

THE U.S.-GCC CORPORATE COOPERATION COMMITTEE

PURPOSE

The U.S.-GCC Corporate Cooperation Committee comprises a growing number of major American multinational corporations. The Committee's objectives are to promote U.S.-GCC trade, investment, and commercial partnerships, and to raise American awareness of the innumerable benefits to the United States from increased relations with the GCC. The Committee has continuously sought to improve understanding and knowledge of the GCC in the United States at the leadership level.

Among the Committee's many programs and activities are public affairs forums that inform American leaders and the public at the national, state, and local levels about the shared interests and common concerns among the U.S. and the six GCC countries.

MEMBERSHIP

The Committee was formed in 1986 by eight corporations and initially chaired by the Lockheed Corporation. The membership has since expanded three-fold, with Rockwell International and AT&T serving as subsequent chairs, and M.W. Kellogg Company, Mobil Oil Corporation, and The Parsons Corporation as vice chairs. The Committee welcomes the interest in membership of new companies with an eye toward the Committee as a whole representing a diversified mix of business sectors. Since the Committee's inception, the Washington, D.C.-based National Council on U.S.-Arab

"Alone among associations in the field of U.S.-Mideast business relations, the U.S.-GCC Corporate Cooperation Committee focuses exclusively on a region that comprises some of the world's most dynamic and rapidly growing markets of the 1990s."

**Mr. Ronald Pump, AT&T
Chairman, Corporate Cooperation Committee**

Relations has served as Secretariat, coordinator of the public affairs program, and implementor of all the Committee's events and activities.

COMMITTEE ACTIVITIES

The Committee sponsors a variety of events and public affairs activities that bring U.S. and GCC officials, diplomats, and corporate leaders together. The Committee meets regularly for briefings by leaders in the U.S. and GCC governments and their respective business sectors. Virtually all of the programs and activities are linked to increasing the member companies' understanding of business opportunities within the GCC countries.

In 1993, the Committee played a major role in organizing the first U.S.-GCC Private Sector Business Conference, held in Washington, D.C. The Conference attracted several hundred attendees and was keynoted by U.S. Secretary of Commerce Ronald H. Brown and H.E. Habib Kassim, Minister of Commerce of Bahrain. Public and private sector leaders from the GCC countries and the U.S. joined GCC and U.S. investors and corporate representatives to explore ways in which the U.S.-GCC commercial relationship could be strengthened and expanded.

Mindful of the extraordinary web of U.S.-GCC strategic interests and involvement in regional and world affairs, the Committee has also sponsored numerous U.S. meetings for the GCC's Secretary General and other GCC and member states' officials. Senior officials at the White House, National Security Council, and Departments of Commerce, Defense, State, and Treasury, as well as the Office of the Special Trade Representative, have participated in these meetings.

The Committee has also arranged meetings for visiting GCC officials with U.S. Senators and Representatives and their staffs. In addition, the Committee has enabled GCC officials to convey the organization's message directly to the American people through addresses to the National Press Club, the World Affairs Council, the Council on Foreign Relations, and the U.S. Foreign Service Institute, as well as seminars at universities and public policy research institutions and appearances on nationally syndicated radio and television talk shows.

"Since its establishment in 1986, no other U.S. organization has done more to focus the attention of American corporate leaders on the range of business opportunities in the GCC and to engage both public and private sectors in the U.S. and the Gulf in productive dialogue."

**H.E. Shaikh Fahim bin Sultan Al-Qasimi
GCC Secretary General**

The Committee has also coordinated several visits for the corporate members, as well as for Congressional staff, to the GCC Secretariat in Riyadh and to GCC member states. For policymakers and business leaders alike, such visits provide them with firsthand exposure to a range of issues concerning the U.S.-GCC relationship. In addition, the Committee assists the delegations of the American Business Council of the Gulf Countries (ABCGC) in their annual visits to Washington, D.C. to emphasize the need to improve American commercial competitiveness in the GCC countries.

U.S.-GCC CORPORATE COOPERATION COMMITTEE MEMBERSHIP

CORPORATE MEMBERS

AT&T, Allied-Signal Aerospace Company, Bankers Trust Company, Booz, Allen & Hamilton, Inc., E-Systems, Inc., Eli Lilly & Company, FMC Corporation, Fluor Corporation, Ford Motor Company, Foster Wheeler International Corporation, Hughes Aircraft Company, Litton Industries, Lockheed Corporation, Loral Corporation, M.W. Kellogg Company, McDonnell Douglas Corporation, Mobil Corporation, Oracle Corporation, The Parsons Corporation, Philip Morris Companies, Inc., Rockwell International, TRW Inc.

