



Qatar-U.K. ties after the blockade and Brexit: What next?

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The relationship between Qatar and the UK goes back more than 150 years. [Reuters]

Media reports in November 2021 that suggested that British and Qatari officials had held talks over Qatar becoming a long-term gas "supplier of last resort" to the United Kingdom (UK) shone a spotlight onto an important relationship as Qatar overcame the blockade imposed by three of its regional neighbours and the UK seeks to define a new role for 'Global Britain' following its departure from the European Union. (1) Qatar and the UK have long been connected by a shared historical past and a political relationship that marked 50 years in 2021 since Qatar became an independent sovereign state and have a range of economic and commercial ties that have deepened over the past decade. Against the backdrop of ongoing geopolitical uncertainties and the changing global energy landscape, this paper examines how and where the bilateral relationship between the UK and Qatar may develop further into the 2020s.

The relationship between Qatar and the UK goes back more than 150 years, and was first formalised in an exchange of letters in 1868 between Britain's (then) Political Resident in the Gulf, Lewis Pelly, and Sheikh Mohammed bin Thani, which recognised Qatar as a political entity separate from the Ottoman Empire with the AI Thani family at its head. Half a century later, in 1916, Britain established a special strategic relationship with Qatar that mirrored existing British agreements with Kuwait, Bahrain and the emirates that became the United Arab Emirates (UAE), and lasted until 1971. On independence, the Political Agency in Doha became the British Embassy and ties continued to evolve in both formal and informal ways.

A spectrum of connections

Relations between Qatar and the UK function on multiple levels and span a spectrum from formal arrangements to informal contacts. Diplomatic ties encompass regular visits by government ministers of both countries and increasingly assertive moves by the respective embassies in Doha and London to publicise and promote their nations' interests within the context of the bilateral framework. These formal ties are supported and assisted by organisations such as the Qatar British Business Forum, established in 1992 to promote trade between the two countries, and the All-Party Parliamentary Group for Qatar, which attracted attention in October 2021 when its chairman, the long-serving Conservative Member of Parliamentary Visit to Doha. (2)

On a more informal level, relations between Qatari and British elites are bolstered by the two countries' royal/ruling families, which leaders from the UK, Qatar and other Gulf monarchies have long sought to leverage in advancing their countries' interests, as well as by connections to institutions such as the Royal Military Academy Sandhurst, of which both the current Emir and the Father Emir are graduates. (3) Such ties are more intangible (and are a feature of UK relations with other Gulf States as well as Qatar) but are no less significant in forging commonalities of interests among communities of key stakeholders in each country. (4) An example of this type of soft power in operation was the 2014 decision by Royal Ascot to enter a long-term branding and marketing partnership with the Qatar Investment & Projects Development Holding Company (QIPCO), the first of its kind for one of Britain's most important 'society' events. (5)

Along with Washington, D.C., London has long been viewed as an important arena for the cultivation of soft power and, especially in times of tension, a target for lobbying and messaging designed to project specific narratives that take advantage of the worldwide reach of much of English-language media. (6) An example of this, a narrational battle took place during the 2014 diplomatic dispute between Qatar and Saudi Arabia, Bahrain and the UAE, when a London-based consultancy actively sought to shape a narrative friendly to the UAE and hostile to Qatar (7) while the Daily Telegraph ran a series of 34 separate articles trying to link Qatar with the financing and supporting of terrorist organisations. (8) Three years later, with Emirati and Saudi officials having failed in a campaign to pressure David Cameron's government into designating the Muslim Brotherhood a terrorist organisation, (9) British media was again the target of an attempt to discredit Qatar at the start of the blockade, this time over the hosting of the 2022 FIFA World Cup. (10)

To be sure, Qatari and Qatar-linked groups have fostered their own connections and partnerships with British-based entities and established a lobbying presence of their own in London. (11) Both the 2014 diplomatic dispute and the more severe blockade of 2017-21 illustrated the value of public diplomacy and showed how far Qatar had come in that regard since the period around the Arab Spring, when Qatari silence over their regional initiatives fuelled damaging speculation about their motivations for engaging. (12) Given that one of the objectives of the blockade of Qatar launched by Saudi Arabia, Bahrain, the UAE and Egypt on 5 June 2017 was to isolate Qatar politically and economically, it was no small achievement that their move against Doha attracted virtually no regional or international support and that Qatar's global partners refused to take sides, with the temporary exception of parts of Donald Trump's White House. (13)

