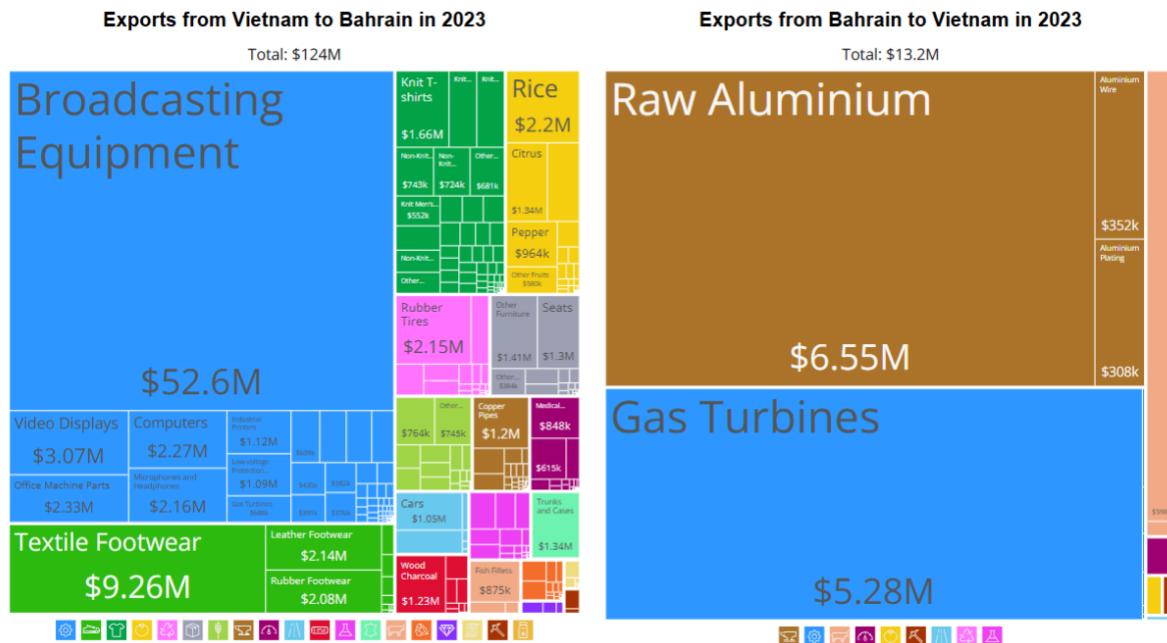
progressive response, imposing a minimum wage, age requirements, access to courts, and limiting the power of domestic employers. As a result, the Philippines lobbied Kuwait to protect Filipino workers for decades. On May 11, 2018, the two countries finally signed an agreement to protect domestic workers. Based on what is written in this agreement, Kuwait as the first party must guarantee the rights of domestic workers, ensure that employers will treat workers properly, access to cell phones, facilitate repatriation of workers and legal assistance. While the Philippines as the second party must ensure that domestic workers sent meet medical requirements, ensure the provision of law enforcement permits for workers issued, ensure prospective workers are trained and certified. This agreement will remain in effect for a period of 4 years and will be automatically extended if neither party wishes to terminate it.

### **III.VI Bahrain – Vietnam**

In 2023, Vietnamese Prime Minister Pham Minh Chinh and a high-level delegation attended the ASEAN-Gulf Cooperation Council (ASEAN-GCC) Summit in Saudi Arabia. As an active member of ASEAN, Vietnam continues to contribute to strengthening relations between the two regions. Currently, Vietnam has bilateral investment treaties (BITs) with two GCC members: Oman and Kuwait, but remains fully engaged in the ASEAN-GCC cooperation framework. Vietnam is getting support from Bahrain in the development of international financial centers in Ho Chi Minh City and Danang, which are targeted to become regional and global financial centers by 2025. During the bilateral meeting, Vietnamese Deputy Prime Minister Tran Luu Quang encouraged Bahrain to facilitate the negotiation of a free trade agreement (FTA) between Vietnam and the GCC. He also invited Bahraini investors to invest in the energy sector, halal industry, digital transformation, and tourism. In response to Vietnam's economic growth exceeding 7% by 2024, Bahrain's Minister of Finance, Shaikh Salman bin Khalifa Al Khalifa, expressed his country's readiness to provide financial and banking services to support the FTA (Yen, 2025).

