



Integrated Country Strategy

United Arab Emirates

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Table of Contents

1.	Chief of Mission Priorities.....	2
2.	Mission Strategic Framework	5
3.	Mission Goals and Objectives	7
4.	Management Objective	13

1. Chief of Mission Priorities

The bilateral relationship with the UAE is broad and deep, spanning the political, economic, commercial, and security spheres. Although the partnership is longstanding, the continued profound turmoil in the broader Middle East and North Africa has made this relationship even more essential. It is a relationship maintained by sustained engagement on the ground by Embassy Abu Dhabi and Consulate General Dubai. The UAE has proven itself to be a significant player, one whose foreign policy objectives largely align with ours. It is, moreover, a country that is prepared to use its economic, political, and military resources to defeat common threats before they reach the UAE's shores. To that end, the UAE has been a key participant alongside us in six coalition efforts, most recently the Defeat-ISIS effort. As the world's number one provider of official development assistance as a percentage of Gross National Product, the UAE is also a formidable source of soft power and burden-sharing.

Our trade relationship is an unqualified success story, with \$24.3 billion in total bilateral trade between our countries in 2017. The UAE has been our top export market in the Arab world for nine years, and our \$15.7 billion trade surplus is our third largest in the world. In 2017, U.S. exports to the UAE reached \$20 billion, translating into 130,000 American jobs. Investment is another cornerstone of the relationship: the UAE is the seventh fastest-growing source of foreign direct investment in the U.S., supporting over 12,000 U.S. workers.

Mission UAE will focus on four strategic goals to ensure that this critical bilateral relationship is not only sustained, but also strengthened in the coming years. Our first goal is to ensure that the U.S. continues to profit from this economic relationship, one characterized by substantial UAE investment in the United States and a significant U.S. trade surplus. This objective aligns with the State-USAID Joint Strategic Plan (JSP) goal of renewing America's competitive advantage for sustained economic growth and job creation, as well as the goal of the Bureau of Near Eastern Affairs (NEA) of supporting equitable economic growth.

Second, Mission UAE seeks to enhance regional security by strengthening the U.S.-UAE military-strategic partnership. Joint and multilateral training and exercise programs that increase our forces' interoperability are critical to the ability of the UAE and the Gulf Cooperation Council (GCC) to plug into U.S.-led coalition efforts, as are purchases from U.S. defense systems companies. They are also essential in fostering greater GCC capacity to secure its own neighborhood, most notably from Iran. We will look to the UAE to lead on regional counterterror efforts, as well as participate constructively in stabilization operations in places like Syria and Afghanistan. We will engage with our Emirati hosts to stay updated on other regional hot spots to ensure policies are well-aligned or, if mismatched, to reduce the gaps.

Third, the Mission will work to increase bilateral cooperation focused on institutional development to promote stability and good governance. The UAE views itself as an open and tolerant society that can serve as a model for the rest of the Middle East; indeed, Dubai is regularly cited as the place most young Arabs would like to live. Institutionalized rule of law will be a critical underpinning of the country's continued success, providing a predictability in transactions that benefits businesses, individuals and institutions alike. As the UAE moves toward the celebration of its 50th year as an independent country, we will work diligently to ensure that it looks to the U.S. as its preferred model as it continues to further build its institutional infrastructure: business law development, rationalization of regulations, and especially the transformation of the educational system. Flagship U.S. institutions in the UAE like New York University and the Cleveland Clinic will play a key part, as will institutions of higher learning in the United States, to which we will encourage the UAE government to send its scholarship students. Similarly, we will seek to build up and expand cooperative agreements in energy, science and technology, such as that between NASA and the UAE Space Agency, to bring top-notch U.S. expertise to the table. This will measurably advance the JSP goal of promoting American leadership through bilateral engagement.