The blockade and Brexit

Qatar remained under blockade for exactly 43 months until the signing of a reconciliation agreement at the Gulf Cooperation Council's annual summit which took place at the Saudi heritage site of Al-Ula on 5 January 2021. The Al-Ula meeting occurred five days after the UK completed its protracted exit from the European Union (EU) when the transition period that followed the official 'Brexit' (on 31 January 2020) ended and the new relationship between the UK and the EU took effect with the UK outside the Single Market and Customs Union and no longer subject to EU regulations or freedom of movement. (14) For both Qatar and the UK, 2021 saw the turning of a new page after a period of intense geopolitical uncertainty, albeit one that remained under the unpredictable grip of the worldwide Covid-19 pandemic.

What, then, are the contours of the current relationship between Qatar and the UK and how might they be expected to evolve as the two countries move further into the post-blockade and post-Brexit landscape? A starting observation is that, for all the talk of a 'Global Britain' taking shape, the framing of British foreign policy, including toward the Gulf States, has only proceeded in fits and starts since the European referendum in June 2016 and has yet to display any consistency or clarity. British Foreign Secretary Boris Johnson claimed in a bombastic December 2016 speech in Manama that the UK had erred in withdrawing from the Gulf in 1971 and declared that "Britain is back East of Suez." (15) That same month, Prime Minister Theresa May attended the GCC Summit, also in Bahrain, as the guest of honour where she stated that for the UK, "Gulf security is our security." (16)

Several reasons accounted for the slow progress after 2016. British officials expressed a preference to negotiate a free trade agreement with the GCC (rather than with individual states). But within six months of Theresa May's visit to the Bahrain summit, the GCC was split apart by the blockade of Qatar. Meanwhile, the process of withdrawing from the EU was long and torturous, and took up most of the political and policymaking bandwidth between 2016 and 2019, the year it also took down

May's premiership. Nothing came of the 'Gulf Strategy' promised in 2015 and the Gulf Strategy Unit set up in the Cabinet Office never really took off. (17) While Johnson broke the impasse as he led the Conservative Party to a decisive victory in the general election of December 2019, the formal departure from the EU in January 2020 was followed almost immediately by the onset of the pandemic. (18) Other missteps, such as the short-lived appointment of Lord Edward Lister as the UK's Special Envoy to the Gulf in February 2021, which also slowed progress, as Lister resigned after only two months in post due to personal circumstances. (19)

British policy remains focused on securing a free trade agreement with the GCC. The Department for International Trade launched in October 2021 a three-month consultation period prior to the start of negotiations, which it is hoped will lead to a trade deal by the end of 2022. (20) If an agreement can be struck as quickly as Johnson envisages, it would be a political win for an embattled prime minister and a government that has struggled to turn the rhetorical promises of Brexit into practical reality. (21) A deal could also revitalise the GCC under the Secretary-Generalship of Nayef Falah Al-Hajraf, who also took office just as the pandemic overwhelmed the region in 2020, and would contrast sharply with the failure of the 20-year on-off attempt to reach a GCC-EU free trade agreement between 1989 and 2009. (22) Those talks collapsed in part due to the EU's insistence that human rights conditionalities be built into any agreement but also over European opposition to petrochemical imports from GCC states. The likely absence of such concerns from a UK-GCC trade deal will be construed as a win for both parties.

It is therefore probable that the next phase in the Qatar-UK relationship will evolve alongside the UK-GCC framework, and it will be instructive to see whether the focus on the GCC can finally overcome the longstanding prevalence of bilateral state-to-state relationships. Given that the British government has also appointed a Special Envoy for Vision 2030 in Saudi Arabia and the UAE has long been a favourite of British investors and business, it may be that bilateral flows continue to take the lead in UK-Gulf relations. (23) Sectors such as fintech and health technology as well as digital trade and the rapidly growing renewable energy market are examples of areas where British officials feel they have a competitive advantage, but this will take a different path from one country-specific relationship to another.

