

Comments on the UAE-EU CEPA negotiations in The National, 11 Apr 2025

Dr. Nasser Saidi's comments on the UAE starting negotiations for a CEPA with the EU appeared in an article in The National titled "[UAE-EU trade deal to boost FDI to Emirates amid rising global uncertainties, economists say](#)" published on 11th April 2025.

The comments are posted below.

The announcement of EU-UAE trade talks is "timely", as there is greater global fragmentation and decoupling with China, in general, said Nasser Saidi, a former economy minister in Lebanon and vice governor of its central bank.

"It is in the economic and financial interest of the UAE and the GCC to expand and deepen relations with the EU, given the latter's growing trade and investment confrontation with the US," he said. "As the US imposes tariffs on the EU, the bloc has to diversify and divert to other markets.

"For the UAE, this provides a perfect opportunity to further open up and strengthen its trade and investment linkages with the EU."

The bottom line is that a policy of continued openness and liberalisation by the UAE will be beneficial at a time when other countries are moving towards more trade barriers and increased protectionism, Mr Saidi added.

Top exports from the UAE to the EU include fuels and precious metals, as well as aluminium and plastics – providing inputs for Europe's industry and manufacturing, Mr Saidi said.

The top imports from the EU to the UAE are machinery,

mechanical appliances and electrical equipment, “both essential to facilitate the UAE’s ambition to emerge as a leading manufacturing and industrial hub”, he said.

Beyond the remit of trade in goods, the CEPA with the UAE will allow EU countries to increase trade in services, including tourism, with collaboration in key areas such as artificial intelligence, renewable energy, climate technology and climate finance, as well as financial services and capital markets, he added.

“Existing EU-Middle East air travel routes could be strengthened further with a fully deregulated open skies policy in a bid to increase both passenger and cargo movements,” he estimated.

At a time of rising economic uncertainty relating to trade, Mr Saidi suggested the UAE and EU could also explore options to sign swap agreements between the European Central Bank and the UAE Central Bank, strengthen payment networks and complete trade transactions in euros and/or using digital currency.