INSTITUTIONAL AND TRADE ASSOCIATION MEMBERS

National Council on U.S.-Arab Relations, U.S.-Arab Chamber of Commerce, American Business Council of the Gulf Countries

SECRETARIAT

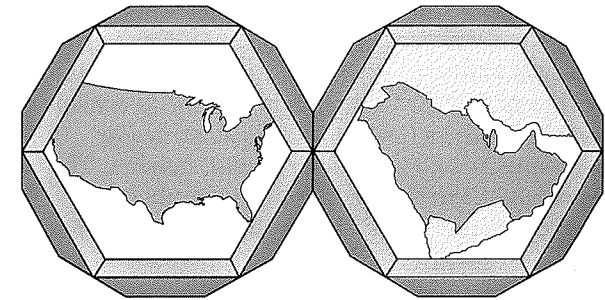
National Council on U.S.-Arab Relations

Building Bridges

Business to Business

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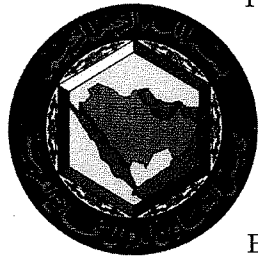
People to People



US-GCC CORPORATE COOPERATION COMMITTEE, INC.

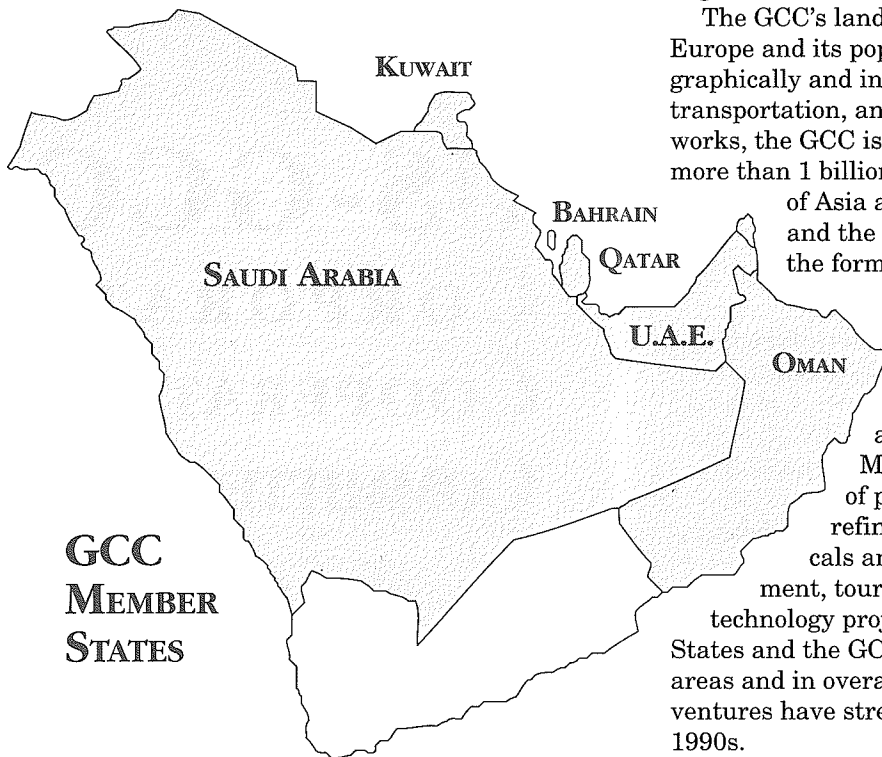
1735 Eye Street, NW
Suite 515
Washington, DC 20006
Tel: 202/293-7499
Fax: 202/293-0903
Tlx: 650479367MCI UW

GULF COOPERATION COUNCIL



The Gulf Cooperation Council (GCC), established in 1981, comprises the six Gulf countries along the northern and eastern coasts of the Arabian Peninsula: Saudi Arabia, Kuwait, Bahrain, Qatar, the United Arab Emirates, and Oman.

The GCC's goals are similar to those of the European Community and include cooperation in the fields of economic, commercial, social, and cultural affairs, and coordination in matters of foreign policy, defense, and security. One of the GCC's primary accomplishments to date has been its ability to maintain stability in the six-state region. The Council has also made considerable progress toward international trade agreements and a unified regional market. The members have enacted property, intellectual, copyright, and patent laws; agreed to develop a



**GCC
MEMBER
STATES**

pan-GCC system of standards and specifications; devised a common tariff framework; established a regional center for commercial dispute resolution; and provided investment guarantees, liberal tax holidays, the world's lowest energy costs, full repatriation of profits, and a range of other business incentives.

The GCC's headquarters in Riyadh, Saudi Arabia are headed by Secretary General H.E. Shaikh Fahim bin Sultan Al-Qasimi. The Secretariat's office is divided into four sectors: Economic Affairs, Political Affairs, Human Resources and Environment, and Legal Affairs. Policy and direction are set by the six GCC heads of state, who form the Supreme Council, and coordinated by the Ministerial Council, composed of the six GCC foreign ministers.

