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The United Arab Emirates (UAE): Issues for U.S. Policy

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Summary

The United Arab Emirates (UAE) has been a significant U.S. partner in Gulf security for more than two decades, helping to address multiple regional threats, and benefitting from long-standing and extensive defense cooperation with the United States. About 5,000 U.S. military personnel are stationed at UAE military facilities, hosted there under a 1994 U.S.-UAE defense cooperation agreement (DCA) that remains in effect by mutual agreement. The UAE was the first Gulf state to order the most sophisticated missile defense system sold by the United States (the THAAD), demonstrating support for U.S. efforts to forge a coordinated missile defense network against Iran. The UAE also hosts other Western forces, including those of France.

As the UAE has gained capability to project force, it has increasingly acted assertively in the region, particularly in concert with Saudi Arabia. The UAE is part of a Saudi-led military effort to counter the Iran-backed Zaidi Shiite Houthi rebels in Yemen—an effort to which the United States provides limited logistical support. In partnership with U.S. special operations forces, UAE forces are also combatting Al Qaeda's affiliate in that country. In recent years, UAE forces have been deployed to several bases in East African countries to train allied forces and facilitate the UAE's operations in Yemen. On the other hand, the UAE is supporting a rebel military commander in Libya who is acting counter to U.N. and U.S. efforts to forge a unified, post-Qadhafi political structure there.

The UAE's strident opposition to Muslim Brotherhood-linked regional organizations as a regional and domestic threat—a position shared by Saudi Arabia—has driven UAE policy toward Egypt, Syria, the Palestinian territories, and other countries where Brotherhood-linked organizations operate. The UAE stance has also stoked major tensions with Qatar, which supports Brotherhood-related groups. These differences erupted in June 2017, when the UAE joined Saudi Arabia, as well as Bahrain, in a move to isolate Qatar until it adopts regional policies closer to those of the three GCC states. U.S. officials have sought to resolve the dispute, thus far unsuccessfully, by trying to persuade Saudi Arabia and the UAE to compromise with Qatar.

The UAE's relatively open borders and economy have generally won praise from advocates of expanded freedoms in the Middle East. The UAE is considered among the wealthiest countries in the world, in part because of the small population that requires services, and the wealth has helped the government maintain popular support. In 2006, the government established a limited voting process for half of the 40 seats in its quasi-legislative body, the Federal National Council (FNC). The most recent such vote was held in October 2015, and resulted in the selection of a female as speaker of the FNC. However, the country remains under the control of a small circle of leaders. And, since the Arab Spring uprisings, the government has become more wary of the potential for regional conflicts to affect domestic stability, and it has sought to suppress the relatively small secular and Islamist opposition.

In part to cope with the effects of the significant fall in oil prices since mid-2014, the government has created new ministries mandated to formulate future economic and social strategies and to try to attract the support of the country's youth. At times when the UAE has received U.S. assistance, the aid—which has been in very small dollar amounts—has generally been provided to qualify the UAE for inclusion in training and other programs that benefit UAE security.

Very few policy changes are anticipated when UAE President Shaykh Khalifa bin Zayid Al Nahayyan, who suffered an incapacitating stroke in January 2014, leaves the scene; his younger brother, Shaykh Muhammad bin Zayid, has been the de facto leader.

Contents

Governance, Human Rights, and Reform.....	1
Governance Issues.....	3
Federal National Council (FNC) and FNC Elections	4
Opposition and Government Responses	4
U.S. Democracy Promotion Efforts and UAE Restrictions	6
Other Human Rights-Related Issues	7
Media and Research Institute Freedoms	7
Justice/Rule of Law.....	8
Women’s Rights	8
Religious Freedom.....	9
Labor Rights/Foreign Worker Rights.....	9
Human Trafficking.....	10
Foreign Policy and Defense Issues.....	10
Iran Policy	11
Policy Toward and Intervention in Regional Conflicts	13
Egypt.....	13
Libya	13
Islamic State/Iraq/Syria.....	14
Yemen	15
Afghanistan.....	17
Other Foreign Policy Issues: Israeli-Palestinian Dispute	17
UAE Foreign Aid	18
Defense Cooperation with the United States.....	19
Defense Cooperation Agreement (DCA) and U.S. Forces in UAE	19
U.S. and Other Arms Sales	20
UAE Defense Cooperation with Other Powers.....	23
Additional Measures to Address Manpower Shortages	24
Cooperation against Terrorism and Proliferation	24
International Terrorism Issues.....	24
Port and Border Controls	26
Export Controls.....	27
Nuclear Agreement and Other Technology Issues.....	28
Economic Issues	29
Oil and Gas Sector and “Clean Energy” Initiatives	29
U.S.-UAE Trade and Trade Promotion Discussions	30
U.S. Assistance to the UAE.....	30
“Open Skies” Issue	30

Figures

Figure 1. Map of United Arab Emirates	3
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Tables

Table 1. UAE Leadership	1
Table 2. Some Basic Facts About UAE	6

Contacts

Author Contact Information	31
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Governance, Human Rights, and Reform¹

The United Arab Emirates (UAE) is a federation of seven emirates (principalities): Abu Dhabi, the oil-rich federation capital; Dubai, a large commercial hub; and the five smaller and less wealthy emirates of Sharjah, Ajman, Fujayrah, Umm al-Qaywayn, and Ras al-Khaymah. Sharjah and Ras al-Khaymah have a common ruling family—leaders of the Al Qawasim tribe. After Britain announced in 1968 that it would no longer ensure security in the Gulf, six “Trucial States” formed the UAE federation in December 1971; Ras al-Khaymah joined in 1972. The federation’s last major leadership transition occurred in November 2004, upon the death of UAE cofounder and first President Shaykh Zayid bin Sultan Al Nuhayyan, ruler of Abu Dhabi.

Table I. UAE Leadership

Khalifa bin Zayid al-Nuhayyan	UAE President and Ruler of Abu Dhabi Emirate. Incapacitated since 2014 stroke
Muhammad bin Rashid Al Maktum	UAE Vice President, Prime Minister, and Defense Minister, and ruler of Dubai Emirate
Muhammad bin Zayid al-Nuhayyan	Crown Prince/heir apparent of Abu Dhabi, de facto President of UAE due to brother’s incapacitation
Sultan bin Muhammad Al Qassimi	Ruler of Sharjah Emirate
Saud bin Saqr Al Qassimi	Ruler of Ras al-Khaymah Emirate. His elder brother, Khalid bin Saqr, claims his 2003 removal as heir apparent was illegitimate and that he is the rightful ruler of the emirate. That claim is not recognized by UAE.
Humaid bin Rashid Al Nuami	Ruler of Ajman Emirate
Saud bin Rashid Al Mu’alla	Ruler of Umm al-Qaywayn Emirate
Hamad bin Muhammad Al Sharqi	Ruler of Fujairah Emirate
Abdullah bin Zayid al-Nuhayyan	Foreign Minister
Amal al-Qubaisi	Federal National Council speaker. Only female to head a GCC legislative body.
Yusuf al-Otaiba	Ambassador to the United States. Son of former longtime UAE Oil Minister Mani Saeed al-Otaiba

Shaykh Zayid’s eldest son, Shaykh Khalifa bin Zayid al-Nuhayyan, born in 1948, was elevated from Crown Prince to ruler of Abu Dhabi upon Zayid’s death. In keeping with a long-standing agreement among the seven emirates, Khalifa was subsequently selected as UAE president by the leaders of all the emirates, who collectively comprise the “Federal Supreme Council.” The ruler of Dubai traditionally serves concurrently as Vice President and Prime Minister of the UAE; that position has been held by Shaykh Muhammad bin Rashid Al Maktum, architect of Dubai’s modernization drive, since the death of his elder brother Shaykh Maktum bin Rashid Al Maktum in January 2006. The Federal Supreme Council meets four times per year to establish general policy guidelines, although the leaders of the emirates consult frequently with each other.

¹ Much of this section is from the State Department’s country report on human rights practices for 2015, <http://www.state.gov/documents/organization/253163.pdf>; the State Department report on International Religious Freedom for 2014, <http://www.state.gov/documents/organization/238694.pdf>; and the Trafficking in Persons Report for 2015, <http://www.state.gov/documents/organization/243562.pdf>.

UAE leadership posts almost always change only in the event of death of an incumbent. The leadership of the UAE was put into doubt by Shaykh Khalifa's stroke on January 24, 2014. He has not appeared publicly since and reportedly is incapacitated, but, in order not to cause turmoil within ruling circles, there is unlikely to be a formal succession as long as he remains alive. His younger brother and the third son of Shaykh Zayid, Crown Prince Shaykh Muhammad bin Zayid al-Nuhayyan (born in 1961), is almost certain to succeed him in all posts. Shaykh Muhammad had been assuming day-to-day governing responsibilities prior to Khalifa's stroke and has been de facto leader since. He and Shaykh Muhammad bin Rashid of Dubai have long been considered the key strategists of UAE foreign and defense policy.

Several senior UAE officials are also brothers of Shaykh Muhammad bin Zayid, including Foreign Minister Abdullah bin Zayid, deputy Prime Minister Mansur bin Zayid, deputy Prime Minister and Minister of Interior Sayf bin Zayid, and National Security Advisor Shaykh Tahnoun bin Zayid. The latter was appointed to that post in early 2016. In early 2017, indicating that a younger generation is ascending, Shaykh Muhammad's son, Khalid bin Muhammad, was appointed deputy National Security Adviser. The second son of Zayid, Shaykh Sultan bin Zayid Al Nuhayyan, plays virtually no role in the governing structure.

As shown in the table above, each emirate has its own leader. The five smaller emirates, often called the "northern emirates," tend to be more politically and religiously conservative and homogenous than are Abu Dhabi and Dubai, which are urban amalgams populated by many Arab, South Asian, and European expatriates.

Figure I. Map of United Arab Emirates



Source: CRS Graphics.

Governance Issues

UAE leaders argue that the country’s social tolerance and distribution of national wealth have rendered the bulk of the population satisfied with the political system, and that Emiratis are able to express their concerns directly to the country’s leaders through traditional consultative mechanisms. Most prominent among these channels are the open *majlis* (councils) held by many UAE leaders. UAE officials maintain that Western-style political parties and elections for a legislature or other representative body would aggravate schisms among tribes and clan, cause Islamist factions to become radical, and open UAE politics to regional influence. Minister of State for Federal National Council Affairs (FNC, discussed below) Anwar Gargash wrote on August 26, 2012, that “The UAE’s end goal is not a liberal multiparty system. This model does not correspond with our cultural or historical development.”² His comments came following an August 2012 announcement of the formation of a political party called Al Umma (“the Islamic community”), a violation of UAE law forbidding political parties.

² Anwar Gargash. “Amid Challenges, UAE Policies Engage Gradual Reforms.” *The National*, August 26, 2012.

Federal National Council (FNC) and FNC Elections

The UAE has provided for some formal popular representation through a 40-seat Federal National Council (FNC)—a quasiparliament that can review and recommend, but not enact or veto, federal legislation. The FNC can question, but not remove, ministers and it conducts such questionings regularly. Its sessions are open to the public. The seat distribution of the FNC is weighted in favor of Abu Dhabi and Dubai, which each hold eight seats. Sharjah and Ras al-Khaymah have six each, and the others each have four. The government has not implemented calls, such as were expressed in a March 2011 petition signed by 160 UAE intellectuals, to transform the FNC into an all-elected body with full legislative powers.³ Each emirate also has its own appointed consultative council.

First FNC Vote. In 2006, the UAE leadership apparently assessed that it had fallen too far behind its Gulf neighbors on political reform and relented to the suggestion to make at least part of the FNC seats elective. In December 2006, the government instituted a limited election process for half of the FNC seats, with the other 20 FNC seats remaining appointed. The Election Commission approved a small “electorate” of about 6,600 persons, of which about 20% were women. Out of the 452 candidates for the 20 elected seats, there were 65 female candidates. Only one woman was elected (from Abu Dhabi), but another seven were given appointed seats.