A new phase in bilateral relations

For Qatar, the early signs are that bilateral relations with the UK will deepen already created interdependencies with energy and cooperation on issues of regional security and stability the main focal points. While much media attention has been paid to the high-profile pattern of Qatari investments into real estate in London, such as Canary Wharf, the Shard development and Harrods, no less significant has been the investment in infrastructure such as Heathrow Airport Holdings, in

which the Qatar Investment Authority has a 20 percent stake in the ownership company and the South Hook Liquefied Natural Gas (LNG) terminal at Milford Haven in Wales, which is a sprawling industrial facility majority-owned by Qatar Petroleum (now QatarEnergy) in partnership with ExxonMobil and France's Total. Once they arrive at South Hook, the incoming LNG cargoes are then reconverted into gas by the South Hook Gas Company, itself a joint venture between QatarEnergy and ExxonMobil.

It is against this backdrop that the suggestion that Qatar might become a gas supplier of last resort to the UK may unfold. Qatar and the UK already have developed a long-term energy relationship in the 14 years since the first shipment of LNG from Qatar's RasGas arrived in the UK in 2008. QatarGas and Centrica, the owner of British Gas, entered a series of gas supply arrangements with the current one signed in 2016 set to last until the end of 2023. (24) At one point, between 2014 and 2016, no less than 93 percent of all LNG imported into the UK was sourced from Qatar, (25) and it was this interdependency that led Lord David Howell, a former Secretary of State for Energy under Margaret Thatcher and, at the time, a senior advisor on international energy to then-Foreign Secretary William Hague, to quip in 2012 that if Qatar "was to go into chaos we would be up shit creek, we really would." (26)

Over the past decade, the UK has become one of the largest European importers of LNG as domestic production of oil and gas from the North Sea entered a period of long-term decline (of around 5-7 percent per year), and the share of British gas met by imports rose from 40 percent to 60 percent between 2008 and 2017 alone. (27) The likelihood of a sustained fall in North Sea output and a political desire to avoid the volatility in energy prices that has happened in recent months means there is a strong incentive for British policymakers to move away from its market-based import approach and seek agreements that provide an element of longer-term security of supply of gas. (28) And while a majority of Qatar's current LNG output is already earmarked under existing agreements, the expansion of production from the North Field means that significant additional volumes of LNG are scheduled to become available between 2024 and 2027. (29)

A pair of documents published in March 2021 – an Integrated Review of Security, Defence, Development and Foreign Policy and a Defence Command Paper – laid out British strategic thinking toward 'Global Britain' in the post-Brexit world and were notable for setting out the concept of a 'tilt' to the Indo-Pacific. While the Integrated Review appeared to downgrade the Middle East and the Gulf in its coverage and made no mention of Qatar, the Defence Command Paper acknowledged the close military partnership with Qatar especially in air power with the creation of a joint Hawk training squadron and Typhoon squadron which, for the Royal Air Force, is its first such collaborative venture since the Second World War. (30) Other forms of collaboration in the security sphere have

involved the training of Qatari police in the UK to gain experience in crowd control ahead of the 2022 FIFA World Cup, which begins in November. (31)

The 12 months since the release of the Integrated Review and the Defence Command Paper in the UK have seen the chaotic end to the 20-year 'forever war' in Afghanistan and the pivotal role Qatar played in facilitating the withdrawal of vulnerable persons from Kabul as the city fell to the Taliban. The British Embassy in Kabul relocated to Qatar in August 2021 as did the US and other diplomatic missions while Western officials continue to engage with Taliban representatives at their political office in Doha. (32) Visits to Qatar by the Foreign Secretary and other key officials from the UK (and the United States) indicate that Qatar will continue to play a central role in Afghan diplomacy for the foreseeable future, and a close relationship with the UK can assist in the projection of British influence in this and other regional arenas. (33)

Amid uncertainty in the Gulf (and the broader Middle East) over the reliability of US presence in the region (if less for Qatar after the designation of Major Non-NATO Ally status during the Emir's visit to Washington, D.C. in January), there could be an opening for the UK to demonstrate that it remains a reliable and dependable partner even if it cannot possibly begin to replicate the US role in regional security. For this to happen, there needs to be political will on both sides, and Johnson's beleaguered position may preclude some of that leadership in the immediate future, especially if his domestic difficulties result in a challenge to his position either before or after the local elections in the UK in May 2022. With the possibility that turmoil at the top of British politics may continue for weeks or months, progress in moving the UK-Qatar relationship into the next phase – which inevitably will span the World Cup and 'post-2022' era – is likely to come from technocratic partnerships that showcase the underlying synergies between the two countries and thicken the linkages that connect British and Qatari interests together.

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