Finally, but of paramount importance, the Mission intends to further augment the already substantial role that the UAE plays in partnering with the U.S. to protect the homeland, including by countering terrorism, illicit finance, proliferation, and international crime, another JSP objective. Mission UAE's diverse interagency will work with UAE counterparts to ensure that the more than 50,000 U.S. citizens living and working in the UAE are safe and secure. Through both posts' consular sections and the U.S. Customs and Border Protection pre-clearance facility at Abu Dhabi International Airport, we will deter those who seek to enter the United States illegally or for illicit means, while facilitating legitimate travel that supports the U.S. economy and our interests. With our Emirati partners, we will coordinate closely to share information on known and emerging threats, so that they can be combatted effectively.

None of this will be possible, of course, without an adequately resourced and staffed management platform. Years of rapid programmatic growth within the Mission, unaccompanied by concomitant management staffing increases, led to imbalances that both posts have worked diligently to rectify. Arab Spring uprisings that resulted in the closure of some posts and the relocation of others, combined with a drive toward greater regionalization, placed even greater pressure on Mission UAE. Both Abu Dhabi and Dubai are now focused on ensuring that our main effort, promoting the bilateral relationship, can be properly supported before we contemplate expanding our regional footprint further. Throughout the coming years, post management will refer to these ICS goals and objectives when asked to evaluate the relative merits of any proposed programmatic or staffing changes.

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As events in the Middle East have demonstrated, even assumptions that have held for decades can be upended; black swan events do occur, sometimes many times over. In reflecting on possible threats to our goals and objectives, we have considered some of the “known unknowns.” That the region is far from settled is one of these. Any number of conflicts, both local and regional, could disrupt the status quo and affect the UAE in ways as yet unforeseen. Managing this potential for instability, and for such a protracted period of time, could have negative consequences for a country the size of the UAE, with just over a million citizens. In the same vein, although the UAE – and especially Dubai – has moved swiftly and innovatively to diversify away from an overdependence on hydrocarbons, a large part of the economy is still highly tied to oil and gas revenues. The price of oil will thus have profound consequences for a country that holds the world’s sixth largest oil reserves, and seventh largest in gas.

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2. Mission Strategic Framework

Mission Goal 1: The United States and the UAE enjoy a strategic economic relationship with robust bilateral trade and investment, including substantial UAE investment in the United States and a significant trade surplus fueled by U.S. firms' exports to the UAE.

Mission Objective 1.1: Engagement between U.S. and UAE businesses increases, and trade is made stronger by improved promotion of economic opportunities, enforcement of IPR protection for U.S. firms across sectors, and the removal of tariff and non-tariff trade barriers; the U.S. financial system is protected by increased transparency; and the investment relationship is strengthened through promotion of U.S. investment opportunities for UAE firms.

Mission Objective 1.2: The UAE investment climate improves to create a business climate in the UAE that is even more attractive to U.S. firms seeking to export their products or establish a local or regional presence in the UAE market.

Mission Goal 2: Regional security is enhanced by deepening the U.S.-UAE military-security strategic partnership.

Mission Objective 2.1: The UAE implements security priorities that are consistent with U.S. regional interests and policy goals.

Mission Objective 2.2: The United States and the UAE strengthen regional and bilateral partnerships.

Mission Objective 2.3: The United States continues to work with UAE security elements to improve their capabilities and interoperability with U.S. forces and systems, including through joint/multilateral military to military operations, exercises, and training.

Mission Goal 3: Stability and good governance in the UAE are enhanced through sustained and increased bilateral cooperation focused on institutional development.

Mission Objective 3.1: The UAE develops institutional infrastructure that enhances stability, rationalizes regulation, reinforces the rule of law and implementation of reforms supporting protection of human rights (including online), promotes investment in education and technology development, and lays the groundwork for sustained bilateral cooperation and cultural understanding.

Mission Goal 4: The UAE is an active partner in promoting regional efforts to counter terrorism, illicit finance, international crime, and to support U.S. efforts to protect the Homeland.

Mission Objective 4.1: The lives and interests of U.S. citizens in the United Arab Emirates are protected.

Mission Objective 4.2: The UAE increases its capability to counteract criminal, terrorist, illicit finance, and security threats to regional and U.S. interests in order to ensure safer and more secure U.S. and Emirati homelands.