2011 Vote. In the September 24, 2011, FNC election—which occurred in the context of the “Arab spring” uprisings—the government expanded the electorate greatly to 129,000 voters, of which nearly half were female. There were 468 candidates for the 20 seats, including 85 women. However, there was little active campaigning, and turnout was about 25%, which UAE officials called disappointing. Of the 20 winners, only 1 was female (Sheika Isa Ghanem from Umm Al Quwain, a conservative emirate). Other winners were elected along tribal lines; in Abu Dhabi, three of the four winners were from the Al Amiri tribe. Of the 20 appointed seats, six were women. The government selected as FNC Speaker an appointed male, well-known writer Muhammad al-Murr, and Amal al-Qubaisi as deputy speaker - the first woman to hold so high a position in a GCC representative body.

2015 Vote. The 2015 elections were again for half the FNC, but the electorate was expanded to 225,000 voters, about double that in 2011. The 2015 process included “early voting” and out of country voting, culminating on the “election day” of October 3, 2015. There were 330 candidates (somewhat lower than in 2011), including 74 women (almost as many as in 2011). Turnout was 35%, which government officials stated was a more satisfactory turnout than in 2011. One female was elected, as happened in 2011. The remaining 20 seats were appointed on November 16, and 8 of them were women. Among the women appointed was Abu Dhabi representative and Amal al-Qubaisi, who on November 18, 2015 was named FNC speaker.

The next FNC elections are to be held in 2019. UAE officials assert that there are plans to make all 40 seats elected, but it is not clear that this would apply to the 2019 vote.

Opposition and Government Responses

There has been little evident clamor for rapid political reform, but some UAE intellectuals, businessmen, students, and others, inspired by the 2011 Arab uprisings and possibly dissatisfied with the slow pace of reform, have agitated for greater political space. Some UAE youth tried unsuccessfully to use social media to organize a public protest in March 2011. In response, the

³ Al Jazeera News Network, March 9, 2011.

government has cracked down on activists. For example, five well-known online activists—the so-called “UAE-5”—were tried and sentenced in November 2011, but their sentences were commuted.

The government has particularly targeted domestic Islamists linked to the Muslim Brotherhood organization who belong to the Islah (Reform) organization. UAE leaders view the Brotherhood and its affiliates as a threat to UAE and regional stability. In January 2014, the Federal Supreme Court ordered closed all offices and branches of the Brotherhood in the UAE. Islah is one of the oldest and best organized groups in the UAE, first appearing there in 1974 as a Brotherhood offshoot. It attracts followers mostly from the less wealthy and more religiously conservative northern emirates, and does not have a history of violence. UAE officials accuse Islah of obtaining funding from the Brotherhood’s main chapter in Egypt,⁴ and the UAE government stepped up its crackdown on Islah in 2012, the year that Muslim Brotherhood figure Muhammad Morsi was elected President of Egypt. UAE authorities arrested and revoked the citizenship of several senior Islah members, including a member of the Ras al-Khaymah ruling family (Dr. Sultan al-Qasimi). In July 2013, the UAE State Security Court sentenced 69 out of 94 UAE nationals (“UAE-94”), all of whom Islamists arrested during 2011-2013, for trying to overthrow the UAE government. The others were acquitted. In June 2013, UAE authorities referred another 30 persons, of which 20 are Egyptian nationals, to that court for alleged connections to the Muslim Brotherhood organization in Egypt. They were convicted and sentenced in January 2014 to five years in prison. and, in November 2014, the government identified Islah and the broader Muslim Brotherhood as two of 85 “terrorist” groups—most of which are regional radical Islamist groups such as Al Qaeda and the Islamic State organization.⁵ A Saudi-UAE list of “persons to be isolated,” released in connection with the June 2017 intra-GCC dispute, included Muslim Brotherhood-linked Egyptian cleric Yusuf Qaradawi, who resides in Qatar.

In August 2015, the government announced that it would try 41 Islamists for allegedly forming a terrorist group in the UAE that intended to establish a so-called caliphate there. The charges appeared to link those arrested to the Islamic State. In November 2015, the Federal Supreme court convicted in absentia a pro-Muslim Brotherhood former parliamentarian from Kuwait of insulting the UAE leadership and “spreading false rumors.” In May 2015, the Federal Supreme Court convicted five persons, allegedly members of Qatar’s intelligence service, of organizing an online campaign to damage the UAE leadership’s reputation. The five were later pardoned. The disagreements between Qatar and the UAE and other GCC states over the Muslim Brotherhood and other political Islamist movements are discussed further in the section on foreign policy.

The government has also addressed critical activism with some reforms, and economic incentives. In 2011, the government invested \$1.5 billion in utilities infrastructure of the poorer, northern emirates; it raised military pensions; and it began subsidizing some foods. To try to maintain the loyalty of the country’s youth, in March 2013, the government announced a “new look” cabinet including several young figures. Cabinet reshuffles in February 2016 and October 2017 appeared intended to attract youth support by adding several young ministers, many of whom are female. The reshuffles included the following:

- Establishing several new minister of state positions—for “tolerance,” for “happiness,” for artificial intelligence, and for food security.

⁴ “UAE Targets Muslim Brotherhood in Crackdown on Dissent,” *BBC*, September 26, 2012.

⁵ “UAE Lists Scores of Groups as ‘Terrorists.’” *Al Jazeera*, November 16, 2014.

- Forming an Emirates Foundation for Schools, run by an independent board of directors as part of education reform.
- Reducing the mandate of the Ministry of Health to a focus on disease prevention, and forming an independent body to oversee the hospital system.
- Creating a science council with a mandate to promote a new generation of Emirati scientists.

U.S. Democracy Promotion Efforts and UAE Restrictions

Human rights observers assert that U.S. official criticism of the UAE's measures against dissent has been muted because of the close U.S.-UAE strategic alliance. U.S. officials assert that they continue to promote democracy, rule of law, independent media, and civil society in the UAE through State Department programs that are tolerated by the UAE government. Such programs include the broader Middle East Partnership Initiative (MEPI). The U.S. Embassy in Abu Dhabi houses a MEPI office/staff that runs the MEPI programs throughout the Gulf region.

On the other hand, the UAE government has expelled some U.S. and Europe-sponsored democracy promotion efforts that the government asserted were too intrusive into UAE politics. In 2012, the government closed the National Democratic Institute (NDI) office in Dubai, which had been working for four years with license from the UAE government and U.S. funding to promote women's rights and enhance municipal governance. The government simultaneously shut down the office of the Germany-based Konrad Adenauer Foundation, which was performing similar work.

Table 2. Some Basic Facts About UAE

Population	9 million+ (U.N. estimate), of whom about 11% are citizens. U.S. population estimate is 5.8 million, and the causes of the discrepancy between U.S. and U.N. estimates are unclear.
Religions	The citizenry is almost all Muslim, of which 85% are Sunni and 15% are Shiite. Of the total population, 76% is Muslim; 9% is Christian; and 15% is other—but primarily Buddhist or Hindu.
Ethnic Groups	11% Emirati (citizenry); 29% other Arab and Iranian; 50% South Asian; 10% Western and other Asian expatriate
Size of Armed Forces	About 50,000
Inflation Rate (2016)	About 2%
GDP Growth Rate (2016 estimate)	2.3%
GDP (Purchasing Power Parity, PPP, 2016)	\$650 billion. GDP per capita (PPP) is over \$67,000.
Oil Exports	About 2.7 million barrels per day
Foreign Assets/Sovereign Wealth Reserves	About \$575 billion.
U.S. citizens resident in UAE	About 60,000
Major Projects	Dubai inaugurated “Burj Khalifa,” world’s tallest building, on January 4, 2010. Burj al-Arab hotel in Dubai bills itself as “world’s only 7-star hotel.” Abu Dhabi has built local branches of Guggenheim and Louvre museums.

Sources: CIA, *The World Factbook*; U.S. Census Bureau, Foreign Trade Statistics, Economist Intelligence Unit.

Other Human Rights-Related Issues⁶

Recent State Department human rights reports and reports by independent groups such as Human Rights Watch assert that there are unverified reports of torture, government restrictions of freedoms of speech and assembly, and lack of judicial independence. The relatively few UAE organizations that monitor the government's human rights performance include the Jurists' Association's Human Rights Committee, the Emirates Human Rights Association (EHRA), and the Emirates Center for Human Rights (ECHR). In the course of a January 2018 U.N. Universal Period Review, UAE officials highlighted that the UAE had formed a new human rights institution under the "Paris Principles." The U.N. meeting occurred amid reports that British police were investigating ten UAE officials suspected of directly or indirectly torturing Qatari nationals who were arbitrarily detained on suspicion of links to the Muslim Brotherhood.⁷

Media and Research Institute Freedoms

The UAE government has increased restrictions on media usage, particularly social media, since the 2011 Arab uprisings, tempering its former commitment to free and open media. A "cybercrimes decree" issued by President Khalifa on November 13, 2012 (Federal Legal Decree No. 5/2012) established a legal basis to prosecute and jail people who use information technology to promote dissent. The decree provides for imprisonment and large fines for anyone who uses information technology to "incite actions that endanger state security or infringe on the public order" and for life imprisonment for anyone using such technology to advocate the overthrow of the government. Several activists have been jailed for violating the decree, including one who was jailed for producing a video parodying youths in Dubai. In May 2015, the government enacted an Anti-Discrimination Law which, among other provisions, criminalizes the broadcasting or publication of "provocative" material—political or religious.⁸

A "National Media Council" directly oversees all media content, and provisions governing media licensing do not clearly articulate government standards in evaluating license applications. Restrictions do not apply to the "Free Zones" in UAE in which foreign media operate. However, some media organizations report that the government has banned some journalists from entering the country, and prohibited distribution of some books and articles that criticize government policies or highlight human rights abuses.

There have also been increasing restrictions on research institutes, several of which had opened in UAE in the 1990s. The government applied increasingly strict criteria to renewing the licenses of some research institutes and at least one, the Dubai-based Gulf Research Center (GRC), left the UAE entirely. In November 2012, the UAE ordered out the Rand Corporation, whose programs were focused on research in education, public safety, and environmental health. UAE officials also have denied entry to some academics and human rights organizations representatives who have been critical of the UAE human rights record.⁹ On the other hand, some new think tanks have opened or become increasingly active in recent years, including the Emirates Policy Center and the TRENDS Institute.

⁶ Much of this section is derived from: State Department Country Reports on Human Rights: 2016. <https://www.state.gov/documents/organization/265736.pdf>.

⁷ UAE Officials Under Investigation for Torture. Al Jazeera, January 22, 2018.

⁸ State Department human rights report on UAE for 2015, p. 12.

⁹ CRS conversations with UAE officials, 2012-2017.

Justice/Rule of Law

The UAE constitution provides for an independent judiciary, but court decisions are subject to review by the political leadership who can review cases and whose decisions supersede those of any court. UAE judicial institutions include Sharia (Islamic law) courts that adjudicate criminal and family law matters, and civil courts that adjudicate civil matters. The civil court system, based on French and Egyptian legal systems, was established in 1973 when the Federal Supreme Court was inaugurated. The sector was later expanded with the formation of Federal First Instance Courts and Federal Appeal Courts. The Federal Supreme Court, which consists of a president and a five judges appointed by the UAE leadership, adjudicates disputes between emirates or between an emirate and the UAE federal government; the constitutionality of federal and other laws; conflicts of jurisdiction between the federal and local judicial authorities; and crimes affecting the UAE federation. It also interprets the provisions of the constitution and questions ministers and senior federal officials for official misconduct. A 2012 amendment to the UAE constitution set up a “Federal Judicial Council” chaired by the UAE President, which human rights groups asserted reflected increased political influence over the judiciary. Foreign nationals hold positions in the judiciary, making them subject to being threatened with deportation for unpopular judgments or judgments against well-connected Emiratis. In 2010, a UAE court acquitted the UAE president’s brother of torturing an Afghan merchant, ruling that he was not liable because he was affected by prescription drugs.

The UAE justice system has often come under criticism in cases involving expatriates. Western expatriates have sometimes been arrested for sexual activity on UAE beaches. In 2007, human rights groups criticized the conservative-dominated justice system for threatening to prosecute a 15-year-old French expatriate for homosexuality, a crime in UAE, when he was raped by two UAE men; the UAE men were later sentenced for sexual assault and kidnapping. In August 2012, a 78-year-old pediatrician from South Africa was imprisoned for two months for alleged issues of malpractice related to his six-week service as a doctor in Abu Dhabi in 2002¹⁰ and he was prevented from leaving the UAE until June 2013. In July 2013, a Norwegian woman was sentenced to 16 months in jail by a Dubai court for having sex outside marriage after she reported being raped. She was released later that month.

