

A multi-faceted relationship

By NICK LYNE

SENIOR STAFF WRITER, FIRST

Both governments have committed themselves to boosting trade by 60 per cent by 2015 to £12billion

Relations between the United Kingdom and the United Arab Emirates (UAE) date to the foundation of the Gulf nation in 1971, based ever since on thriving trade, diplomatic, security, educational, and cultural ties that have forged a vibrant, multi-dimensional alliance.

The cornerstone of that alliance is the joint UK-UAE diplomatic taskforce, set up by British Prime Minister David Cameron in 2010 and overseen by Foreign Secretary William Hague. The aim of the taskforce, as with similar Government initiatives with India, Latin America, South East Asia, and China, is, among others, to deepen trade ties that had declined during the previous decade.

The UAE is now the UK's 13th largest export market, with annual bilateral trade worth about £7.5 billion. Both governments have committed themselves to boosting trade by 60 per cent by 2015 to £12billion.

Speaking in July 2010 when the taskforce was launched, Mr Cameron expressed disappointment at the UK's trade performance with the UAE up until then. "A decade ago, we had eight per cent of the UAE's market, the same as China. Today, 10 years later, we have four per cent, and China has 16 per cent," he said.

The UAE's strategic importance was highlighted

during Mr Cameron's first overseas trip after taking office in 2010, insisting on a stopover to meet with UAE leaders as he flew back from visiting British troops stationed in Afghanistan in June of that year. Mr Cameron met Sheikh Khalifa bin Zayed Al Nahyan, President of the UAE and Ruler of Abu Dhabi, on that visit, and the initiative was followed up by a trip to London that year by Foreign Minister Sheikh Abdullah bin Zayed.

In November of 2010, as part of a Royal Visit to the UAE, Mr Hague and Sheikh Abdullah bin Zayed signed the Abu Dhabi Declaration at the British Embassy in Abu Dhabi. Sheikh Khalifa bin Zayed Al Nahyan, met Queen Elizabeth at the Al Mushrif Palace. The two countries' foreign ministers now meet around every six months, focusing on strengthening ties in a broad spectrum of areas aside from trade that include defence and education.

The official visit by Sheikh Khalifa Bin Zayed Al Nahyan to the United Kingdom from April 30 to May 1, 2013 on an invitation by Queen Elizabeth II will further cement UAE-UK relations. There already exists a close relationship between the royal families of the UAE and UK. Sheikh Khalifa's father, the late Sheikh Zayed, hosted the Queen on a state visit to the UAE in 1979. The Queen hosted Sheikh Zayed on a State Visit to the UK in 1989. Sheikh Khalifa's visit continues that long-standing relationship.

Sheikh Khalifa's programme will include a state luncheon at Windsor Castle; a bilateral meeting with the Prime Minister at Downing Street; laying a wreath at the Tomb of the Unknown Warrior in Westminster Abbey, and tea with the Prince of Wales and the Duchess of Cornwall at Clarence House.

Speaking ahead of the State Visit, Britain's ambassador to the UAE, Dominic Jermey, praised the progress made by the UK-UAE taskforce: "Through the taskforce, our investment is growing in each other's economies and our cultural and educational links are prospering. We work with the UAE on shared interests and security challenges across the region."



HM Queen Elizabeth II arrives in Abu Dhabi during a State Visit to the Gulf States in 1979

Outlining details on business and trade between the two countries, Mr Jermy said that UK exports to the UAE were £381 million, which represents a decrease of 11 per cent on the same period in 2012. "UK imports were £237.8 million, an increase of 57 per cent on the same period in 2012. Thus bilateral trade is up by 7 per cent on January 2012." The UAE is now the UK's 13th largest market (£5.16bn) for the export of goods (only) moving up three places and a 9 per cent increase on 2011. Imports from the UAE to the UK amounted to £2.19bn up from £1.88bn in 2011.

The renewed diplomatic and trade policy is part of a larger reappraisal of UK foreign policy. The British Government has embraced a change of approach that many of the country's diplomats had been advocating for years. "Put simply, the world has changed and if we do not change with it, Britain's role is set to decline with all that that means for our influence in world affairs, our national security and our economy. "Achieving our foreign policy objectives has become harder and will become more so unless we are prepared to act differently," said Mr Hague in November 2010.

New forms of engagement

Regional groups are strengthening across the world, but these groups are not rigid or immutable. Nor have they diminished the role of individual states as some predicted. Today, influence increasingly lies with networks of states with fluid and dynamic patterns of allegiance, alliance and connections, including the informal, which act as vital channels of influence and decision-making and require new forms of engagement from Britain. There are more

than 100,000 British citizens resident in the UAE and around 50,000 Emiratis visit the UK each year. There are approximately 170 flights each week between the UAE and the UK, operated by British Airways, Etihad Airways, and Emirates. Over one million British visitors travel to the UAE annually. British exports to the UAE cover a wide spectrum of sectors such as telecommunications, power generating machinery and equipment, electrical goods, transport, office machinery, interior and retail goods and non-metallic mineral manufacture. British companies such as BP and Shell have played a significant role in the development of the UAE's energy resources.

