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The UAE's Strategy of Multi-Alignment: A Dilemma for the EU and OECD?

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This joint Clingendael Institute and Anwar Gargash Diplomatic Academy Policy Brief interprets the motivations and implications of the accession of the United Arab Emirates (UAE) to the BRICS cooperation format, especially from the perspective of the European Union (EU) and the Organisation for Economic Co-operation and Development (OECD). In its economic diplomacy, the UAE emphasizes the dominance of the pragmatic logic of geoeconomic partnerships and connectivity over geopolitical considerations. In this strategy, BRICS membership proves to occupy a distinct and complementary niche, offering the UAE strategic advantages such as flexible cooperation, an enhanced platform within the Global South and a seat at the table next to leaders such as Xi, Modi and Putin. To better cope with the challenge posed by the grouping, the EU should recognise the appeal of the BRICS instead of simply dismissing it as an anti-Western project and counter it with delivery. Firstly, the EU-UAE Free Trade Agreement (FTA) needs to be finalised based on both European and Emirati interests (potentially expanding it to the whole Gulf Cooperation Council). Secondly, progress could be made through so-called minilateral projects, connecting just the EU or a few EU or OECD member states to UAE initiatives to enhance economic connectivity. By linking UAE initiatives to for instance Global Gateway projects in the renewable energy sector and by continuing to use the OECD as a forum for regulatory alignment the dependency on both the US and China could be reduced.

Introduction

In the 2024/2025 expansion of BRICS (originally made up of Brazil, Russia, India, China, and South Africa), five African and Asian countries joined the organization. Out of these countries,[2] the United Arab Emirates (UAE) occupies a special position: the Gulf country showed remarkable economic growth in the last decades, positioning itself as a regional and global financial hub and a leader in diversification efforts, steering the economy beyond fossil fuels.

1 The policy brief is a follow-up to the Clingendael Policy Report 'The BRICS and the Emerging Order of Multipolarity'. It is part of a series of two, looking at two new BRICS member countries from within, namely the UAE and Indonesia. This Policy Brief is a co-production of the Clingendael Institute with the Anwar Gargash Diplomatic Academy (AGDA), based in Abu Dhabi, UAE.

2 Egypt, Ethiopia, Iran, Indonesia, and the United Arab Emirates.

Additionally, despite several misalignments,[3] Abu Dhabi continues to deepen its collaboration with the United States (US) and seeks to enhance ties with Western institutions like the European Union (EU) and the Organization of Economic Cooperation and Development (OECD). The potential EU-UAE Free Trade Agreement (FTA) currently under negotiation is a case in point. However, the UAE's multi-alignment strategy and its often assertive foreign policy approach, highlighted by its accession to the BRICS and its geoeconomic manoeuvring, pose a challenge for the EU.

As a remedy, this policy brief provides an interpretation of the UAE's foreign economic strategy and identifies lessons for the EU concerning its engagement with the UAE. In this, it highlights the role of the OECD as a primary forum for policy harmonization, and potential for EU-UAE collaboration within Global Gateway projects. The paper starts with an outline of UAE economic diplomacy, then follows with an analysis of motivations and implications of the UAE's accession to BRICS and the implications for the OECD and the EU.

The UAE's economic diplomacy

The practice of Emirati economic diplomacy[4] officially aims at strengthening partnerships, facilitating trade, and enhancing inward and outward investments. It shapes these activities predominantly to support the dual economic structure of the country. On the one hand, the traditionally dominant oil and gas sector still accounts for 30 per cent of the UAE's national GDP and 60 per cent of governmental revenues.[5] Although the government puts much emphasis on diversifying the economy, the development of hydrocarbon production and export remains a priority. To achieve these aims, the UAE needs strong bilateral relations with trade partners,[6] in addition to participating in multilateral coordination among producers, most importantly in the Organisation of Petroleum Exporting Countries (OPEC) and its extended version (OPEC+).