Women’s Rights

Women’s political rights have expanded steadily, and observers say the UAE is perhaps the only Arab country where women are accepted as professionals. As of December 2011, UAE women are allowed to pass on their citizenship to their children—the first GCC state to allow this. Many domestic service jobs are performed by migrant women, and they are denied basic legal protections such as limits to work hours. However, UAE women are still at a legal disadvantage relative to men, for example in divorce cases and other family law issues.

Recent cabinet reshuffles have greatly increased the number of female ministers. Seven women are in the FNC, and one is now its speaker, as noted. About 10% of the UAE diplomatic corps is female, whereas there were no female diplomats prior to 2001. The UAE Air Force has several female fighter pilots.

¹⁰ Lydia Polgreen. “Emirates’ Laws Trap a Doctor Just Passing Through.” *New York Times*, April 12, 2013.

Religious Freedom¹¹

The UAE constitution provides for freedom of religion but also declares Islam as the official religion. The death penalty for conversion from Islam remains in law, but is not known to be enforced. In practice, non-Muslims in UAE are free to practice their religion. There are at least 35 churches built on land donated by the ruling families of the various emirates, and in 2016 the government donated additional lands for the building of more churches and some new Hindu and Sikh temples. There are no Jewish synagogues or Buddhist temples. In 2016, the government formed a new Ministry of Tolerance, whose core objectives include supporting religious tolerance and diversity, and which has organized public marches by residents of the several non-Muslim faiths present in the country. In September 2016, Abu Dhabi crown prince and de-facto UAE leader Mohammad bin Zayid met with Pope Francis in the Vatican and the Pope has been invited to visit the UAE.

The Shiite Muslim minority, which is about 15% of the citizen population and is concentrated largely in Dubai emirate, is free to worship and maintain its own mosques. However, Shiite mosques receive no government funds and there are no Shiites in top federal posts. At times, the government has acted against non-UAE Shiite Muslims because of their perceived support for Iran and Iran's regional allies. The government has at times closed Shiite schools and prohibited UAE Shiites from hosting meetings of worldwide Shiites. The government has deported some foreign Shiites in recent years.

Labor Rights/Foreign Worker Rights

UAE law prohibits all forms of compulsory labor, but enforcement is assessed by U.S. officials as inconsistent. On several occasions, foreign laborers working on large construction projects have conducted strikes to protest poor working conditions and nonpayment of wages. There have been numerous and persistent allegations that foreign workers are housed in cramped "labor camp" conditions, have their passports held, are denied wages or paid late, are forced to work long hours, are deported for lodging complaints, and are subjected to many other abuses. In May 2014, the government arrested foreign laborers striking to protest many of the conditions discussed above in the course of building a facility for New York University's (NYU's) branch in Abu Dhabi.¹² NYU apologized to the workers for being excluded from a labor "code of conduct" that covers migrant workers in the UAE and compensated several hundred of them.

The Ministry of Human Resources and Emiratisation (MOHRE, formerly the Labor Ministry) has addressed problems such as those above by penalizing employers and requiring that workers' salaries be deposited directly in banks. In 2011 the UAE reformed its "kafala" system to allow migrant workers to switch employers without first receiving their original employer's permission. The reform has reportedly led to higher earnings by immigrant laborers in the country. In May 2016, MOHRE began issuing a yearly "Worker Welfare Report" that details the ministry's enforcement activities against employer abuses.

¹¹ The State Department's International Religious Freedom report for 2016, released on August 15, 2017, and from which this section is primarily derived, is available at <https://www.state.gov/documents/organization/269162.pdf>.

¹² Ariel Kaminer and Sean O'Driscoll. "Workers at N.Y.U.'s Abu Dhabi Site Faced Harsh Conditions." *New York Times*, May 19, 2014.

Human Trafficking¹³

The UAE is considered a “destination country” for women trafficked from Asia and the former Soviet Union. The Trafficking in Persons report for 2017, for the seventh year in a row, rated the UAE as “Tier 2.” The Tier 2 placement was based on the assessment that the UAE does not meet the minimum standards for eliminating human trafficking, but is taking significant efforts to do so. The 2017 State Department report credits the UAE with taking steps over the past year to implement labor reforms that reduce forced labor among foreign workers in the private sector, instituting direct governmental oversight of domestic laborers, and increasing the number of labor trafficking prosecutions. In term of legal frameworks, in March 2015, the government put into effect amendments to victim protection clauses of Federal Law 51 of 2006 on Combating Human Trafficking Crimes, including non-penalization of victims for crimes committed as a direct result of being subjected to trafficking.

UAE authorities prosecuted and punish sex trafficking offenders. In all of 2015, they prosecuted 17 sex trafficking cases in 2015, up from 15 in 2014. An issue in previous years had been trafficking of young boys as camel jockeys, but that issue was largely alleviated with repatriation of many of those trafficked and the use of robot jockeys. Since 2013, the UAE government, through its “National Committee to Combat Human Trafficking,” has assisted human trafficking victims through the Ewa’a organization, which runs shelters in several UAE emirates. The government opened its first shelter for male sexual trafficking victims in 2013. The government assists victims of human trafficking through a human rights office at Dubai International Airport.

Foreign Policy and Defense Issues

Despite its small population and territorial size, the UAE is increasingly willing and able to independently project power in the region.¹⁴ At the same time, the UAE maintains its close security partnership with the United States, forged during the 1980-88 Iran-Iraq war and strengthened after the 1990 Iraqi invasion of Kuwait. In late 1981, after the start of the Iran-Iraq war, the UAE and five other Gulf monarchies—Saudi Arabia, Kuwait, Qatar, Bahrain, and Oman—banded together to form a strategic and economic alliance called the Gulf Cooperation Council (GCC), all of whose members have close defense ties to the United States.

On many foreign policy issues, GCC policies have converged. In March 2011, the UAE contributed 500 police officers to a Saudi-led GCC military intervention in Bahrain to support the Al Khalifa regime against a Shiite-led uprising. At least some of the UAE force remained after that time, and one UAE police officer was killed in an opposition bombing in Manama in March 2014. During 2015-2016, the GCC developed a plan to establish a joint military command and joint naval force to be based in Bahrain, and to be supported by an Abu Dhabi-based “Gulf Academy for Strategic and Security Studies.”

As a security body, the GCC has been damaged—perhaps irreparably—by the June 5, 2017, move by Saudi Arabia, UAE, and Bahrain, joined by Egypt and a few other Muslim states, to isolate Qatar by denying it land, sea, and air access to their territories. The rift has, to date, defied mediation efforts by President Donald Trump, Secretary of State Rex Tillerson, the Amir of Kuwait (a GCC country that, along with Oman, did not join the Saudi-led move against Qatar),

¹³ Most of this section is taken from the State Department Trafficking in Persons report for 2017, <https://www.state.gov/documents/organization/271345.pdf>.

¹⁴ Many of these themes are discussed in, Kareem Fahim and Missy Ryan. “In the UAE, U.S. Finds an Ally and a Headache.” *Washington Post*, August 4, 2017.

and other international officials. The UAE and Saudi Arabia orchestrated the move based on assertions that Qatar supports terrorism by funding Muslim Brotherhood-related movements and that Qatar is politically close to Iran, although many experts attribute the dispute to the Saudi and UAE objections to Qatar's insistence on pursuing some independent foreign policies. Qatar asserts that the Saudi and UAE position represents support for a "counter-revolution" that resists progress. U.S. officials have called on the Saudi-led bloc to compromise with Qatar and the blockading have said they will not escalate the dispute. Still, the potential for escalation flared in early January 2018 when the UAE accused Qatar of sending combat aircraft to "intercept" UAE commercial aircraft bound for Bahrain. The flights all landed safely and Qatar denied that there was any interception conducted. The potential for the dispute to fracture the GCC was evident in the fact that the Saudi, UAE, and Bahrain heads of state did not attend the annual GCC summit, held in Kuwait on December 5, 2017, and which was quickly adjourned. And, that same day, Saudi Arabia and the UAE announced the formation of a "joint cooperation committee" – seemingly an attempt to form a subgroup separate from the GCC.¹⁵

The broader issues dividing Qatar and some of its neighbors had caused rifts in the past, although not as extended or as significant as the current crisis. In March 2014 when the UAE, Saudi Arabia, and Bahrain recalled their ambassadors from Qatar. The earlier dispute was resolved by November 2014 following an agreement that the GCC countries will not undermine each other's interests. One U.S. option that has drawn speculation involves inviting the GCC states directly involved in the dispute to the United States for mediation efforts by President Trump.¹⁶

Even though it is currently aligned closely with Saudi Arabia, the UAE has had border disputes and other disagreements with Saudi Arabia. A 1974 "Treaty of Jeddah" with Saudi Arabia formalized Saudi access to the Persian Gulf via a corridor running through UAE, in return for UAE gaining formal control of villages in the Buraymi oasis area.

Iran Policy

UAE leaders assert that Iran and its regional allies are key threats to the UAE and the region, and that it is imperative that the United States and its GCC allies counter Iran's regional policies. UAE leaders expressed concern that the July 2015 Iran nuclear agreement (Joint Comprehensive Plan of Action, JCPOA) could reflect a reduction in the U.S. commitment to Gulf security. In statements issued after U.S.-GCC summits in May 2015 and April 2016 and since, GCC officials have publicly backed continuing implementation of the JCPOA coupled with U.S.-GCC coordination to counter Iran's regional activities. Concerns about any potential U.S. "tilt" toward Iran lessened in 2017 as the Trump Administration has returned to earlier U.S. policy that characterized Iran as a major U.S. adversary whose regional activities must be countered.¹⁷ The UAE government issued statements of strong support for President Trump's October 13, 2017, announcement of U.S. Iran strategy that calls on U.S. allies to help curb Iran's regional activities and ballistic missile programs. Still, UAE officials say that the Trump Administration should continue to implement the JCPOA, apparently reflecting an assessment that the JCPOA is constraining Iran's nuclear program and that a collapse of the agreement could lead to increased regional conflict.

¹⁵ UAE, Saudi Arabia Announce new Partnership in 'Rebuff' to Kuwait's GCC Efforts. *The New Arab*, December 5, 2017.

¹⁶ Author conversations with GCC officials and Middle East experts in Washington, DC, September–November 2017.

¹⁷ Faisal Abbas. "After 8 years of Obama, Trump is breath of fresh air in Gulf States." *CNN.com*, November 22, 2016.

The UAE has tended to oppose engagement with Iranian leaders. In January 2016, the UAE withdrew its ambassador from Iran in solidarity with Saudi Arabia's breaking relations with Iran over issues related to the Saudi execution of a dissident Shiite cleric. Because of Hezbollah's affiliation with Iran, in February 2016, the UAE barred its nationals from travelling to Lebanon, downgraded its diplomatic relations with Lebanon, and joined the other GCC states in a joint declaration that Hezbollah is a terrorist organization. UAE officials say that Lebanon's Christians, Sunni Muslims, and other communities should not serve to legitimize tacit Hezbollah hegemony in Lebanon – a position that aligns with failed Saudi efforts in late 2017 to try to isolate Hezbollah within Lebanon. As noted in sections below, UAE policy in east Africa, Yemen, Syria, and elsewhere is driven largely by the UAE's strategy of seeking to weaken Iran. And, the Saudi-led bloc cited Qatar's engagement with Iran as one cause of the move to isolate Qatar.

One additional factor motivating UAE policy toward Iran has been a territorial dispute over several Persian Gulf islands. In 1971, Iran, then ruled by the U.S.-backed Shah, seized the Greater and Lesser Tunb islands from the emirate of Ras al-Khaymah, and intimidated the emirate of Sharjah to reach an agreement for shared control of another island, Abu Musa. In April 1992, Iran asserted complete control of Abu Musa. The UAE has called for peaceful resolution of the issue through direct negotiations, referral to the International Court of Justice, or through another agreed forum. The U.S. position is that it takes no position on the sovereignty of the islands, but supports the UAE's call to negotiate the dispute.