Mission Objective 4.3: The United States and UAE work closely together to promote regional economic development, secure and transparent financial systems, and stability in the region.

Management Objective 1: Maintain management staffing levels and ensure adequate physical facilities needed to achieve Mission goals.

3. Mission Goals and Objectives

Mission Goal 1: The United States and the UAE enjoy a strategic economic relationship with robust bilateral trade and investment, including substantial UAE investment in the United States and a significant trade surplus fueled by U.S. firms' exports to the UAE.

Description and Linkages: By supporting U.S. exports to the UAE, attracting UAE Foreign Direct Investment (FDI) into the United States, and ensuring that the UAE business climate is attractive to U.S. firms, Mission UAE supports the second pillar of the National Security Strategy, promoting American prosperity. Fostering a cooperative relationship with UAE economic and financial institutions allows the Mission to promote market-oriented economic and governance reforms, in line with the State-USAID Joint Strategic Plan's (JSP) second goal: Renew America's Competitive Advantage for Sustained Economic Growth and Job Creation. Our Mission will pursue an economic strategy that rejuvenates the U.S. economy, creates jobs, and preserves American technological advantage.

Objective 1.1: Engagement between U.S. and UAE businesses increases, and trade is made stronger by improved promotion of economic opportunities, enforcement of IPR protection for U.S. firms across sectors, and the removal of tariff and non-tariff trade barriers; the U.S. financial system is protected by increased transparency; and the investment relationship is strengthened through promotion of U.S. investment opportunities for UAE firms.

Justification: The UAE is the 18th largest U.S. export market in the world and is consistently the leading destination for U.S. goods in the broader Middle East, Africa, and South Asia region, generating a \$15 billion trade surplus and hundreds of thousands of U.S. jobs. The UAE is also a significant source of FDI in the U.S. economy, with a stock of \$26 billion in 2016. Further, UAE ports serve as important transshipment points for U.S. goods. Mission UAE will seek to expand economic cooperation between the United States and the UAE, which provides enhanced trade and investment opportunities for U.S. businesses and creates jobs for Americans.

Objective 1.2: The UAE investment climate improves to create a business climate in the UAE that is even more attractive to U.S. firms seeking to export their products or establish a local or regional presence in the UAE market.

Justification: As the UAE economy continues to grow, Mission UAE will encourage the UAE to take steps that will further liberalize and open its economy. Policy engagement to explain the benefits to the UAE of an improved business climate – especially if world oil prices are relatively low – will motivate the UAE to improve the enforcement of intellectual property rights (IPR), remove tariff and non-tariff trade barriers, and increase its financial transparency. Mission UAE will encourage the UAE to revive the bilateral economic dialogue, leveraging it as a venue to

anticipate and resolve trade barriers, opening the door to a greater presence of U.S. companies in the Emirati market. The Mission will encourage liberalization of investment regimes, reform of commercial legal systems, establishment of and adherence to Gulf Cooperation Council (GCC) and international regulatory norms, and transparency across all sectors of the UAE economy to improve U.S. companies' competitive position. These reforms can help bolster wider political inclusion, as more citizens are given an active stake in their nation's economic future.

Mission Goal 2: Regional security is enhanced by deepening the U.S.-UAE military-security strategic partnership.

Description and Linkages: Aligning the UAE's security policy with our own, improving our bilateral and multilateral relationships with the UAE and regional partners, and increasing the capability and interoperability of the UAE security elements robustly contributes to all four pillars of the National Security Strategy. Foremost among them is to preserve peace through strength, as further development of an already robust security relationship with a key Middle East partner allows the U.S. to project strength in this region, which also protects the Homeland from threats well before they can attack. Improving bilateral and multilateral relationships with the UAE is, by nature, an expansion of American influence. The U.S. enjoys its third-largest trade surplus in the world with the UAE, which continues American prosperity, primarily due to the UAE's increasing interest in purchasing military hardware and munitions. The same objectives align with the State-USAID Joint Strategic Plan's (JSP) first goal: Protect America's Security at Home and Abroad. Our Mission will pursue a strategy that further deepens the U.S.-UAE security relationship.