On the other hand, the UAE – partly by the revenues generated from selling hydrocarbon products – has conducted a relatively successful diversification strategy with the fastest-growing non-oil economy in the Gulf Cooperation Council (GCC).[7] To support the emerging sectors, the Emirates has positioned itself as a global economic hub, leveraging partnerships, trade agreements, and policy alignments with major international organisations. From this perspective, its economic diplomacy strategy, expressed most recently in the 'We are the UAE 2031' agenda,[8] aims to diversify the economy, boost national competitiveness, attract investments, integrate into global supply chains, and facilitate a technology and knowledge centre.

In this endeavour, bilateral, minilateral and multilateral economic cooperation formats play a key role. The Emirates have been pursuing comprehensive economic partnership agreements (CEPA) with key economies (India, Israel, Indonesia, Turkey, and about 20 others by mid-2025).[9] Apart from OPEC+, it is a partner to or active participant in multilateral economic institutions like the World Trade Organisation,

3 Guido Lanfranchi & Máté Szalai, "A Critical Friendship Needs No Courtship: Alignments and Misalignments in EU-UAE Relations". *Clingendael Institute*, May 2025.
4 Ministry of Foreign Affairs of the United Arab Emirates, "Economic Diplomacy" 2025.
5 International Trade Administration, "United Arab Emirates Country Commercial Guide", 25 August 2025.; International Monetary Fund, "United Arab Emirates: Selected Issues. Growing Green, and Sustainable", 26 June 2023.
6 In 2023, the most important buyers of Emirati crude oil include Japan (32%), China (27%), Thailand (14%), and India (8%); Organisation of Economic Complexity, "United Arab Emirates", 2025.
7 Muhammad Kudadad Chattha, et al., "Navigating the Water Crisis in the GCC: Paths to Sustainable Solution". *Gulf Economic Outlook*, *The World Bank*, December 2024.
8 The United Arab Emirates' Government Platform, "We the UAE 2031", 30 Dec, 2024.
9 Nickolay E. Mladenov, "MEI Perspectives Series 30: The UAE's BRICS Membership and the Global Role of Middle Powers". *Middle East Institute*, 4 September 2023; WAM, "UAE's CEPA Programme Strengthens Global Economic Ties with 26 Strategic Agreements". *Emirates News Agency*, 30 March 2025.

the International Monetary Fund, the World Bank, the G20, and the OECD. More recently, it has also successfully pursued memberships in informal minilateral economic groupings like BRICS (Brazil, Russia, India, China, and South Africa), I2U2 (India, Israel, United States, and UAE), IMEC (India-Middle East-Europe Economic Corridor) and UFI (UAE-France-India trilateral).

Maintaining and enhancing regional and global connectivity[10] has become a primary tool in the economic (and political) status-seeking of the UAE. In this, the Emirati leadership emphasises the dominance of the pragmatic logic of geoeconomic partnerships over geopolitical considerations. Key economic tools in fostering connectivity include sovereign wealth funds (especially Abu Dhabi Investment Authority, Mubadala Investment Company) that are among the largest in the world,[11] the Dubai-based DP World that operates ports in nearly 70 countries, and the Emirati airlines connecting 600 cities.

Consultations with the OECD, which have taken place since the independence of the UAE, play a particular role in maintaining connectivity. The collaboration, which includes sharing activity-level data since 2010, helps with policy benchmarking and best practices on issues related to innovation and economic competitiveness. For example, the UAE joined the OECD's Inclusive Framework on Base Erosion and Profit Shifting (BEPS) in 2018,[12] has taken steps to remain compliant with EU/OECD transparency initiatives and tried to align with the United Nations' Sustainable Development Goals (SDGs).[13]

More recently, in January 2025, the Emirati government launched the second phase of its economic policy development project in partnership with the OECD,[14] which targets economic diversification. The two pillars of the second phase include the tourism sector of the UAE (enhancing governance and institutional integration, development of data systems, and fostering sustainability), and the organisation of the Business Advisory Board Forum in Abu Dhabi by the end of 2025. This event is taking place in the framework of the OECD-MENA Competitiveness Programme, aiming to promote regional integration and dialogue between the private and public sectors in the Middle East.