In October 2008—after the UAE protested Iran's opening in August 2008 of administrative and maritime security offices on Abu Musa—the UAE and Iran established a joint commission to resolve the dispute. Iran later allowed Sharjah to open power and water desalination facilities on the island. The dispute flared again in 2012, when then-President Ahmadinejad visited Abu Musa and spoke to the inhabitants there. UAE officials said the action undermined many months of diplomacy on the issue, including the appointment of negotiators. Iran incurred further UAE criticism with a May 2012 visit to Abu Musa by Islamic Revolutionary Guard Corps (IRGC) Commander-in-Chief Muhammad Ali Jafari to discuss tourism there. In 2014, the two countries discussed a possible solution under which Iran might cede control of the disputed islands in exchange for rights to the seabed around them.¹⁸ Iran reduced its presence on Abu Musa somewhat as a confidence-building measure. No discussions have been reported recently.¹⁹

Aside from the islands issue, some UAE officials assert that the large Iranian-origin community in Dubai emirate (estimated at 400,000 persons) could pose a “fifth column” threat to UAE stability. Dubai leaders express less concern about Iranian-origin residents, asserting that this population is a product of long-standing UAE-Iran commercial ties.

The extensive Iranian commercial presence in the UAE gave the United States ample opportunity to enlist the UAE in a multilateral effort to stiffen international sanctions on Iran, but also gave the UAE pause in implementing even stricter sanctions on Iran. In 2010, when international sanctions on Iran tightened dramatically, the UAE government directed its banks to fully comply with the restrictions outlined in U.N. Security Council Resolution 1929 (adopted June 9, 2010). UAE-Iran trade—much of which consists of re-exportation of U.S. and European goods to Iran—dropped from \$23 billion annually to about \$4 billion by 2016, a decline that harmed the powerful UAE trading community. The UAE allowed some UAE-based Iranian banks to continue to operate, including Bank Saderat and Bank Melli, but their ability to conduct transactions was limited by UAE banking regulators.

¹⁸ Awad Mustafa. “Iran, UAE Close to Deal on Hormuz Islands,” *Defense News*, December 9, 2013.

¹⁹ Author conversations with UAE representatives, May 2016.

Policy Toward and Intervention in Regional Conflicts

Since the 2011 Arab uprisings, the UAE has become more active in the region, including through the unilateral use of its own military and establishment of bases and facilities from which to project power. The UAE's capabilities have been enabled not only by many years of defense cooperation with the United States but also by the UAE's partnerships with countries far from its borders, including nations in East Africa. The UAE's opposition to the Muslim Brotherhood has manifested in UAE policies toward countries where Brotherhood-linked groups are strong: Egypt, Libya, Syria, and the Palestinian territories.

Egypt

The intra-GCC rift has played out particularly in the case of Egypt. The UAE and Saudi Arabia opposed the election of a leader of the Muslim Brotherhood, Muhammad Morsi, as president in July 2012, and supported the Egyptian military's toppling of Morsi in July 2013 and subsequent election as president of military leader Abdel Fatah El-Sisi. The UAE has given Egypt nearly \$20 billion in assistance (including loans, grants, and investments) since the ouster of Morsi. Qatar financially backed Morsi and has had minimal engagement with Sisi-led Egypt. UAE officials denied that they had blocked a potential competitor to President Sisi in 2018 elections, a former general in self-imposed exile in UAE, Ahmad Shafiq, from leaving UAE to return to Egypt in late November 2017. After arriving in Egypt in early December, Shafiq claimed to have been seized by UAE authorities and deported to Egypt.

Libya

Intra-GCC differences—as well as differences between the UAE and U.S. policy—have manifested in post-Qadhafi Libya. Several GCC states, including UAE, conducted airstrikes in Libya in 2011 to assist in the overthrow of Libyan leader Muammar Qadhafi. The UAE Air Force helped NATO enforce a no-fly zone and to strike Qadhafi ground targets, and the UAE armed some Libyan rebels.²⁰ However, the UAE and Qatar have supported rival groups in the highly fractured post-Qadhafi Libyan political system. In August 2014, U.S. officials confirmed that the UAE, jointly with Egypt, carried out an airstrike in Libya against a Muslim Brotherhood-linked Islamist militia that reportedly enjoyed support from Qatar.²¹ The United States disapproved of the UAE action as unlikely to contribute to stability in Libya. The UAE, possibly in violation of U.N. Security Council resolutions on Libya, reportedly continues to use an airbase in eastern Libya to fly airstrikes, using U.S.-made aircraft, in support of former Libyan military commander Khalifa Hifter, who is leading an anti-Islamist military campaign in eastern Libya and challenging the U.N.-backed government in Tripoli.²² In May 2017, the UAE hosted Hifter and the head of the U.N.-backed government in Tripoli for talks to try to resolve the conflict—a shift in the previous UAE position of refusing to engage with Tripoli.

²⁰ James Risen, Mark Mazzetti, and Michael Schmidt. "Militant Forces Got Arms Meant for Libya Rebels." *New York Times*, December 6, 2012.

²¹ "U.S. Officials: Egypt, UAE Behind Airstrikes in Libya." *Associated Press*, August 26, 2014.

²² <http://www.middleeasteye.net/news/exclusive-uae-pilots-flying-sorties-haftar-skies-over-libya-1145862696>. For more information on Libya, see CRS Report RL33142, *Libya: Transition and U.S. Policy*, by Christopher M. Blanchard.

Islamic State/Iraq/Syria²³

The UAE is a member of the U.S.-led coalition against the Islamic State organization, and it conducted strikes against that group's fighters in Syria in 2014 and 2015. During that period, the UAE conducted more strikes in Syria than any country except the United States, and was the only Arab state that the United States permitted to command strikes there.²⁴ The UAE's first female combat pilot participated in the strikes.²⁵ However, UAE (and other Arab) participation in air operations in Syria diminished substantially after Russia's intervention in Syria in August 2015. Perhaps in recognition of Russia's predominant position in Syria, and its growing involvement in the region more generally, de facto UAE leader Muhammad bin Zayid met with Russian President Vladimir Putin in Moscow on April 20, 2017, to discuss Syria, the Yemen conflict, and Russia's alliance with Iran.

The UAE also hosts forces from other countries that are participating in the anti-Islamic State effort, including nine French jets stationed at Al Dhafra Air Base as well as 600 forces from Australia.²⁶ UAE forces also have participated in the "Eager Lion" annual military exercises in Jordan intended to help insulate Jordan from any Syria conflict spillover.

Syria Civil War

The GCC states, including the UAE, have sought to oust Assad in order to settle the Syrian civil war and strategically weaken Iran in the Middle East. However, in contrast to Saudi Arabia and Qatar, the UAE is not known to have armed Syrian rebel factions, instead contributing to a multi-country pool of funds to buy arms for approved rebel groups in Syria.²⁷ The UAE participated in the "International Syria Support Group" that attempted to negotiate a political transition in Syria, but which has been largely eclipsed by separate Russia-backed settlement efforts. UAE officials continue to assert that a settlement in Syria needs to result in a reduced Iranian presence there.²⁸ The UAE has also sought to alleviate suffering from the Syria crisis through donations to Syrian refugees and grants to Jordan to help it cope with the Syrian refugees that have fled there.

Iraq

The UAE, like the other GCC states, supported the regime of Saddam Hussein against Iran in the 1980-88 Iran-Iraq war, but later largely broke relations with Iraq after it invaded Kuwait in 1990s. But no Arab state, including the UAE, contributed ground forces to the U.S.-led "Operation Iraqi Freedom" that overthrew Saddam Hussein. The UAE and other GCC states did not conduct air operations against Islamic State forces in Iraq, in part because they view the Iraqi government is receiving military support from Iran as well as the United States. Largely on those grounds, de facto UAE leader Shaykh Muhammad reportedly refused a request by President Obama at the

²³ For more information on the Syria conflict, see CRS Report RL33487, *Armed Conflict in Syria: Overview and U.S. Response*, coordinated by Carla E. Humud.

²⁴ The UAE suspended airstrikes over Syria during December 2014-February 2015 over concerns that the U.S.-led coalition had stationed insufficient search and rescue forces nearby—concerns that were heightened when the Islamic State downed a Jordanian pilot over Syria in December 2014 and executed him. In February 2015, the United States reportedly stationed additional search and rescue assets in northern Iraq, and the UAE resumed its air operations. "A Quiet, Potent Ally to U.S." op. cit.

²⁵ Helene Cooper. "Key U.S. Ally in ISIS Effort Disengaged in December." *New York Times*, February 4, 2015.

²⁶ "Islamic State Crisis: Australia to Send 600 Troops to UAE." *BBC News*, September 14, 2014.

²⁷ Author conversations with experts in Washington, DC, 2013-2014.

²⁸ Author conversations with UAE officials. October 2017.

April 21, 2016, U.S.-GCC summit to increase financial support to Iraq, which is struggling with depressed oil prices.²⁹ However, as of mid-2017, Saudi Arabia and the UAE have reached out to the Iraqi government and Iraqi Shiite leaders as part of a U.S.-backed effort to dilute Iranian influence in post-Islamic State Iraq.³⁰

Earlier, in 2008, the UAE posted an ambassador to Iraq, wrote off \$7 billion in Iraqi debt, and Shaykh Muhammad bin Zayid visited the country. It opened a consulate in the Kurdish region of Iraq in 2012. However, the UAE-Iraq relationship deteriorated thereafter as the Shiite-dominated government of former Prime Minister Nuri al-Maliki marginalized Sunni Iraqi leaders. UAE officials welcomed the change of leadership in Iraq to Prime Minister Haydar Al Abadi in August 2014 and hosted him in December 2014. The UAE and Germany are leading coalition efforts to reconstruct and stabilize areas of Iraq liberated from the Islamic State, including setting up a joint fund to pay for some of those efforts.³¹ The UAE donated \$50 million to the fund in late 2016, and UAE companies have separately invested in housing and other projects in Iraq. The UAE-Germany cooperation reprises their joint cooperation in Iraq during 2003-2011, in which the UAE provided facilities for Germany to train Iraqi police and provided over \$200 million for Iraq reconstruction, including for hospitals and medical treatment in the UAE for Iraqi children.

Yemen³²

In Yemen, another state roiled by the 2011 Arab uprisings, the GCC mediated an agreement under which then-President Ali Abdullah Saleh resigned in January 2012. After the rebel Zaydi Shiite “Houthi” faction advanced militarily as political order in Yemen disintegrated, forcing into exile Saleh’s successor Abdu Rabbu Mansur Al Hadi in January 2015, Saudi Arabia assembled a coalition of Arab states—including all GCC states except Oman—to militarily counter the Houthis. The coalition, which includes a 3,000-person UAE armored brigade, has been conducting air strikes and ground operations against Houthi positions in an as yet unsuccessful effort to pressure them into a political settlement that might restore Hadi’s government. The Houthis receive arms from Iran as part of what GCC leaders assert are Iran’s attempts to expand its regional influence and, in October 2016, the Houthis used anti-ship cruise missiles, possibly supplied by Iran, to severely damage a UAE Navy logistics ship in the Bab Al Mandeb Strait. More than 100 UAE military personnel have been killed in the intervention to date—the largest loss of UAE military personnel in any UAE military engagement. In June 2017, UAE officials denied allegations by human rights organizations that UAE forces were maintaining a secret network of prisons in Yemen in which detainees were being severely abused.

The United States is supporting the anti-Houthi effort with intelligence and logistical help, as well as with some direct military action, such as preventing Iranian shipments of weapons to the Houthis. The Trump Administration reportedly considered providing military support to a planned UAE operation to seize the key port of Hodeida, although that operation has been postponed indefinitely in favor of attempting to reach an agreement for the Houthis to yield that port peacefully.³³ In late May 2017, UAE forces took over full control of the airport in the southern

²⁹ Author conversations with UAE representatives, May 2016.

³⁰ <https://www.reuters.com/article/us-mideast-crisis-iraq-uae/iraqi-shiite-leader-visits-uae-strengthening-ties-with-sunni-states-idUSKCN1AT0K6>

³¹ <http://www.arabianbusiness.com/uae-germany-set-up-joint-fund-stabilise-iraq-after-isil-595060.html>.

³² For more information on the conflict in Yemen, see CRS Report R43960, *Yemen: Civil War and Regional Intervention*, by Jeremy M. Sharp.