Objective 2.1: The UAE implements security priorities that are consistent with U.S. regional interests and policy goals.

Justification: The UAE continues to be a major power player in the Gulf Cooperation Council (GCC) and the Arab League, while expanding its influence into the broader Middle East region, Central Asia, North Africa, and the Horn of Africa. As a stable regime with an increasingly capable military, and one that has access to ample economic resources, the UAE is taking an assertive leading role in confronting the myriad economic and political challenges facing the Middle East and North Africa. Differences in policy, notably in Libya and Somalia, and transparency challenges require consistent attention from policymakers to ensure the UAE's activities and objectives are closely aligned with those of the U.S. In light of continued U.S. budget and resources constraints, having a partner who can deploy its economic, political and military influence responsibly and in a way that complements our own policy is very much in the U.S. interest. By virtue of its location near countries of concern, and given its role as a transshipment hub and a regional financial center, the UAE is also key to preventing illicit and terror financing, as well as proliferation of dual-use and other sensitive goods. Mission UAE will continue its vigorous engagement with the host government to improve its already strong

performance in countering money laundering and illicit finance. This engagement includes regular meetings with UAEG interlocutors, the existing U.S.-UAE Counterproliferation Task Force, the Proliferation Security Initiative, the Megaports program, the Global Initiative to Combat Nuclear Terrorism, high level visits, public diplomacy, and trainings.

Objective 2.2: The U.S. and the UAE strengthen regional and bilateral partnerships.

Justification: The UAE took an early lead among U.S. partners in the fight against the Islamic State of Iraq and Syria (ISIS), the sixth U.S.-led coalition that the UAE has supported since the Persian Gulf War in 1991. More recently, the UAE has pledged to return its soldiers to the NATO-led mission in Afghanistan. Mission UAE seeks to foster and enhance the close U.S.-UAE military relationship through formal venues such as the Joint Military Dialogue, and through an increasing day-to-day level of informal interaction between our forces, with the ultimate goal of ensuring UAE forces are more capable and more willing to support U.S. interests. Efforts to improve interoperability amongst GCC countries, primarily in ballistic missile defense, will also be crucial so that local partners can pick up an increased share of the burden.

Objective 2.3: The United States continues to work with UAE security elements to improve their capabilities and interoperability with U.S. forces and systems, including through joint/multilateral military to military operations, exercises, and training.

Justification: With arguably the most capable military in the Arab world, the UAE remains a partner of choice. The UAE is also eager to improve its capabilities, regularly seeking advanced U.S. training and equipment to increase interoperability, as demonstrated in the operations of the Air Warfare Center, the Integrated Air and Missile Defense Center, and the numerous bilateral exercises and planning sessions held every year. It continues to invest heavily in U.S. defense articles and services for its armed forces, with over \$22 billion in active Foreign Military Sales (FMS) cases, more than \$7 billion in FMS in development, and over \$6 billion in recent U.S. direct commercial sales. As shown by its role as the first export customer for the Theater High-Altitude Air Defense (THAAD) system and its possession of one of the most modern variations of the F-16 fighter aircraft, the UAE seeks the most advanced military capabilities that the U.S. can offer. Moreover, it employs those capabilities in ways that generally support U.S. interests. Continued engagement will help the UAE develop broader expertise, devote more resources, promote more active law enforcement measures and expand international cooperation in this area.

Mission Goal 3: Stability and good governance in the UAE are enhanced through sustained and increased bilateral cooperation focused on institutional development.