Motivations behind the UAE's accession to BRICS

The 16th BRICS summit in Russia in late 2024 was the first annual meeting of the leaders that involved the heads of state of the countries that joined the group in January 2024, including the UAE, Iran, Egypt, and Ethiopia. New members joining the emerging market economies, which

10 Connectivity is a broad concept that covers initiatives that aim to deepen economic cooperation between countries and regions without ideological congruity. From an Emirati perspective, it stands in contrast with polarity and ideological bloc politics. See: Mohammed Baharoon, "The Quantum Politics of the Middle East". *Middle East Institute*, 1 May 2023.

11 In late 2024, Top of Form Abu Dhabi overtook Oslo to become the world's richest city in terms of assets managed by sovereign wealth funds. With $1.7 trillion under management by October 2024, the UAE capital was called as the "capital of capital". Abu Dhabi is expected to maintain its top status even in 2030 when its sovereign wealth coffers is likely to be $3.4 trillion; SEMAFOR, "Smaller Abu Dhabi Sovereign Wealth Fund Sees Growth". 18 April 2025.

12 Ministry of Finance of the United Arab Emirates "UAE, OECD Host Regional Forum on the Global Minimum Tax", 18 September 2025.

13 In the realm of SDGs, the UAE is a major global development assistance and humanitarian aid provider, which is embedded in its foreign policy. It focuses on poverty alleviation, girls' and women's and empowerment, education, health, climate change, food security, infrastructure development, science and technology, and stability and peace. In 2024, it established a dedicated UAE official development assistance (ODA) agency focusing on supporting fragile countries through multi-year programmes. Its total ODA in 2024 was $1.7 billion, with its associated activities being driven by collaboration with other partners.
OECD, "Development Co-operation Profiles: United Arab Emirates", 11 June 2025.

14 Ministry of Economy & Tourism of the United Arab Emirates "Ministry of Economy & Tourism Launches Second Phase of Economic Policy Development Project in Partnership with OECD", 14 June 2025.

are urging more representation for the Global South in world affairs, certainly suit the interests of the bloc.

For the UAE, accession to BRICS was motivated by five purposes. First, it demonstrates the Emirati effort to maintain political equidistance amid US-China competition during a world order reset and to better tap the economic opportunities among the emerging economies of the Global South. It helps in the UAE positioning itself as a middle power, it shows its confidence to take independent decisions and project an image of being a “first-mover”. Although the Emirati leadership is aware that the US, one of its main political and security partners, perceives BRICS as a revisionist club, it considers accession as a move that epitomises strategic autonomy and a certain degree of tactical ambivalence and strengthens its pursuit of independent economic, diplomatic, and security policies. Consequently, membership in BRICS helps the UAE to consolidate its multi-alignment strategy by working with China on the one hand and with the US bilaterally and minilaterally as well.[15]

Second, BRICS membership can contribute to the successful implementation of the UAE’s diversification plans. For example, the UAE’s joining of the BRICS-promoted New Development Bank (NBD) in late 2021 offers co-financing for different projects. Its sovereign wealth funds can deliver greater market access to the BRICS countries, especially in infrastructure projects, leading to greater connectivity between and among them.[16] Speaking on the sidelines of the 17th BRICS Summit in Rio de Janeiro in July 2025, UAE’s Minister of Foreign Trade Dr Thani Al Zeyoudi stressed the UAE’s strong relationships with BRICS nations and their role in driving innovation, accelerating trade and creating opportunities for cross-border investment. He also urged closer collaboration in key sectors, including logistics, agriculture, renewable energy, technology, and healthcare.[17]

Third, BRICS will also help the UAE in extending its global presence. The fact that there are now three large African nations (Egypt, Ethiopia, and South Africa) and one Latin American country in the grouping enables the UAE to enhance its strategies in those continents, which have gained momentum in recent years. This could be further pursued via collaboration with the South American trade bloc, Mercosur, and the African Continental Free Trade Area (AfCFTA).