³³ Karen DeYoung and Missy Ryan. “Trump Administration Weights Deeper Involvement in Yemen War.” *Washington Post*, March 26, 2017.

city of Aden, an action that created tensions with Hadi loyalists (some of whom were occupying part of that airport) who accuse the UAE of supporting secession in south Yemen or attempting to control southern Yemen for the UAE's own economic and political interests. UAE military operations and influence in southern Yemen, including its reported near-total control of the city of Aden, has apparently caused friction between the UAE and its main coalition partner, Saudi Arabia. The UAE's Red Crescent Society has played a major role in reconstituting Aden's public institutions.

Separately, the UAE works closely with U.S. forces and with local Yemeni communities to counter the local faction of Al Qaeda—Al Qaeda in the Arabian Peninsula (AQAP). U.S. Special Operations Forces in Yemen reportedly worked with the UAE to defeat AQAP fighters at the port of Mukalla in April 2016, an operation that also killed the leader of the Yemeni branch of the Muslim Brotherhood. U.S. and UAE forces continue operations against AQAP and other militants in the Mukalla area.³⁴ In January 2017, the Trump Administration authorized a raid in concert with some UAE special forces on allies of AQAP, an operation in which one U.S. special operations forces soldier was killed. In August 2017, both UAE and U.S. special forces reportedly advised about 2,000 Yemen government forces conducting an operation against AQAP sanctuaries in Shabwa Province.³⁵

Related UAE Power Projection Capabilities/East Africa

The UAE has been using its financial and military assets to be able to project power to support its operations in Yemen as well as to counter Iranian influence more broadly. The cornerstone of that effort has been the forging of military basing agreements with and support for friendly leaders and factions in several East African countries.³⁶ During 2015, UAE forces at first deployed to Djibouti to support the Saudi-led intervention in Yemen, but in mid-2015 a UAE-Djibouti dispute caused UAE (and Saudi) forces to begin using facilities in Eritrea instead, in exchange for UAE and Saudi funding of facilities upgrades. The UAE now trains pro government Yemeni forces at a facility there. In mid-2015, the UAE expanded its partnership with the fragile government in Somalia to open a new center at which a few hundred UAE special forces train Somali commandos to counter the terrorist group Al Shabab and other threats. The UAE reportedly provided funds to try to influence the outcome of Somalia's presidential elections that were held in February 2017. The UAE also reportedly has established a base at the port of Berbera, in the breakaway region of Somaliland, triggering a legal complaint from the government of Somalia in February 2017.³⁷ The UAE has cooperated with the Saudi-led effort to persuade Sudan's leaders to realign with the GCC countries and forgo its erstwhile alliance with Iran. As evidence of the apparent success of that effort, Sudanese troops joined the Arab coalition effort against the Houthis and Sudan's leader, Omar Hassan al-Bashir, visited the UAE in mid-February 2017.³⁸ UAE firms have also made substantial infrastructure investments—which could eventually benefit UAE military operations—elsewhere in East Africa.

³⁴ Thomas Gibbons-Neff and Missy Ryan. "U.S. Forces to Stay Longer in Yemen to Fight al Qaeda." *Washington Post*, June 18, 2016.

³⁵ "Yemeni Forces Target Qaeda Stronghold." *New York Times*, August 7, 2017.

³⁶ Material in this section is taken from: Alex Mello and Michael Knights. "West of Suez for the United Arab Emirates." *Warontherocks.com*. September 2, 2016.

³⁷ <http://www.presstv.ir/Detail/2017/02/15/510655/Somalia-UAE-military-base-Somaliland-Nur-Jimale-Farah-Berbera-Yemeni-conflict>.

³⁸ <http://www.thenational.ae/uae/government/sheikh-mohammed-bin-zayed-praises-sudans-role-in-arab-coalition>.

Afghanistan

The UAE has assisted the U.S.-led mission to stabilize Afghanistan by deploying a 250-person contingent of Presidential Guard forces since 2003. The UAE forces, the only Arab combat forces in Afghanistan, operate mainly in the restive south, primarily building ties to local communities and constructing health clinics and mosques. The force remained in Afghanistan after the December 2014 transition to Afghan-led combat. During 2012-2014, the UAE deployed six F-16s for close air support missions for the U.S.-led coalition there.³⁹ The UAE also has donated several hundred million dollars of humanitarian and development aid to Afghanistan since the fall of the Taliban regime. The risks of the UAE involvement were evident in January 2017 when five UAE diplomats were killed by a bomb during their visit to the governor's compound in Qandahar. The UAE Ambassador survived.

Before the September 11, 2001, attacks on the United States, the UAE apparently did not perceive the Taliban movement that was in power there as a threat. The UAE was one of only three countries (Pakistan and Saudi Arabia were the others) that recognized the Taliban during 1996-2001 as the government of Afghanistan, even though the Taliban regime was harboring Al Qaeda leaders. During Taliban rule, the UAE allowed Ariana Afghan airlines to operate direct service between the two countries. After the September 11 attacks, the UAE made available its military facilities for U.S. and allied use.

Other Foreign Policy Issues: Israeli-Palestinian Dispute

The UAE has no formal diplomatic relations with Israel, but UAE troops did not participate militarily in any major Arab-Israeli war (two of which, in 1948 and 1967, occurred before the UAE was formed). Israel and the UAE have similar positions on Iran and there are consistent reports of quiet diplomatic cooperation and security cooperation.⁴⁰ For the past several years, Israeli diplomats have attended multilateral meetings in the UAE, such as the January 2014 conference of the 144-country International Renewable Energy Agency (IRENA), attended by Israel's then Minister of National Infrastructure, Energy, and Water Silvan Shalom. In November 2015, the UAE gave Israel permission to establish a diplomatic office in Abu Dhabi to facilitate Israel's participation in IRENA, but some observers interpreted the permission as reflecting the common interests between Israel and the UAE.⁴¹ The UAE has apparently set aside its earlier recriminations over an Israeli assassination of Hamas figure Mahmoud al-Mabhouh at a hotel in Dubai in 2010.

There apparently are unspecified levels of Israel-UAE bilateral trade, even though the UAE formally claims it is enforcing the Arab League primary boycott of Israel. In 1994, the UAE joined with the other Gulf monarchies in ending enforcement of the Arab League's secondary and tertiary boycotts (boycotts of companies doing business with Israel and on companies that deal with companies that do business with Israel).

Still, the UAE's positions on the Israel-Palestinian dispute are similar to those of virtually all other Arab states—support for the Palestinian Authority's bid for statehood recognition and opposition to the Trump Administration's recognition that Israel's capital is in Jerusalem. However, in line with UAE animosity toward Muslim Brotherhood-related movements, the UAE

³⁹ "A Quiet, Potent Ally to U.S." *op. cit.*

⁴⁰ <http://www.middleeasteye.net/news/secret-jet-flying-between-israel-and-uae-567607953>.

⁴¹ Simon Henderson. "Israel's Gulf Breakthrough." Washington Institute for Near East Policy, November 30, 2015.

criticized Qatar's support for Hamas in the July 2014 conflict between Hamas and Israel.⁴² The UAE has channeled support to Hamas's rival, the Fatah faction of the Palestine Liberation Organization, which runs the Palestinian Authority (PA) that is based on the West Bank. In June 2015, the UAE reportedly donated \$12 million to help the Gaza victims of recent wars with Israel, channeling the funds through Fatah, not Hamas.⁴³ The UAE also hosts a senior PLO official, Muhammad Dahlan, reputedly a close ally of de-facto UAE leader Shaykh Mohammad bin Zayid, who the UAE reportedly is financially backing for a major role in the PA (such as successor to PA President Mahmoud Abbas) and in the Hamas-run Gaza Strip as well.

The UAE has tended to defer to Saudi Arabia in formulating Arab or GCC proposals to resolve the Israeli-Palestinian dispute. In 2007, the UAE joined a "quartet" of Arab states (the others are Saudi Arabia, Egypt, and Jordan) to assist U.S. diplomacy on Israeli-Palestinian issues, and it attended the Annapolis summit on the issue that year. Unlike Qatar and Oman, the UAE did not host multilateral Arab-Israeli working groups on regional issues when those talks took place during 1994-1998.

According to the UAE government, to date the UAE has provided nearly \$550 million to humanitarian projects for Palestinian refugees in the Palestinian territories and in Syria, sending the funds through the U.N. Relief Works Agency (UNRWA). The UAE funded a housing project in Rafah, in the Gaza Strip, called "Shaykh Khalifa City."

UAE Foreign Aid⁴⁴

The UAE asserts that it has provided billions of dollars in international aid through its government and through funds controlled by royal family members and other elites. Among initiatives outside the Near East and South Asia region:

- The Abu Dhabi Fund for Development (ADFD), established in 1971, has distributed over \$4 billion for more than 200 projects spanning 53 countries.
- The UAE provided \$100 million for victims of the December 2004 tsunami in the Indian Ocean.
- During 2011-2012, UAE foundations responded to U.N. appeals for aid to the victims of a drought in East Africa and provided about \$2 million for victims of conflict in Somalia. In October 2013, the UAE reopened a UAE embassy in Mogadishu, in part to facilitate the delivery of relief to Somalis.
- The UAE has donated to various causes in the United States, including \$150 million for the MD Anderson Cancer Center at the University of Texas; \$100 million to assist New Orleans after Hurricane Katrina; \$150 million to Children's National Medical Center in Washington, DC; \$5 million to the reconstruction of the new pediatric health care wing at St. John's Mercy Hospital in Joplin, MO, in the wake of the May 2011 tornado there; and \$10 million to assist with the reconstruction and recovery efforts of communities that were impacted by Hurricane Sandy in 2013. In 2012, Johns Hopkins officials unveiled the Sheikh Zayid Cardiovascular and Critical Care Tower, funded by a 2007 donation by the office of UAE President Khalifa.

⁴² Hamas formed in the late 1980s out of Brotherhood groups in the Palestinian territories.

⁴³ "UAE Money to Gaza Gives Boost to Former Fatah Leader." Associated Press, June 17, 2015.

⁴⁴ Factsheets provided by UAE Embassy in Washington, DC, and author conversations with UAE representatives. 2011-2016.

Defense Cooperation with the United States

The UAE's ability to project power in the region is a product, at least in part, of many years of U.S.-UAE defense cooperation that includes U.S. arms sales and training, and joint exercises and operations. Despite the fact that the UAE armed forces are small—approximately 51,000 personnel—the UAE has participated in U.S.-led military operations in many different locations, including Somalia (1992), the Balkans (late 1990s), Afghanistan (since 2003), Libya (2011), and the Islamic State. Some experts say the UAE has joined U.S.-led operations to further invest the United States in UAE security and increase UAE influence over U.S. policy.

The UAE's growing capabilities give it an alternative to reliance on U.S. military support. Obama Administration officials sought to reassure the GCC states that the JCPOA did not represent any lessening of the U.S. commitment to Gulf security. A joint statement issued after the 2015 Camp David meeting announced a new U.S.-GCC strategic partnership and reiterated that it is U.S. policy to use all elements of U.S. national power to deter and confront external aggression “against our allies and partners...” An annex to the statement says that the United States will increase security cooperation with the GCC states in the following ways: (1) facilitating U.S. arms transfers to the GCC states; (2) increasing U.S.-GCC cooperation on maritime security, cybersecurity, and counterterrorism; (3) organizing additional large-scale joint military exercises and U.S. training; and (4) stating a renewed commitment to a concept of a Gulf-wide ballistic missile defense capability, which the United States has sought to promote in recent years.⁴⁵ A factsheet issued by the Administration during the April 21, 2016, U.S.-GCC summit, in Riyadh, Saudi Arabia, indicated that these steps have begun to be implemented, and that additional measures were agreed to, including U.S.-GCC military exercises (held in March 2017) and U.S. training for GCC special forces.⁴⁶ UAE officials say they have been further reassured by statements by President Donald Trump, including during his visit to Saudi Arabia in late May 2017, that Iran is a major threat that must be countered.

Defense Cooperation Agreement (DCA) and U.S. Forces in UAE

The United States and UAE have established a “Defense Cooperation Framework” to discuss joint strategic approaches to regional disputes and conflicts and to better integrate U.S. capabilities with those of the UAE. The Framework includes UAE development of a defense plan that will facilitate joint U.S.-UAE planning in case of attack on the UAE.⁴⁷

The Framework builds on the July 25, 1994, bilateral Defense Cooperation Agreement (DCA), the text of which is classified.⁴⁸ The DCA was accompanied by a separate “Status of Forces Agreement” (SOFA) giving U.S. military personnel in UAE certain legal immunities, but several incidents reportedly caused the UAE to void the SOFA and to agree with the United States to handle legal incidents on a “case-by-case basis.”⁴⁹ On May 15, 2017, Secretary of Defense James Mattis and de facto UAE leader Shaykh Mohammad bin Zayid Al Nuhayyan confirmed that the

⁴⁵ The White House, Office of the Press Secretary, Annex to U.S.-Gulf Cooperation Council Camp David Joint Statement, May 14, 2015.