Description and Linkages: Promoting freedom of political activity and institutional development supports USG goals of creating a more stable partner in the UAEG, making it less prone to civil unrest and creating a more equal distribution of rights throughout the populace. This goal is consistent with National Security Strategy goals to increase respect for the dignity of

individuals, partner with reform-minded nations, and promote political stability in the Middle East. The UAE enjoys security as well as economic and political stability in a volatile region. However, this stability comes at the expense of severe limitations on freedom of expression, lack of political freedoms, and a nascent and still very small civil society – trends that have the potential to undermine long-term stability for the UAE. Reforms that protect freedoms of expression, a transparent judiciary, and other basic civil rights will contribute to a more participatory government. The federal government has made changes to labor law that address systemic challenges facing expatriate workers, including forced labor, but broad implementation of the law and related procedures has been slow and difficult. Cooperation towards institutional development and capacity-building to effectively enforce this legislation will enable the UAE to better protect the rights of its expatriate work force.

Objective 3.1: The UAE develops institutional infrastructure that enhances stability, rationalizes regulation, reinforces the rule of law and implementation of reforms supporting protection of human rights (including online), promotes investment in education and technology development, and lays the groundwork for sustained bilateral cooperation and cultural understanding.

Justification: The UAE's political liberalization and institutional development has not progressed at the same pace as its economic development, with extremely limited opportunities for political participation and slow institutional reforms. Basic civil liberties (including freedoms of expression and association) are restricted, the judicial system can be opaque, and the majority expatriate labor force lacks adequate protections. While religious tolerance is promoted, minority religious groups often encounter difficulties navigating the regulations to obtain legal recognition and sanctioned places of worship. There are no protections for LGBTI persons. The Mission will continue to encourage political reform leading to more participatory governance and improved rule of law, recognizing that these form the basis for sustainable, long-term political stability. The Mission will simultaneously build bridges of cross-cultural understanding through people-to-people exchanges that bring together a wide-range of community leaders, entrepreneurs, academics, authors, artists, professionals and others. Dialogue and exchanges of this nature between Emirati and U.S. institutions and people will help foster bilateral cooperation and build more enduring bonds. Promoting education in the United States for Emirati youth through educational fairs, lectures, workshops and seminars will be key, as will leveraging the presence of world-class American cultural, educational and medical institutions in the country, including NYU Abu Dhabi, the Cleveland Clinic, Rochester Institute of Technology, and the coming Guggenheim Museum.

Mission Goal 4: The UAE is an active partner in promoting regional efforts to counter terrorism, illicit finance, international crime, and to support U.S. efforts to protect the Homeland.

Description and Linkages: The UAE plays an important regional and global role in security efforts that are in line with USG priorities. A like-minded partner on counterterrorism, the UAE can also be a proactive force multiplier when addressing other regional concerns around illicit finance and organized crime. However, this cooperation does not come without effort on the part of USG offices and the interagency. Imparting USG best practices to the UAE government and institutions ensures that the UAE continues to be an important and capable partner in a strategic and volatile region – important for creating a more stable world and ensuring security risks to the United States do not reach its borders. The UAE serves as a global financial and transportation hub, and nefarious actors can exploit its connectivity to threaten U.S. interests regionally and globally. A strong UAE security apparatus that actively combats transnational threats enhances our own efforts in reducing risks to the United States through improved information sharing, vetting of transit passengers heading to the United States through the UAE, and apprehending individuals intent on harming our nation and national interests.

Objective 4.1: The lives and interests of U.S. citizens in the United Arab Emirates are protected.

Justification: With approximately 50,000 U.S. citizens resident in the United Arab Emirates and almost a million travelling to and through the country each year, Mission UAE protects and supports U.S. citizens in both emergency and routine situations. Given the large number of U.S. citizens in the country, the Mission constantly provides both information and assistance in emergency situations. Implementation of the Emirati legal system often results in U.S. citizens being detained for days or weeks without access to consular services. Common reasons for U.S. citizen arrests in the UAE include suspected drug possession and financial malfeasance. Occasionally, the Emirati Police do not allow the U.S. Embassy or Consulate to contact detained U.S. citizens while investigations are ongoing. Additionally, the police do not always inform detained Americans of their rights to contact the U.S. Embassy and often deny the request for consular services when requested by the detained U.S. citizen. The Embassy's consular section will continue to engage key contacts in the Ministry of Foreign Affairs and the Emirati Police to provide better services and increase responsiveness to U.S. citizens. The consular section will also increase outreach efforts to the American community in the UAE to ensure U.S. citizens understand the services, information, and resources available to them and how they can access information relevant to their security via Post's web page and social media.