Fourth, the expanded BRICS, which now has at least half a dozen G20 members, is also discussing a common currency. Though this is the epicentre of Washington’s ire after Donald Trump assumed the presidency and is unlikely to materialise any time soon, some of the BRICS members have already started using their local currencies to conduct trade. The UAE now has deals with India and China that encourage using their local currencies instead of the US dollar.[18]

Lastly, BRICS offers another platform for competing countries like the UAE and Iran, who are already OPEC members, to advance their de-escalation bids. Iran is also a full member of the Shanghai Cooperation Organisation (SCO), while the UAE is a dialogue partner. Amid regional tension, the 2024 BRICS Summit in Russia served as a stage for the first-ever meeting between the presidents of the UAE and Iran. This dynamic assumes greater importance in light of renewed US-Israel pressure on Iran and the 12-day war in 2025.

From the BRICS perspective, the inclusion of the UAE can serve specific interests. First, the UAE is already a reputed global economic hub that connects Asia, Africa, Europe, and America. Its strategic location and well-connected network of

15 Key multilateral initiatives include the I2U2 (Israel, India, the US, and the UAE) and the India Middle East Economic Corridor (IMEEC).

16 Middle East Briefing, “Why the UAE Joined the BRICS New Development Bank”, 26 March 2023.

17 WAM, “UAE Highlights Potential of Deeper Trade, Investment Collaboration between BRICS Nations”. *Emirates News Agency*, 5 July 2025.

18 Xinhua, “China, UAE Advance Cross-border Payment Cooperation”, 28 May 2025.

airports, ports, roads, and now railways sync well with its and some of the other BRICS members' bid to capitalize on the global connectivity agenda.

Second the UAE's style of efficient project management may, in particular, improve the competence of the BRICS administrative machinery. Lastly, it is important to mention that the topics for which the UAE is sometimes criticised in the EU[19] are either less of a priority for BRICS members (especially concerning grey economic activities, human rights concerns, and the Emirati role in various conflicts) or are even beneficial to them (e.g., sanctions evasion with both Russia and Iran).

In short, these opportunities offer the UAE a prime position to not just 'be either at the table or on the menu.' It can now simultaneously be 'at the table and on the menu', thus steering its own agenda, while adding dynamism to the bloc's activities. The informal and legally non-binding nature of the grouping also offers it the flexibility to opt out of the membership if the necessity arises, either due to political reasons or if its economic expectations are not met.

Implications of the UAE's BRICS membership

Since it has only been about two years since the UAE's accession to BRICS, it is too early to identify the strategic consequences of Emirati membership. So far, tangible gains have remained limited and constrained to the political realm (especially status-seeking). That said, a few implications can be identified.

Most importantly, the experience of the UAE as a BRICS member shows that the Emirati government continues to prioritise simultaneous and pragmatic bilateral and regional partnerships as core tools of its economic statecraft. Since accession, Abu Dhabi started trade deal negotiations with the European Union, its CEPAs with Cambodia and Georgia entered into force, and signed deals with Costa Rica and Mauritius, too. In May 2025, Abu Dhabi signed multiple business deals with the US worth 200 billion USD.[20] Although the I2U2 cooperation format was revisited by American President Donald Trump and Indian Prime Minister Narendra Modi, it has tentatively lost steam due to recent American-Indian tensions and Israeli actions in Gaza and the broader region.

For these reasons, the UAE's accession to BRICS did not prove to be a representation of changing alignment policy, but rather constitutes a significant addition to its multi-alignment strategy. In this, BRICS membership proved to occupy a distinct and complementary niche, offering the UAE three strategic advantages distinct from those provided by Western-led multilateral institutions.

First, the UAE's multi-aligned foreign policy benefits from BRICS' emphasis on flexible cooperation and consensus rather than rigid institutional frameworks, allowing Abu Dhabi to project influence without seriously compromising its other strategic partnerships. This institutional flexibility is a strategic advantage for small but globally ambitious states like the UAE, which avoids exclusive partnerships and pressure from great powers to choose between them.