⁴⁶ For text of the factsheet, see <https://www.whitehouse.gov/the-press-office/2016/04/21/fact-sheet-implementation-us-gulf-cooperation-council-strategic>.

⁴⁷ Author conversations with UAE officials, July 2014.

⁴⁸ Some provisions are discussed in Sami Hajjar, *U.S. Military Presence in the Gulf: Challenges and Prospects* (U.S. Army War College: Strategic Studies Institute), March 2002, p. 27.

⁴⁹ Author conversations with UAE representatives, 2010-2016.

United States and the UAE had concluded a new DCA with a 15-year duration.⁵⁰ In accordance with the DCA:

- The United States stations about 5,000 U.S. military personnel at several UAE facilities including Jebel Ali port (between Dubai and Abu Dhabi), Al Dhafra Air Base (near Abu Dhabi), and naval facilities at Fujairah. Jebel Ali, capable of handling aircraft carriers, is the U.S. Navy's busiest port of call. The number of U.S. forces currently in UAE is substantially higher than the 800 U.S. personnel there prior to the 2003 U.S. intervention in Iraq. The U.S. forces in UAE support U.S. operations in Afghanistan, combat the Islamic State, deter Iran, try to intercept terrorists, and combat smuggling and illicit shipments of weaponry or proliferation-related equipment.
- The U.S. stations combat and other aircraft. About 3,500 of the U.S. contingent are Air Force personnel deployed at Al Dhafra air base. The facility at first hosted U.S. surveillance aircraft such as the U-2 and the KC-10 refueling aircraft, but the UAE later permitted the stationing of F-15s; the "Stealth" F-22 Raptor;⁵¹ and the Global Hawk and the AWACS (Airborne Warning and Control System).⁵² Dhafra is the only overseas base where F-22s are stationed.
- The United States trains UAE forces. About 600-800 UAE military personnel study and train in the United States each year, mostly through the Foreign Military Sales program, through which the UAE buys most of its U.S.-made arms. The quality of the UAE force has, by all accounts, benefitted substantially from the U.S. training. U.S. military officers say that UAE fighter pilots, operators of HAWK surface-to-air missile batteries, and special operations forces are highly proficient and have demonstrated their effectiveness in recent air combat missions, particularly in Libya in 2011 and against the Islamic State.
- Since 2000, the UAE has hosted a "Joint Air Warfare Center" (AWC) where UAE and U.S. forces jointly conduct targeting and exercises on early warning, air and missile defense, and logistics.⁵³ Since 2009, UAE Air Force personnel have participated in yearly Desert Falcon exercises at Nellis Air Force Base in Nevada.⁵⁴

U.S. and Other Arms Sales

U.S. officials assert that arms sales to the UAE enhance U.S. security by building up indigenous GCC capabilities and promoting interoperability. UAE representatives assert that the country would like to work out a mechanism with the United States under which requests for munitions and arms purchases could receive expedited U.S. consideration. Some options might include designating the UAE as a "Major Non-NATO Ally" (MNNNA), or a mechanism UAE officials say they prefer: legislation that would declare the UAE a key U.S. defense partner.⁵⁵ Two Gulf states—Kuwait and Bahrain—are designated as MNNAs. Some defense sales to the UAE might

⁵⁰ Department of Defense. "SecDef Meets with UAE's Crown Prince." May 15, 2017.

⁵¹ *Washington Post*, April 28, 2012.

⁵² <http://www.globalsecurity.org/military/facility/dhafra.htm>.

⁵³ Rajiv Chandresekaran. "A Quiet, Potent Ally to U.S." *Washington Post*, November 9, 2014.

⁵⁴ "A Quiet, Potent Ally to U.S." op. cit.

⁵⁵ Author conversations with UAE representatives, 2016.

be contingent on the UAE's joining the Missile Technology Control Regime (MTCR), which UAE officials say they are considering trying to do.⁵⁶ The UAE does not receive U.S. aid to purchase U.S. weaponry. Among major FMS programs with or potential sales to the UAE

- *F-16 Program.* In 2000, the UAE purchased 80 U.S. F-16 aircraft, equipped with the Advanced Medium Range Air to Air Missile (AMRAAM) and the High Speed Anti-Radiation Missile (HARM), at a value of about \$8 billion. Congress did not block the sale, although some Members questioned the AMRAAM as an introduction of the weapon into the Gulf. In November 2017, Lockheed Martin and the UAE agreed to a \$1.6 billion upgrade to its original 80 F-16s. In April 2013, the United States sold the UAE an additional 30 F-16s and associated “standoff” air-to-ground munitions, in conjunction with similar weapons sales to Israel and Saudi Arabia, which U.S. officials indicated were intended to signal resolve to Iran.⁵⁷ The UAE also has about 60 French-made Mirage 2000 warplanes, and is reportedly considering buying French-made Rafales and the Boeing F/A-18.
- *F-35 Joint Strike Fighter.* UAE officials say the country wants to buy the advanced F-35 “Joint Strike Fighter,” asserting that possessing the most sophisticated U.S. aircraft enhances interoperability with U.S. air operations. Even though Israel and the UAE are aligned on many regional policies, U.S. officials have said that the United States would not sell the aircraft to the UAE before Israel receives the weapon; delivery to Israel is expected to begin in late 2016. That apparently is an effort to enforce U.S. law that requires maintaining Israel’s “Qualitative Military Edge” (QME) in the region. However, it was reported in early November 2017 that the Trump Administration has agreed to consider a UAE request to enter into preliminary talks on future UAE procurement of the F-35.⁵⁸ No decision on whether such talks will begin has been announced.
- *JDAMs and other Precision-Guided Munitions.* The United States has sold the UAE precision-guided missiles for the F-16s, including 20 of the advanced ATM-84 SLAM-ER Telemetry missile and 5,000 GBU-39/B “bunker buster” bombs. (The sale of the SLAM-ER represented the first sale of that weapon to a Gulf state.) In 2008, the United States sold the UAE an unspecified number of Joint Direct Attack Munitions (JDAM) kits (which convert gravity bombs to precision-guided bombs) worth about \$326 million. In 2011, the United States sold the UAE an additional 4,900 JDAM kits at an estimated value of \$304 million. Some experts interpret the sale of JDAMs to the UAE as a signal to Iran, in that the munition might be effective against hard targets such as Iran’s nuclear facilities. On several occasions in 2015, the United States sold the UAE precision-guided munitions (Guided Bomb Units—GBU-31s and GBU-12s) and resupplied it with JDAMs for use against the Islamic State and the Houthi rebellion in Yemen.
- *Apache Helicopters.* On November 4, 2010, the Defense Security Cooperation Agency (DSCA) notified Congress of two potential sales, including a \$5 billion

⁵⁶ Ibid.

⁵⁷ Thom Shanker. “Arms Deal with Israel and 2 Arab Nations Is Near.” *New York Times*, April 19, 2013.

⁵⁸ Barbara Opall. “Trump Could Let the UAE Buy F-35 Jets.” *Defense News*, November 6, 2017.

- sale of AH-64 Apache helicopters (30 helicopters, remanufactured to Block III configuration).⁵⁹
- *Drones.* At a UAE defense show in February 2013, the UAE agreed to a commercial sale, worth about \$200 million, for Predator X-P unmanned aerial vehicles (UAVs), although they are unarmed and for surveillance only. The system is due to arrive in the UAE in early 2017. Were the UAE to join the MTCR, it might be eligible to buy the armed drone called the Guardian, the sale of which to non-MTCR countries is precluded because it is an MTCR “Category One” system. The UAE also reportedly has some Chinese-made UAVs.
 - *High Mobility Artillery Rocket System (HIMARS).* In September 2006, the United States sold UAE High Mobility Artillery Rocket Systems (HIMARS) and Army Tactical Missile Systems (ATACMs), valued at about \$750 million.
 - *Tanks.* UAE forces still use primarily 380 French-made Leclerc tanks.
 - *Missiles.* The UAE reportedly possesses a small number (six) of Scud-B ballistic missiles obtained from a non-U.S. suppliers.⁶⁰ The United States does not supply or assist the UAE with ballistic missile technology, in part because the country is not an adherent of the Missile Technology Control Regime (MTCR). UAE officials say the country is considering trying to join that convention.⁶¹

Some differences between the UAE and United States have emerged over apparent purchases of weapons by the UAE’s Al Mutlaq Technology Company of \$100 million in weapons from North Korea. The North Korean supplier is said to be Korea Mining Development Trading Corporation (Komid), which has been sanctioned by the United States for its involvement in North Korean strategic programs.⁶²

Missile and Rocket Defenses

A key U.S. objective—and a driving force behind the formation of the “U.S.-GCC Strategic Cooperation Forum” formed in March 2012—has been to organize a coordinated Gulf-wide ballistic missile defense (BMD) network against Iran’s missile force. The concept fits with an overall U.S. shift to try to work with the GCC as a bloc rather than country-by-country, which was enshrined in a December 16, 2013, Presidential Determination to allow defense sales to the GCC as a bloc.⁶³

The UAE has assisted U.S. efforts to coordinate missile defense within the GCC by hosting an Integrated Air and Missile Defense (IAMD) Center - a training facility to enhance intra-GCC and U.S.-GCC missile defense cooperation. The UAE was the first GCC state to order the Terminal High Altitude Air Defense System (THAAD), the first sale ever of that sophisticated missile defense system, with an estimated value of about \$7 billion. In September 2013, the Defense Department awarded a \$3.9 billion contract to Lockheed Martin for about 300 THAAD missiles,

⁵⁹ DSCA transmittal number 10-52. <http://www.dscamilitary.com>.

⁶⁰ According to the International Institute of Strategic Studies “Military Balance” publication, 2016.

⁶¹ Author conversations with UAE officials, 2016.

⁶² David Kirkpatrick. “Leaked Emails from Emirati Diplomats Cloud Libya Peace Negotiations.” *New York Times*, November 13, 2015.

⁶³ <http://www.whitehouse.gov/the-press-office/2013/12/16/presidential-determination-gulf-cooperation-council>.

of which about 192 would be exported to the UAE.⁶⁴ The delivery and training process for the UAE's THAAD system began in late 2015.⁶⁵

Among significant other recent missile defense sales to the UAE are the advanced Patriot antimissile systems. A sale of the Patriot Advanced Capability 3 (PAC-3) missile defense system, with an estimated value of \$9 billion value, was announced in December 2007. On May 11, 2017, the Administration notified a potential sale to the UAE of 60 PAC-3 and 100 Patriot Guidance Enhanced Missile-Tactical (GEM-T) missiles, with a total estimated value of about \$2 billion. Because these are defensive systems, it is unclear that the sale will be affected by an intent stated on June 26, 2017, by Senate Foreign Relations Committee Chairman Senator Bob Corker to withhold informal clearances on sales of "lethal military equipment" to the GCC states until there is a path to the resolution of the intra-GCC dispute. In 2008, the United States sold the UAE vehicle-mounted "Stinger" anti-aircraft systems with an estimated value of \$737 million. The UAE hosts the Integrated Air and Missile Defense Center, a major training facility for Gulf and U.S.-GCC cooperation on missile defense.

UAE officials also say they seek defenses against shorter-range missiles and rockets, such as those used by the Houthis in Yemen. In 2016, the Administration notified Congress of a potential sale of "Large Aircraft Infrared Countermeasures" to protect UAE head of state aircraft against missile threats.

UAE Defense Cooperation with Other Powers

The United States and other GCC countries are not the UAE's only defense partners. In 2004, the UAE joined NATO's "Istanbul Cooperation Initiative," which was launched that year by NATO as an effort to bolster bilateral security with Middle Eastern countries. The UAE has "observer" status in NATO and, in 2011, the UAE sent an Ambassador to NATO under a revised alliance policy approved by NATO in April 2011. In October 2013, the UAE opened a mission to the European Union. In early 2017, NATO established a liaison office in Abu Dhabi under the auspices of the embassy of Denmark there.