Objective 4.2: The UAE increases its capability to counteract criminal, terrorist, illicit finance, and security threats to regional and U.S. interests in order to ensure safer and more secure U.S. and Emirati homelands.

Justification: The law enforcement agencies at Mission UAE interact daily and positively with the United Arab Emirates' security and law enforcement agencies on a wide range of terrorism-related and other criminal matters. Working together with our host-nation partners, U.S. law enforcement entities have thwarted a number of threats in past years. Information sharing has

increased and continues to flow more freely than in prior years, as have requests for capacity building from both security and law enforcement entities, particularly in the areas of terrorism investigations, terrorism and illicit financing, cyber, and transnational organizational crime (TOC) investigations. U.S. government entities, including RSO, DOJ (OPDAT), FBI, DHS, DEA, and Treasury, continue to provide such training. The FBI has also been asked to assist the host nation on best practices for “rule of law” assistance (process-investigating matters, collecting evidence, and preparing cases for prosecution). DOJ (OPDAT) will continue to provide workshops on investigation and prosecution of terror financing, money laundering, the use of virtual currencies in these activities, the preventing terror attacks at major events. It will provide workshops on Counter Terrorism Financing and related crimes. Sustaining or increasing this collaboration will enhance U.S. security and the protection of our interests.

Objective 4.3: The United States and UAE work closely together to promote regional economic development, secure and transparent financial systems, and stability in the region.

Justification: The UAE is increasingly taking the initiative to help shape the region’s economic and political outlook, leveraging its position within the GCC and the Arab League to pursue outcomes that mostly align with those the U.S. supports. Enjoying both regional influence and substantial resources, the UAE plays a growing role in addressing issues of international concern, including through bilateral and multilateral assistance. As the number one donor of official development assistance as a percentage of Gross National Product, the UAE country contributes significantly to economic development and political stabilization efforts in the region, most notably in Egypt, but also in Iraq, Syria, Afghanistan, Pakistan, Libya, Yemen, Lebanon, and the West Bank/Gaza. The UAE provides financial and in-kind assistance in support of regional peace and security efforts and to mitigate humanitarian crises, precisely the type of burden-sharing we seek to encourage with partners. With regard to a chief threat to regional security – Iran’s nuclear program – the UAE has demonstrated a willingness to join with the U.S. and international community in implementing a wide range of sanctions. Mission UAE will continue to encourage the UAE to play a prominent role in countering Iranian influence in both the economic and political spheres. The Iran Regional Presence Office (IRPO), which offers a unique window into Iran, will continue to report on Iran’s internal political developments and its economy in support of the U.S. objective of halting Iran’s nuclear and ballistic missile programs.

4. Management Objective

Management Objective 1: Maintain management staffing levels and ensure adequate physical facilities needed to achieve Mission goals.

Justification: To adjust to the exponential growth in staffing since the Embassy compound was completed in 2004 and the Consulate General Compound in 2011, the Ambassador endorsed a Master Space Plan (MSP) in 2015. Concurrently, she instituted a process whereby additional NSDD-38 positions were approved only when additional ICASS support positions were created and filled. Since then, new agencies have expressed interest in joining the Mission, some existing agencies have developed plans for a large increase in staffing, and others have revised their projections due to changing budgets and other circumstances. A comprehensive review is needed to align projected agency growth with Mission goals, space constraints, and reasonably anticipated growth in support staff. The review needs to assess what management and security staff is needed to augment the ICASS platform in a manner consistent with Administration priorities, evaluate the feasibility of reallocating existing office space, and potentially consider the justification for obtaining additional space. The focus of the management platform continues to be on supporting operations and programs that contribute to the bilateral relationship, and not transforming Mission UAE into a regional platform for agency activities.