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# Strengthening Ties with the Caribbean: GCC Relations with the Dominican Republic

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## **GCC Relations with the Dominican Republic: Strengthening Ties with the Caribbean.**

The relationship between the Gulf Cooperation Council (GCC) and the Caribbean nations has historically been characterized by limited interaction, overshadowed by closer ties with regions like North America, Europe, and Latin America. However, recent developments are signaling a shift as the GCC countries begin to explore new diplomatic and economic frontiers. The GCC, with its focus on diversification and investment beyond traditional markets, is increasingly turning to the Caribbean, including the Dominican Republic, as an important partner for cooperation in trade, investment, tourism, and sustainable development.

The growing importance of the Caribbean region, particularly the Dominican Republic, in the GCC's foreign policy can be attributed to both economic potential and strategic geopolitical factors. While traditionally focused on energy exports, the GCC states comprising - Bahrain, Kuwait, Oman, Qatar, Saudi Arabia, and the UAE - are diversifying their economies. They are now seeking to expand their footprint in emerging markets, and the Caribbean presents a promising region for deepened ties. The GCC's Secretary-General, HE Mr. Jassim Mohammed Albudaiwi, has played a central role in fostering these relationships, emphasizing the GCC's commitment to long-term partnerships with Caribbean countries, including the Dominican Republic.

While the Gulf has primarily engaged with the Caribbean through informal diplomatic channels and limited trade, recent efforts indicate a determined push for stronger economic, cultural, and political cooperation. This shift is demonstrated by HE Albudaiwi's participation in the 16th Business Forum for the Greater Caribbean Region of CARICOM, which took place on May 6, 2024, in Paramaribo, Suriname. His presence at the forum, under the patronage of Suriname's President Chandrikapersad Santokhi, highlighted the GCC's interest in fostering deeper relationships with Caribbean nations.

The 16th Business Forum marked an important step in enhancing economic ties between the GCC and Caribbean nations, with a focus on trade, investment, tourism, and sustainable development. HE Albudaiwi's speech underlined the GCC's desire to build closer ties with CARICOM (Caribbean Community), which includes 15 member states, such as the Dominican Republic, and represents a growing economic force in the region. During Albudaiwi's speech, he referenced the September 18, 2023, joint ministerial meeting between the GCC and CARICOM, which laid the foundation for the Joint Action Plan (2023-2027) - a comprehensive framework aimed at facilitating trade, investment, and tourism cooperation between the regions. This Joint Action Plan is set to promote the exchange of investments, increase bilateral trade, and enhance tourism flows. The UAE, in particular, has already made strides in the region, focusing on infrastructure investments, trade relationships, and tourism development. This cooperative framework is also expected to foster political dialogue and address global economic challenges collaboratively.

The Dominican Republic, the largest economy in the Caribbean, has increasingly become a focus for GCC countries. With its stable political environment, thriving tourism sector, and strategic location as a trade hub, the country presents significant opportunities for Gulf investment. Emphasizing the importance of these ties, President Luis Abinader appointed Andy Rodríguez Durán as ambassador to Saudi Arabia through Executive Decree 668-23 on December 29, 2023, with the Senate officially ratifying his appointment on January 10, 2024. The opening of the Dominican Republic's embassy in Saudi Arabia this year highlights the nation's commitment to



deepening its engagement with the Gulf region and fostering closer collaboration with GCC states. With its stable political environment, growing tourism sector, and strategic location as a trade hub, the Dominican Republic offers opportunities for GCC countries looking to expand their global reach. The country's economy is diverse, with key sectors including agriculture, mining, manufacturing, and tourism. The Dominican Republic's growing infrastructure needs, particularly in energy and transport, align well with the GCC's capabilities, particularly in sectors like renewable energy, logistics, and construction. The country's government has been working to create a more attractive investment environment, offering incentives for foreign investors and streamlining regulations.

In terms of trade, the Dominican Republic's growing economic stature is reflected in its GDP of approximately \$102 billion USD (2023), with a growth rate of 5.7% in 2023. The country is heavily reliant on tourism, which accounts for nearly 8% of GDP and over 400,000 jobs. The GCC, with its resources and expertise in infrastructure projects, can help the Dominican Republic diversify further into sectors like technology, finance, and renewable energy.

Saudi Arabia, the UAE, and Qatar have significant investment portfolios in infrastructure projects worldwide, including energy, transport, and hospitality. The GCC's participation in the 16th Business Forum demonstrated a readiness to collaborate with CARICOM nations, including the Dominican Republic, in areas such as renewable energy, digital infrastructure, and tourism. For instance, investments in renewable energy could be particularly beneficial, as the Dominican Republic has significant potential in solar and wind energy, while the GCC countries have made massive strides in this field.

The GCC's goal to build a more robust partnership with CARICOM and the Dominican Republic is clear from Albusaidi's remarks, where he emphasized that the Joint Action Plan (2023-2027) will facilitate trade, investment, and tourism cooperation between the regions. The plan also stresses the importance of implementing policies that support sustainable development and global economic stability. In his address, Albusaidi also spoke about the role of the GCC as a hub for global investment, noting that the economic achievements of the GCC countries—together contributing to a combined GDP of over \$1.6 trillion USD—position them as key players on the global stage.

The evolving relationship between the GCC and the Dominican Republic represents a promising new chapter in Gulf-Caribbean cooperation. By leveraging the GCC's expertise in both hard and soft infrastructure alongside its strategic investments, the Dominican Republic stands to benefit significantly in key sectors such as tourism, renewable energy, and digital transformation. This growing partnership reflects the potential for deepened economic and political dialogue, with both regions poised to reap the rewards of strengthened ties. Through continued collaboration, the GCC and the Dominican Republic have the opportunity to build a robust and sustainable relationship, fostering long-term growth and prosperity for both sides.



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