Secondly, the UAE's accession to BRICS reflects not only economic calculations, but also a strategic ambition to project a leading actor role within the Global South and beyond. BRICS offers a high-visibility platform through which the UAE can construct and consolidate its identity as a sovereign, globally engaged power. International prestige plays a key role in legitimising narratives of modernisation, autonomy and strategic relevance to the rest of the world. BRICS membership amplifies this narrative by offering the UAE a symbolic seat at the table – next to the likes of the leaders of

19 See Szalai & Lanfranchi, 2025.

20 The White House, "Fact Sheet: President Donald J. Trump Secures $200 Billion in New U.S.-UAE Deals and Accelerates Previously Committed $1.4 Trillion UAE Investment", published on 15 May 2025.

India, Russia, and China. This can help the UAE's image problems in, for example, Africa, where its growing economic, political, and military footprint has caused pushback from both local and international observers.[21]

Thirdly, the expansion of BRICS to include the UAE underscores how the bloc increasingly serves as a gravitational centre for emerging powers seeking alternatives to Western-dominated forums like the IMF, World Bank, and OECD. For many countries, joining BRICS reflects a growing demand for more pluralistic forms of global governance that better reflect the economic weight and political aspirations of non-Western states.[22] Unlike the conditionality-driven models of Bretton Woods institutions (IMF and World Bank), BRICS aims to offer a framework rooted in sovereign equality, consensus-based decision-making, and the projection of South–South solidarity. The inclusion of a globally connected and capital-rich economy[23] like the UAE enhances the bloc's credibility as a viable alternative arena for economic diplomacy, development finance and monetary experimentation, including initiatives such as the New Development Bank and discussions around non-dollar trade mechanisms.

So far, there have been no serious political costs for the UAE for joining BRICS. In its relations with the US, Abu Dhabi continues to successfully balance ties without considerable tensions (see the Emirati-American deals announced in May 2025). From this perspective, any major development in Chinese-Emirati ties, including the use of local currencies in their trade, will be under scrutiny, but this concerns bilateral relations more than minilateral ones. Regardless of the BRICS accession, the EU continues to advocate deepening ties with the UAE, especially with the ongoing negotiations on an FTA and a Strategic Partnership Agreement announced in July 2025.[24]

Many European/Western observers believe that with the Emirates and Iran as its members, BRICS could become more fragmented when it comes to geopolitical and ideological interests, making it more difficult to use the same voice when it comes to specific conflicts and crises, especially in the Middle East. That said, from a BRICS point of view, the UAE and Iran now have better diplomatic relations than they did between 2011 and 2019. Amid a regional recalibration and thaw between the Gulf neighbours, the presidents of the two countries met at the BRICS Summit in Russia in 2024. Moreover, while they have differences on Hamas from an ideological perspective, the UAE condemned Israel's attacks on Iran in 2025.

The OECDs dilemma

The UAE's BRICS membership adds a new layer in its engagement with Western-led organisations such as the OECD. From an OECD perspective, the key question is whether the UAE's growing ties with BRICS will reinforce collaborative global governance or introduce parallel norms that challenge OECD standards. However, the governance structure of the BRICS still allows members OECD-convergence.

The UAE's accession to BRICS does not diminish its commitment to OECD-aligned development standards but rather reflects a strategic broadening of its multilateral toolkit. The UAE has signalled that it values the OECD's role in setting high-standard economic norms.[25] For example, the UAE remains deeply involved in the OECD's tax and development initiatives: it joined the OECD Development Assistance Committee

21 Rachel Savage, "UAE Becomes Africa's Biggest Investor amid Rights Concerns", The Guardian, 24 December 2025.

22 Stewart Partick et al., "BRICS Expansion and the Future of World Order: Perspectives from Member States, Partners, and Aspirations". Carnegie Endowment, 31 March, 2025.