In the trade side, in 2023 Vietnam exported to Bahrain worth \$124 million, with the main products being broadcasting equipment, textile footwear, and video screens. Meanwhile, Bahrain's exports

to Vietnam reached \$13.2 million, consisting of raw aluminum, gas turbines, and crustaceans. Bahrain's exports to Vietnam grew by an average of 1.85% per year in the past five years.



Picture 4. Products exported between Bahrain and Vietnam. Source : <https://oec.world/en/profile/bilateral-country/vnm/partner/bhr>

## IV. Conclusion

The dynamics of ASEAN–GCC relations reflect a gradual but steady transformation from sporadic diplomatic interactions in the late 20th century into structured, multisectoral cooperation that now stands at the frontier of interregional integration. Both regions, though geographically distant, are bound by complementary needs and shared vulnerabilities: ASEAN’s strengths in agriculture, manufacturing, and human capital balance the GCC’s comparative

advantage in energy, finance, and investment capacity. These complementarities shape the foundation of their partnership, making the cooperation not just transactional, but strategic.

Findings from this study highlight several key trends:

**Institutional Progress:** From the first ministerial meeting in 2009 to the adoption of the ASEAN–GCC Framework of Cooperation (2024–2028), institutional mechanisms have provided a framework for sustainable dialogue. The establishment of joint working groups in areas such as education, energy, and food security signals an intent to move beyond rhetoric toward actionable cooperation.

**Economic and Trade Synergies:** While trade remains concentrated in primary commodities—oil, gas, petrochemicals from GCC and agricultural outputs, electronics, and manufactured goods from ASEAN—the prospect of a formal ASEAN–GCC Free Trade Agreement marks a crucial turning point. An FTA would not only reduce tariffs but also pave the way for wider market access, enhancing supply chain resilience across both regions.

**Investment Flows:** Gulf capital has increasingly flowed into ASEAN, particularly in infrastructure, logistics, and renewable energy, with the UAE and Saudi Arabia leading investments. However, ASEAN investment in the GCC remains limited, indicating an asymmetry that needs to be addressed. Closing this gap will require policy harmonization, better information-sharing mechanisms, and the removal of regulatory barriers.

**Sectoral Diversification:** Beyond energy and trade, ASEAN–GCC cooperation now includes education, tourism, maritime security, and digital transition. Collaborative initiatives in renewable energy and food security directly address global crises such as climate change and supply chain disruptions, underscoring the resilience dimension of this partnership.

**Bilateral Anchors:** Strong bilateral ties such as Saudi Arabia–Indonesia, UAE–Singapore, Qatar–Malaysia, Oman–Thailand, Kuwait–Philippines, and Bahrain–Vietnam—serve as anchors for broader interregional integration. These case studies demonstrate that progress at the ASEAN–GCC level often builds upon prior bilateral momentum.

Despite progress, challenges remain—such as the absence of a finalized FTA, institutional asymmetry in investments, and the slow pace of regulatory harmonization. Yet, the opportunities outweigh the barriers. With ASEAN strengthening its centrality in Asia and GCC pushing forward economic diversification under their national visions, future cooperation is likely to expand beyond trade into joint responses to global issues—energy transition, food security, digital economy, and climate adaptation.

The ASEAN–GCC multisectoral cooperation is no longer peripheral but central to both regions' geoeconomic strategies. If effectively institutionalized and supported by an interregional FTA, this cooperation holds the potential to evolve into one of the most significant interregional partnerships of the 21st century—shaping a multipolar global order through mutual interdependence and shared strategic interests.

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