Hundreds of British firms have a presence in the UAE. Britain is also well represented in the service sector, particularly in financial, legal and other professional services. At the same time, the UAE is a significant and dependable investor in the UK economy, injecting capital, creating jobs and contributing to long-term growth.

Recent trade and investment highlights include ADIA's purchase of a 15 per cent stake in Gatwick Airport, MASDAR's 20 per cent stake in the London Array, the world's largest offshore wind farm development, Abu Dhabi National Exhibitions Company acquisition of conference and exhibition centre ExCel in London, Abu Dhabi United Group for Development and Investment bought Manchester City Football Club in 2008, while two years earlier, DP World acquired P&O ferries and took forward the £1.5 billion London Gateway development to create the UK's first 21st Century major deep-sea container port and Europe's largest logistics park.

British companies such as BP and Shell have played a significant role in the development of the UAE's energy resources.



HM Queen Elizabeth II and Sheikh Mohammed bin Rashid Al Maktoum, Prime Minister of United Arab Emirates, in Abu Dhabi in 2010

The depth and range of academic connections between the UK and the UAE is particularly strong

DP World took forward the £1.5 billion London Gateway development to create the UK's first 21st Century major deep-sea container port and Europe's largest logistics park

Security

The Armed Forces of the UAE and the UK have strong and longstanding ties. Both work closely to preserve security and stability in the Arabian Gulf. Britain and the UAE signed a Defence Cooperation Accord in 1996 which sets out arrangements for security cooperation and represents Britain's largest defence commitment outside NATO.

In 2009 the UK also agreed a Memorandum of Understanding with the UAE Armed Forces covering arrangements for UK forces to utilise air bases in the UAE, including some sustainment flights to Afghanistan. The UAE's 250 Special Forces soldiers are the only Arab personnel undertaking full-scale operations in Afghanistan, in support of NATO's Operation Enduring Freedom. Other areas of military co-operation between the UK and UAE include loan servicemen, where UK military officers work with the UAE armed forces to help build their capabilities. Britain currently has five servicemen on loan to the UAE in training or advisory roles.

The UAE's contribution to international security and counter-terrorism includes intelligence cooperation with UK government agencies, agreements with the UK on fighting money-laundering and extradition, signing up to the Proliferation Security Initiative, and supporting and enforcing UN sanctions to contain Iranian nuclear weapons capabilities.

A Police Attaché operates from the UAE Embassy in London, working closely with the British police, immigration, and civilian security services. Police forces in both countries value the importance of sharing information and experience and work together to develop technical cooperation and specialized

projects in training undergraduate and postgraduates UAE police officers.

The City of London and Abu Dhabi have also established close links, and the Lord Mayor of the City of London makes annual visits to the UAE, while annual investment conferences take place in London. Several British banks operate in the UAE. HSBC, Barclays and RBS provide a full range of personal and corporate financial services. Standard Chartered Bank has operated in the UAE since 1958.

The depth and range of academic connections between the UK and the UAE is particularly strong. Among the British universities that have established close ties with the UAE are Exeter, the London School of Economics, Aberdeen, Durham, Bolton, Middlesex, and Cambridge. The Strathclyde Business School in Dubai and Abu Dhabi has been operating in the UAE for nearly 20 years, initially offering an MBA programme but that now includes a range of masters' programmes.

Since January 2008, Oxford University Saïd Business School (SBS) has been working with the Abu Dhabi Civil Service Department to deliver a development programme for Abu Dhabi's leading officials. British companies and organisations have been strong supporters of the work of the Emirates Foundation established in 2005 to support important long-term initiatives across the UAE in the areas of education, society and culture, research and development, social development and the environment.

UK donors and partners include BP, Shell, the British Council, Carillion, International Power, Rolls Royce and the British Embassy. The Emirates Foundation and the UK's Booker Prize Foundation

launched the International Prize for Arabic Fiction in April 2007. The prize, specifically for prose literature, reward excellence in contemporary Arabic creative writing, to encourage wider readership of quality Arabic literature in the region and internationally, and to encourage translation and publication of Arabic language literature into other major languages.

In June 2009, the Sheikh Zayed Book Award announced a strategic partnership with the Middle East Centre at the University of Oxford. The Sheikh Zayed Book Award, established under the patronage of the Abu Dhabi Authority for Culture and Heritage, is presented every year to outstanding Arab writers, intellectuals, publishers as well as young talent whose writings and translations of the humanities have scholarly and objectively enriched Arab cultural, literary, and social life.