Since well before the formation of the anti-Islamic State coalition, the UAE has been hosting other countries' forces. In January 2008 the UAE and France signed an agreement to allow a French military presence in UAE. The facilities used—collectively termed Camp De La Paix ("Peace Camp")—were inaugurated during a visit by then French President Nicolas Sarkozy to UAE on May 27, 2009, and include (1) a 900-foot section of the Zayid Port for use by the French navy; (2) an installation at Dhafra Air Base used by France's air force; and (3) a barracks at an Abu Dhabi military camp that houses about 400 French military personnel.

India's Prime Minister, Narendra Modi visited the UAE in August 2015, the first such visit since 1981. The visit appeared to focus more on trade and economic issues than defense relations, but might have contained a strategic component in light of India's naval exercises with GCC countries in recent years and India's interest in securing additional energy supplies. Abu Dhabi Crown Prince Muhammad bin Zayid reciprocated by visiting India in January 2017. The visit continued to advance bilateral security cooperation by including the signing of a "Comprehensive Strategic Partnership Agreement" between the two countries.

⁶⁴ National Public Radio, September 23, 2013.

⁶⁵ Adriane Eliot. "Antiballistic System Shared with International Partner." <http://www.army.mil> website, January 13, 2016. https://www.army.mil/article/160912/Antiballistic_system_shared_with_international_partner/.

However, it is the UAE relationship with Russia that attracts significant attention, in part because Russia is challenging U.S. influence in the Middle East. In February 2017, press reports indicated that the UAE and Russia might jointly develop a combat aircraft based on the Soviet-era MiG-29. Some experts interpreted the collaboration—with a partner that is acting against the UAE’s interests in Syria and other parts of the region—as an acknowledgment by the UAE of Russia’s growing role in the region.⁶⁶ The UAE might also be attempting to engage Russia in defense cooperation in order to perhaps try to steer Russian policy in Syria or enlist Russian cooperation in settling regional conflicts.

Additional Measures to Address Manpower Shortages

To address its manpower shortage, the UAE has taken steps that include establishment of a reserve force, mandating military training, and employing private security contractors. As do those of other GCC states, the UAE armed forces have significant numbers of expatriates serving in their ranks, including from such countries as Pakistan. The UAE confirmed in May 2011 that it had retained the U.S. private firm Reflex Responses to provide “operational, planning, and training support” to the UAE military. This followed a *New York Times* report that the UAE had hired the firm, which is run by Eric Prince, who founded the Blackwater security contractor, to a \$529 million contract to build a foreign battalion to help defend the UAE from internal revolt or related threats.⁶⁷ The State Department reportedly investigated whether the contract violated any U.S. laws controlling the export of U.S. defense technology and expertise, but no findings were announced and Eric Prince apparently is no longer involved in this effort. *Defense News* reported on November 25, 2013, that a U.S. firm, Knowledge International, has provided 125 former U.S. Army officers to help improve the organization and performance of UAE land forces.

Cooperation against Terrorism and Proliferation

The UAE cooperates with U.S. counterterrorism and counter-proliferation policies in the region, as discussed in the foreign policy and defense sections above, not only operations against the Islamic State but also efforts to prevent the movement of terrorists, pirates, human traffickers, and proliferation-related technology through UAE borders and waters. U.S. programs, which have sometimes included providing small amounts of counterterrorism assistance, have helped build the UAE’s capacity to enforce its borders and financial controls. No U.S. aid to UAE for these programs has been provided since FY2011.

International Terrorism Issues⁶⁸

During the mid-1990s, some Al Qaeda activists reportedly were able to move through the UAE, and two of the September 11, 2001, hijackers were UAE nationals who reportedly used UAE-based financial networks. Since then, State Department reports on terrorism have credited the UAE with making significant efforts against terrorism and terrorism financing. According to the State Department reports, the UAE has arrested and prosecuted Al Qaeda and Islamic State operatives; denounced terror attacks; improved border security; instituted programs to counter violent extremism; instituted laws to block suspect financial transactions; criminalized use of the

⁶⁶ <http://www.upi.com/Defense-News/2017/02/20/Russia-UAE-to-collaborate-on-5th-generation-fighter/4591487612266/>.

⁶⁷ http://www.nytimes.com/2011/05/15/world/middleeast/15prince.html?_r=1&partner=rss&emc=rss.

⁶⁸ Much of this section is taken from Department of State, Office of the Coordinator for Counterterrorism, Country Reports on Terrorism 2016; and author conversations with executive branch officials, 1997-2017.

Internet by terrorist groups; and strengthened its bureaucracy and legal framework to combat terrorism. Human rights groups allege that UAE counterterrorism law is often used against domestic political dissidents. In 2014, the government, with FNC concurrence, enacted a revised counterterrorism law that makes it easier to prosecute, and increases penalties for, planning acts of terrorism, and authorizes the UAE cabinet to set up lists of designated terrorist organizations and persons.⁶⁹

Recent State Department reports on terrorism credit the UAE with co-chairing the anti-Islamic State-related “Coalition Communications Working Group” along with the United States and Britain, and with partnering with the U.S. government to establish the Sawab Center, an online counter-Islamic State messaging hub.⁷⁰ At the December 2014 GCC summit, the GCC leaders announced the creation of a regional police force to be headquartered in Abu Dhabi. The UAE has also joined the Saudi-initiated GCC “Security Pact” that requires increased information-sharing and cooperation among the GCC states on internal security threats.

Among notable UAE counterterrorism actions, in October 2010, UAE authorities assisted in foiling an Al Qaeda in the Arabian Peninsula plot to send bombs to the United States. In December 2012, the UAE, working with Saudi Arabia, arrested members of an alleged terrorist cell plotting attacks in the United States. In April 2013, UAE authorities arrested seven non-UAE Arab nationals allegedly affiliated with Al Qaeda. In May 2014, the UAE tried nine people on charges of supporting the Al Nusrah Front (renamed Front for the Conquest of Syria), an Al Qaeda-linked faction of Syrian rebels that is named by the United States as a Foreign Terrorist Organization (FTO).⁷¹ UAE authorities failed to prevent a December 1, 2014, killing of an American teacher by a 38-year-old Emirati woman who allegedly had visited extremist websites, although they defused a bomb she planted outside the home of an American doctor and arrested her soon after the attacks. In 2015, the UAE arrested and prosecuted, or deported, numerous individuals who allegedly planned to join the Islamic State or commit terrorism in the UAE. In March 2016, UAE courts convicted 30 out of 41 individuals (38 of whom were UAE citizens) belonging to a group called Shabab al Manara of plotting terrorist attacks in the UAE. All facilities and assets of the group were ordered closed or seized.

Yet, the United States and the UAE sometimes differ on whether some groups are terrorist organizations. For example, the 85 groups that the UAE government designates as terrorist organizations include some U.S. and Europe-based groups that represent Muslims in those societies and which neither the United States nor any European government accuses of terrorism.⁷² These groups include the U.S.-based Muslim American Society and Council on American-Islamic Relations (CAIR); the Muslim Association of Sweden; the Federation of Islamic Organizations in Europe; and the U.K.-based Islamic Relief. The United States Embassy in Abu Dhabi questioned the UAE government about why it designated these groups.⁷³ The UAE also identifies as terrorist groups several organizations that the United States considers armed adversary factions but not terrorist groups, including the Houthis in Yemen and the Afghan Taliban. The UAE, as noted above, also considers the Muslim Brotherhood as a terrorist group; the Trump Administration has reportedly considered designating it as a foreign terrorist organization (FTO) but has not taken that step, to date.

⁶⁹ “UAE Stiffens Counterterror Laws.” *Defense News*, July 26, 2014.

⁷⁰ State Department Country Reports on Terrorism: 2016.

⁷¹ The group changed its name and claimed to have severed connections to Al Qaeda in mid-2016.

⁷² “UAE Lists Scores of Groups as ‘Terrorists.’” *Al Jazeera*, November 16, 2014.

⁷³ State Department Bureau of Counterterrorism. Country Reports on Terrorism: 2014. Released June 19, 2015.

Antiterrorism Financing and Money Laundering (AML/CFT). The UAE Central Bank's Financial Intelligence Unit is credited in State Department terrorism reports with providing training programs to UAE financial institutions on money laundering and terrorism financing, and making mandatory the registration of informal financial transmittal networks (*hawalas*). In September 2012, the FBI Legal Attache established a suboffice at the U.S. consulate in Dubai to assist with joint efforts against terrorism and terrorism financing. In June 2014 the UAE set up a financial task force to better prevent use of UAE financial institutions by terrorist organizations. In October 2014, the country adopted a law (Federal Law No. 9) to strengthen a 2002 anti-money laundering law. The country is a member of the Middle East and North Africa Financial Actions Task Force (MENAFATF), a FATF-style regional body, and it chairs the MENAFATF's Training and Typologies Working Group. The UAE is a participant in the Counter-Islamic State Finance Group chaired by Italy, Saudi Arabia, and the United States.

Countering Violent Extremism. In December 2012, during a meeting of the Global Counterterrorism Forum (GCTF), which is co-chaired by the United States and Turkey, the UAE-based "International Center of Excellence for Countering Violent Extremism," known as *Hedayah* ("guidance") was inaugurated. The center, which has an annual budget of about \$6 million and a staff of 14, is an institution for training, dialogue, collaboration, and research to counter violent extremism. Its priority is to work to prevent educational institutions from becoming breeding grounds for violent extremism. It also promotes information sharing so that police organizations around the world can receive information from family members who report on relatives who have become radicalized.⁷⁴ Several UAE-based think tanks, including the Emirates Center for Strategic Studies and Research (ECSSR), the Emirates Policy Center, the TRENDS Institute, the Tabah Foundation, and the Future Institute for Advanced Research and Statuies, also conducted seminars on confronting terrorism and violent extremism. The UAE is a founding member of the GCTF, which was formed in September 2011.

Transfers from Guantanamo. The UAE cooperated with Obama Administration efforts to reduce the detainee population at the U.S. prison facility in Guantanamo Bay, Cuba. In November 2015, the Department of Defense transferred five Yemeni detainees from the facility to the UAE. In August 2016, the Obama Administration transferred another 15 Guantanamo detainees (12 Yemenis and 3 Afghans) to the UAE—the biggest single Guantanamo transfer to date. The day before it left office in January 2017, the Obama Administration announced that another three were transferred to the UAE. The transferees are kept in a facility where the UAE tries to rehabilitate its own citizens who were drawn into extremist activities.

Port and Border Controls

The UAE has signed on to several U.S. efforts to prevent proliferation and terrorism. These include the Container Security Initiative, aimed at screening U.S.-bound containerized cargo transiting Dubai ports, and the UAE has cooperated with all U.S. measures designed to protect aircraft bound for the United States. Several U.S. Customs and Border Protection officers, co-located with the Dubai Customs Intelligence Unit at Port Rashid in Dubai, inspect U.S.-bound containers, many of them apparently originating in Iran. The UAE is also a party to the Proliferation Security Initiative, the Megaports Initiative designed to prevent terrorists from using major ports to ship illicit material, and the Customs-Trade Partnership against Terrorism. In 2013, a "pre-clearance facility" was established at the Abu Dhabi International Airport for travelers

⁷⁴ David Ignatius. "A Small Organization Offers a Fresh Approach on Preventing Terrorism" *Washington Post*, op-ed. October 21, 2014.

boarding direct flights to the United States. The UAE government supports the Department of Homeland Security's programs to secure any UAE-to-U.S. flights, including collecting passenger information and employing retina-screening systems.