23 Highlighted by its membership of the NDB as a non-borrowing member.

24 EC. 2025. "Commission Welcomes the Adoption of the EU Mandate by the Council to Launch Negotiations with the Six GCC Countries". European Commission, 18 July 2025: . European Commission, "Commission Welcomes the Adoption of the EU Mandate by the Council to Launch Negotiations with the Six GCC Countries", 18 July, 2025.

25 Ministry of Finances of the United Arab Emirates, "Ministerial Decision No. (88) of 2025", published on 28 March 2025.

(DAC) to align with global aid standards, and they recently adopted OECD rules on global minimum taxation.[26]

This institutional complementarity means the UAE can use its BRICS ties to inform and even enhance cooperation with bodies like the OECD – for example, by bringing other perspectives into OECD discussions on issues such as development finance, thereby enriching policy dialogue. At the same time, in BRICS, the UAE also represents a country that tries to keep the format apolitical and flexible, without the pressure to cut ties with Western institutions.

However, there are inherent tensions and risks that the OECD and similar organisations will be monitoring. Fundamentally, BRICS' *raison d'être* is to offer an alternative to Western-dominated forums. It occasionally challenges the primacy of those institutions by, for example, establishing parallel financial mechanisms such as the New Development Bank as an alternative to the World Bank, advocating for de-dollarisation and local currency trade to reduce reliance on the US dollar, launching the Contingent Reserve Arrangement (CRA) to mirror the IMF's stabilisation role, and pushing for greater voting reform at the IMF and World Bank to reflect the economic weight of emerging economies.[27] However, the BRICS's attractiveness is partly due to the fact that it does not force its members to make a choice between its institutions and others dominated by the US and other Western countries.

Regardless, from an OECD perspective, these initiatives can be considered as rivalling systems. The UAE's participation in these can therefore be perceived as bypassing US and EU-led channels and democratic governance, and strengthening an image of unconventional modernisation. For instance, whereas the OECD's approach to development aid and finance often involves policy conditionality and governance standards, BRICS institutions (like the NDB) pride themselves on low-conditionality.[28] The NDB offers financing with minimal political and economic conditionality, whereas the IMF imposes more stringent macroeconomic reforms such as austerity measures,[29] as seen in the 20 billion USD IMF bailout for Argentina, approved in April 2025.[30]

The inclusion of countries under Western sanctions (like Russia and Iran) in BRICS further complicates matters; the UAE's engagement with these states via BRICS creates frictions with Western partners who expect adherence to international sanctions or standards.[31] In practice, the UAE's approach indicates it seeks the best of both worlds. Most BRICS members – including the UAE – have no desire for rigid blocs that force a binary choice.

Conclusions and Implications for the EU and Global Gateway

This policy brief looked at the potential for UAE cooperation with the OECD and EU, which see this as a dilemma. Despite the UAE being open to connect to all, including the expanded BRICS, it is not an option to ignore this powerful player from the Gulf. In terms of policy orientation, financial instruments and a desire to reduce dependencies on great powers, it is logical to step up cooperation without further delay.

While the EU has repeatedly proclaimed the need for strategic autonomy in light of China – and now also the US – this rhetoric has translated into little credible action on a strategic scale.

26 OECD, "Development Co-operation Profiles: United Arab Emirates". *OECD*, 11 June 2025.

27 Raoul Bunskoek & Steven Verburg, "The BRICS and the Emerging Order of Multipolarity". *Clingendael Institute*, May 2025.

28 William Gumede, "Re-modelling the BRICS New Development Bank". *Inclusive Society Institute*, October 2023.

29 Economic policies that governments implement to reduce budget deficits, typically through spending cuts, tax increases, or a combination of both.

30 International Monetary Fund, "IMF Executive Board Approves 48-month US$20 Billion Extended Arrangement for Argentina", 11 April 2025.

31 Raul Villegas, & Amanda Paul, "BRICS after Kazan – Picking up Pace but not to Russia's Tune". *European Policy Center*, 31 October 2024.