The GCC member states form the core of the Organization of Petroleum Exporting Countries (OPEC). Collectively, they possess 50 percent of the world's proven oil reserves. The early 1990s' combined annual GNP of the member states exceeded \$130 billion, of which the U.S. annually garners the single largest share in terms of sales of goods and services to GCC importers.

The GCC's land mass is larger than Western Europe and its population is 24 million. Geographically and in terms of existing trade, transportation, and telecommunications networks, the GCC is ideally situated to serve the more than 1 billion people who form the markets of Asia and Europe, as well as Africa and the newly independent states of the former Soviet Union.

TRADE AND RELATIONS

Virtually all of the member states are in the midst of implementing ambitious development plans. Major emphasis is on expansion of petroleum production and refineries' capacities, petrochemicals and other industrial development, tourism, and a range of high-technology projects. Ties between the United States and the GCC member countries in these areas and in overall trade, investment, and joint ventures have strengthened significantly in the 1990s.

Although America has experienced overseas trade deficits overall in recent years, U.S. trade with the GCC countries has frequently yielded a surplus. Currently, the U.S. exports \$25 billion annually in goods and services to the GCC and imports approximately \$13 billion. These exports support more than 650,000 U.S. jobs and are the primary source of livelihood for nearly 2.4 million Americans.

U.S. exports to the GCC countries contribute directly to American corporate profitability and lower production costs. They also provide substantial tax revenue to federal, state, and local governments and are the source of much-needed funds for public and private sector research and development.

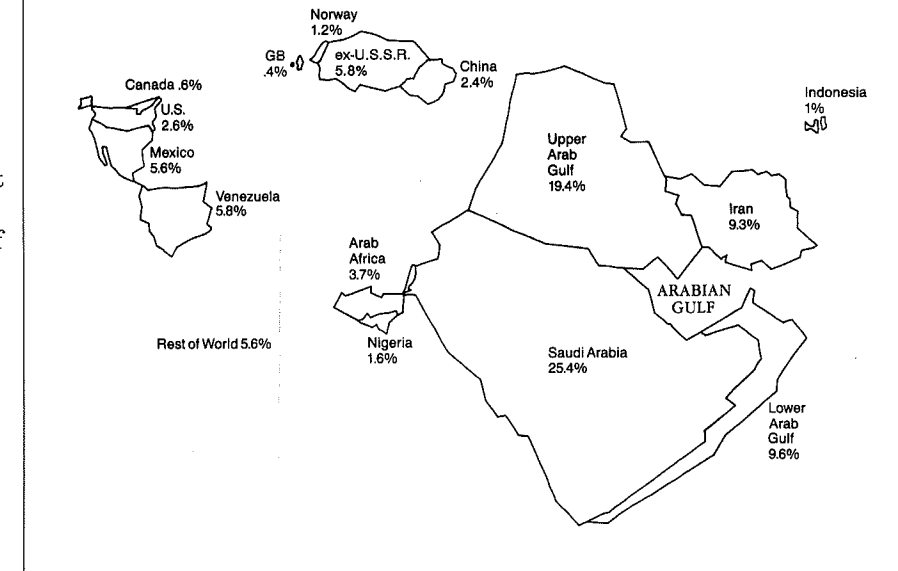
The more than 700 U.S.-affiliated companies that operate in the GCC states employ 16,000 Americans and are the direct means of support for more than 50,000 American dependents in the GCC region. The value of U.S. private sector investments in the GCC economies is second to none, and the number of U.S.-GCC joint venture commercial arrangements exceeds by far those of any other country. U.S. trade with the GCC helps substantially to reduce, not increase, the overall U.S. trade deficit.

The *proven* oil reserves of the GCC countries exceed 370 billion barrels – half the world's total – and, as geologists and industry analysts agree, their *probable* and *potential* reserves are significantly greater.

The U.S. is the world's single largest oil-consuming and oil-importing nation, and the GCC is the world's single largest oil-producing and oil-exporting region.

The need for a strong, healthy, and mutually beneficial U.S.-GCC relationship is obvious. The steady decline of other regions' oil reserves, coupled with capital, geological, and technical

WORLD MAP SCALED TO ILLUSTRATE COMPARATIVE OIL RESERVES



constraints on their production capacities, moreover, will generate increased revenues and economic development in the GCC countries, and, as a consequence, new business opportunities for U.S. companies throughout the region.

For far into the foreseeable future, the mix of U.S. trade with the GCC will encompass not only opportunities in the energy, chemical, mineral, and infrastructural areas as a whole but, also, the industrial and agricultural sectors. In these and related areas, GCC business leaders as well as government procurement agencies place special emphasis on the acquisition and continuous upgrading of goods and services relating to computers, transportation, data communications, process control technology, operations and maintenance, financial management, training, education, health, and social services.

Giving many U.S. companies a competitive edge in the market is the fact that the GCC countries promote free market economies and private ownership. As thousands of GCC citizens are graduates of American institutions of higher education, there is also a broad-based preference for U.S. technology, standards, and management techniques.