Export Controls

The UAE effort to prevent the re-export of advanced technology, particularly to Iran, has improved considerably since mid-2010. As a GCC member, the UAE participates in the U.S.-GCC Counter-proliferation Workshop. Taking advantage of geographic proximity and the presence of many Iranian firms in Dubai emirate, numerous Iranian entities involved in Iran's weapons and technology programs maintained offices in Dubai. In connection with revelations of illicit sales of nuclear technology to Iran, Libya, and North Korea by Pakistan's nuclear scientist A.Q. Khan, Dubai was named as a key transfer point for Khan's shipments of nuclear components. Two Dubai-based companies were apparently involved in transshipping components: SMB Computers and Gulf Technical Industries.⁷⁵ In 2004, the United States sanctioned a UAE firm, Elmstone Service and Trading FZE, for allegedly selling weapons of mass destruction-related technology to Iran, under the Iran-Syria Non-Proliferation Act (P.L. 106-178). In June 2006, the Bureau of Industry and Security (BIS) imposed a license requirement on U.S. exports to Mayrow General Trading Company and related UAE-based companies after Mayrow allegedly transshipped devices used to construct improvised explosive devices (IED) in Iraq and Afghanistan.⁷⁶

The UAE has responded when U.S. officials have threatened to sanction the UAE for lax export control enforcement. In February 2007 the Bush Administration threatened to characterize the UAE as a "Destination of Diversion Control" and to restrict the export of certain technologies to it. A June 2010 Iran sanctions law, the Comprehensive Iran Sanctions, Accountability, and Divestment Act (CISADA, P.L. 111-195), formally authorizes countries to be designated as Destinations of Diversion Control an subject to U.S. sanctions. The UAE avoided any such designation by strengthening its export control regime, including a September 2007 law passed with FNC concurrence that tightened export controls. UAE authorities used that law to shut down 40 foreign and UAE firms allegedly involved in dual use exports to Iran and other countries. In September 2012 the UAE (and Bahrain) impounded shipments to Iran of items that Iran purportedly sought for use in its nuclear program.

The issue of leakage of technology has sometimes caused U.S. criticism or questioning of UAE investment deals. In December 2008, some Members of Congress called for a review by the interagency Committee on Foreign Investment in the United States (CFIUS) of a proposed joint venture between Advanced Micro Devices and Advanced Technology Investment Co. of Abu Dhabi for the potential for technology transfers. In February 2006, CFIUS approved the takeover by the Dubai-owned "Dubai Ports World" company of a British firm that manages six U.S. port facilities. Members of Congress, concerned that the takeover might weaken U.S. port security, opposed it in P.L. 109-234, causing the company to divest assets involved in U.S. port operations.

⁷⁵ Milhollin, Gary and Kelly Motz. "Nukes 'R' US." *New York Times*, op. ed. March 4, 2004.

⁷⁶ BIS, "General Order Concerning Mayrow General Trading and Related Enterprises," 71 *Federal Register* 107, June 5, 2006.

Nuclear Agreement and Other Technology Issues⁷⁷

The UAE announced in 2008 that it would acquire its first nuclear power reactors to satisfy projected increases in domestic electricity demand.⁷⁸ The United States and the UAE signed an agreement on January 15, 2009, to help the UAE develop its nuclear power program. Some in Congress expressed concerns about the potential for leakage of technology to Iran as well as the potential for regional proliferation of nuclear technology.

UAE officials assert that they have committed to a project that represents a “gold standard” in providing for the UAE’s needs while posing no proliferation potential. The UAE committed to refrain from domestic uranium enrichment and from reprocessing spent nuclear reactor fuel—both processes could produce fissile material for nuclear weapons. The International Atomic Energy Agency announced in December 2011 that a group of experts that reviewed the UAE’s regulatory framework for the program found “noted good practices” and provided suggestions to the Federal Authority for Nuclear Regulation, the UAE’s nuclear regulatory authority.⁷⁹ In part because of the UAE’s extensive commitments that apparently ensure the project can only be for peaceful purposes, the Obama Administration signed an agreement for the United States to assist the program, subject to conditions specified in Section 123 of the Atomic Energy Act of 1954 [42 U.S.C. 2153(b)], on May 21, 2009 (and submitted to Congress that day). Several congressional resolutions approving the agreement (S.J.Res. 18 and H.J.Res. 60) were introduced, as was one disapproving (H.J.Res. 55). No measure blocking the agreement was enacted within 90 days of the submission of the agreement to Congress, and the “1-2-3 Agreement” entered into force on December 17, 2009. However, reflecting UAE concerns about the JCPOA, UAE officials reportedly told U.S. officials in October 2015 that they no longer consider themselves bound by the pledge that the country would not enrich uranium.⁸⁰

A number of U.S. and European firms have secured administrative and financial advisory contracts with the program. In January 2010, the Emirates Nuclear Energy Corporation (ENEC), the institution that is administering the program, announced that it had chosen the Korea Electric Power Corporation (KEPCO of South Korea) to construct the first of four APR1400 nuclear reactors that would sell electricity to the Abu Dhabi Water and Electricity Authority. The first plant is expected to start operating in 2017 and the other three are scheduled to be completed and operational by 2020.⁸¹ The plant is located near Abu Dhabi’s western border with Saudi Arabia.⁸²

On other technology issues, in July 2014 the UAE announced it will form a “UAE Space Agency.” According to the government, by 2021 the agency is to launch an unmanned spaceship from the Arabian peninsula that will probe Mars.

⁷⁷ This section was prepared by Paul Kerr, Analyst in Weapons of Mass Destruction Nonproliferation, CRS. See CRS Report R40344, *The United Arab Emirates Nuclear Program and Proposed U.S. Nuclear Cooperation*, by Christopher M. Blanchard and Paul K. Kerr.

⁷⁸ UAE officials estimate that their country must expand its power generation and transmission capacity from the current level of 16 gigawatts to 40 gigawatts by 2020 in order to meet projected demand increases.

⁷⁹ <http://www.iaea.org/press/?p=2572>.

⁸⁰ “Post Iran Nuclear Deal, UAE Diplomat Tells Congressman His Country no Longer Feels Bound by Previous Agreement with US.” *AlJazeera.com*, October 16, 2015.

⁸¹ <http://enec.gov.ae/our-nuclear-energy-program/prime-contractor/>.

⁸² <http://enec.gov.ae/our-nuclear-energy-program/preferred-site/>.

Economic Issues

As are the other GCC states that have long depended on exports of hydrocarbons, the UAE has announced plans and policies (“Vision 2021”) to try to further diversify its economy to a “post-oil” era. Dubai emirate, in particular, has long pursued an economic strategy based on attracting investors to construct luxurious and sometimes futuristic projects that provide jobs and attract tourism and publicity. The UAE, a member of the World Trade Organization (WTO), has developed a free market economy, but its market and financial institutions are weakly regulated.

To help it weather the effect of the sharp drop in oil prices since mid-2014, the government cut some subsidies to reduce the country’s budget deficit in 2015 and 2016. Those deficits contributed to a decision by the government to raise capital on international markets, including an April 2016 bond offering of \$5 billion and an October 2017 bond offering of about \$10 billion. The government budget was roughly balanced for 2017, and budget discipline and bond offerings have helped the UAE avoid drawing down its financial reserves, estimated to be over \$600 billion in various sovereign wealth funds overseen by the Emirates Investment Authority (EIA).⁸³ The 2016 and 2017 cabinet reshuffles and reform announcements were intended, in part, to reduce the size of the government and to move some its functions of to the private sector.

Oil and Gas Sector and “Clean Energy” Initiatives

The key factor in the UAE’s wealth is that it exports large amounts of crude oil while having a small population that receives benefits and services. The UAE exports nearly as much oil as Iraq but its citizens number only about 4% of those of Iraq. Abu Dhabi has 80% of the federation’s proven oil reserves of about 100 billion barrels, enough for over 100 years of exports at the current production rate of about 2.9 million barrels per day (mbd). Of that, over 2.2 mbd are exported, and the UAE has as much as 500,000 bpd of spare capacity.⁸⁴ The United States imports negligible amounts of UAE crude oil; the largest share of UAE oil goes to Japan and China. The UAE has vast quantities of natural gas but consumes more than it produces. It has entered into an arrangement (Dolphin Energy) with neighboring countries under which a pipeline carries natural gas from the large gas exporter, Qatar, to the UAE and on to Oman as well. However, political differences with Qatar, discussed throughout this report, have contributed to UAE evaluation of renewable and other alternatives to relying on Qatar-supplied natural gas.

The UAE is trying to secure its oil export routes against any threat by Iran to close the strategic Strait of Hormuz, through which the UAE and other major oil exporters transport their oil exports. In July 2012, the UAE loaded its first tanker of oil following completion of the Abu Dhabi Crude Oil Pipeline (ADCOP) which terminates in the emirate of Fujairah, on the Gulf of Oman. The line, which cost \$3 billion, has capacity to transport 1.5 million barrels per day of crude oil—about half of the UAE’s peak production. The UAE is also planning a large refinery near that terminal, and possibly a second oil pipeline exiting there, to further secure its oil exports and value-added petroleum products.⁸⁵

The UAE government is also attempting to plan for a time when the developed world is no longer reliant on oil imports. The government has set a target of using 21% renewable energy sources by

⁸³ The two largest of the UAE’s sovereign wealth funds are run by the Abu Dhabi Investment Authority (ADIA) and Mubadala (“Exchange”).

⁸⁴ <http://www.thenational.ae/events/areas/abu-dhabi/adnoc-preserves-spare-supplies>.

⁸⁵ “Abu Dhabi: In the Pipeline.” *The Middle East*, January 26, 2012.

2021. It has funded “Masdar City”—a planned city, the first phase of which is to be completed in 2015, that relies only on renewable energy sources. Automobiles that run on fossil fuels are banned from Masdar City. One feature of the city is a system of driverless taxis that use automation to take passengers to their destinations.

U.S.-UAE Trade and Trade Promotion Discussions

U.S. trade with the UAE is a significant issue because the UAE is the largest market for U.S. exports to the Middle East. Over 1,000 U.S. companies have offices there and there are over 60,000 Americans working in UAE. U.S. exports to the UAE in 2016 totaled \$22.4 billion, nearly the same amount as has been exported each year since 2012. Goods sold to UAE are mostly commercial aircraft, industrial machinery and materials, and other high value items. U.S. imports from the UAE in 2016 totaled \$3.35 billion, up from about \$2.5 billion in 2015. Figures available through November 2017 indicate that U.S. exports to UAE will be lower than 2016, but imports will be higher at over \$4 billion. Virtually none of the U.S. imports is crude oil. U.S. exports to UAE are expected to remain roughly at current levels through at least 2018 to fulfill orders for U.S. commercial aircraft by expanding UAE airlines Emirates Air and Etihad Airlines.

In November 15, 2004, the Bush Administration notified Congress it had begun negotiating a free trade agreement (FTA) with the UAE. Several rounds of talks were held prior to the June 2007 expiration of Administration “trade promotion authority.” The FTA talks were later replaced by a U.S.-UAE “Economic Policy Dialogue,” between major U.S. and UAE economic agencies. The dialogue, consisting of two meetings per year, began in late 2011 and also included discussion of reform of UAE export controls. In addition, as part of the GCC, the UAE negotiated with the United States a September 2012 “GCC-U.S. Framework Agreement on Trade, Economic, Investment, and Technical Cooperation” - a GCC-wide trade and investment framework agreement (TIFA). The agreement was negotiated by the U.S. Trade Representative (USTR).

U.S. Assistance to the UAE

As noted, because of the UAE’s relative wealth, it receives only very small amounts of U.S. foreign assistance. None has been requested since FY2011. According to USAID tables, for FY2016, the UAE received about \$1.15 million in U.S. assistance, with major categories including: \$395,000 (DoD funds) for counter-narcotics programs; \$260,000 (Department of State-controlled funds) for programs to counter terrorism financing; and \$370,000 (Department of Energy) funds related to meeting international commitments on the UAE’s nuclear program.

“Open Skies” Issue

In 2015, several U.S. airlines asserted that two UAE airlines, Emirates Air (Dubai-based) and Etihad Air (Abu Dhabi-based), as well as Qatar Airways, had an unfair competitive advantage because of alleged receipt of subsidies from their respective governments. All three airlines have grown substantially in recent years and are large buyers of U.S. aircraft. The U.S. airlines asserted that the “Open Skies Agreement” that the UAE and Qatar have with the United States should be renegotiated so as to limit the access the three Gulf-based airlines have to U.S. air routes. The airlines assert they are not subsidized and instead create substantial numbers of jobs for American workers building and serving their aircraft and infrastructure in the United States. UAE officials assert that the country will not agree to renegotiate the Open Skies Agreement. The Obama Administration declined to renegotiate the agreement or to take any action against the Gulf-based airlines. President Trump, following a February 2017 meeting with U.S. airline executives, did not indicate that his Administration would alter the previous Administration’s stance on that issue.

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