Its reliance on normative diplomacy in which values such as democracy, rule of law and human rights are projected are increasingly met with scepticism in many regions outside of Europe. The war in Gaza has further undermined Europe's image, especially in the Middle East. Many developing countries view the EU's calls for rules-based order as selective and inconsistent, reinforcing the perception that the EU prioritises its own security concerns while overlooking the grievances of others. The current wave of recognising Palestinian statehood by key EU member states is a welcome step by many partners of the EU, although it will not solve the EU's image problems entirely.

The loss of credibility, combined with diminishing competitiveness and overreliance on the US, undermined the EU's international cloud (despite it still being an attractive market). If the EU fails to recalibrate its foreign engagement, it risks being squeezed between global powers and relegated to playing second fiddle in the multipolar order. The UAE's accession to the BRICS illustrates this reality: middle powers are diversifying their partnership in an à la carte way, seeking recognition, flexibility and financing for their ambitious development efforts. The global order is changing rapidly and the EU is insufficiently engaged.

The EU, however, still has more to bring to the table than is often perceived. In a period of mounting geopolitical uncertainty, predictability and reliability have become the most sought-after commodities in international partnerships. Unlike more volatile systems, the EU's consistency and legal clarity are strategic assets in themselves, making Europe an attractive partner.

Rather than framing BRICS as an 'anti-Western' bloc, the EU needs to enhance its understanding of the appeal of flexible, low-conditionality platforms for middle powers seeking visibility and agency. At the same time, the EU should recognise that it has much to offer to new BRICS members like the UAE, Indonesia, and Ethiopia. The ongoing free trade negotiations between the European Union and the Emirates are a case in point, which show more than just the economic attractiveness and the leverage of the EU that can be used to ensure European political and economic interests are met during the finalisation of the deal.[32] If successful, the EU-UAE free trade agreement could be extended to other GCC countries as well. Additionally, the EU and its member states can offer minilateral collaborations to the UAE and other BRICS partners, primarily India, Egypt, and Brazil, to enhance connectivity and decrease the dependency on the US.

From this perspective, the Global Gateway can serve as a vehicle to diversify away from both the US and China, while intensifying engagement with developing markets where European – and Dutch – expertise in water management, agritech and smart logistics are highly valued. The renewable energy industry, a priority area for both the Global Gateway project and the UAE's economic strategy, has the potential to further drive collaboration, alongside cooperation in AI, digital governance, and the defence industry.

A credible and effective Global Gateway relies on meaningful engagement with the private sector. Private companies contribute the technology, capital, and operational capacity that the EU alone cannot mobilise, thereby strengthening Europe's broader objectives of economic security, internal market resilience, and diversified supply chains. In this context, the EU and the UAE are not only competitors for influence and investment in the Global South but also potential partners. Both actors aim to embed their firms, standards, and financing models in strategic projects abroad. Joint ventures or co-financing initiatives in renewable energy, digital infrastructure, and logistics could create scale, reduce duplication, and enhance the global visibility of both sides.

32 See Szalai & Lanfranchi, 2025, for specific European interests vis-á-vis the UAE.

The UAE's expanding role in connectivity initiatives – such as the Belt and Road Initiative, the India–Middle East–Europe Corridor (IMEC), and the Development Road Project – makes it a natural collaborator for the Global Gateway. Leveraging the UAE's expertise in port development and logistics could add tangible value to EU-led projects. Further, linking IMEC with Europe's Three Seas Initiative (on the Baltic, Adriatic and Black Seas) or aligning overlapping infrastructure under the Global Gateway framework could maximise efficiency and minimise corridor competition. Coupled with high-level political engagement and co-investment showcases, such cooperation would demonstrate that strategic competition need not preclude pragmatic partnership, while positioning both the EU and the UAE as complementary actors in shaping sustainable connectivity and development pathways.

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This Policy Report is part of the PROGRESS-series 'Global Governance in Flux', with contributions by experts from the Clingendael Institute and The Hague Centre for Strategic Studies (HCSS). The series informs policymakers and stakeholders about developments in global governance that are relevant to the EU, EU member states and partners