

How Europe and the Gulf can unite behind an energy-transition agenda

Ariel Ezrahi | September 2026

Bottom lines up front

- There is no silver bullet to solve the world's energy security challenges—not even bypassing the Strait of Hormuz
- But combining Europe's green energy expertise and the Gulf's growing investments in clean energy would help diversify and secure the energy future
- Gulf producers hamstrung by the Strait of Hormuz closure can learn from Europe's experience reducing its dependence on Russian gas

Overview

In May 2026, senior leaders from across Europe and the Gulf convened in Greece for the inaugural Europe Gulf Forum, hosted by Antenna Group in partnership with the Atlantic Council. The meeting came at a moment when the Iran war's consequences transformed a longstanding partnership of convenience between the regions into one of strategic necessity.

Atlantic Council experts translated the insights from the gathering into policy briefs on four actionable tracks: (1) defense and technology, (2) energy and resources, (3) trade and connectivity, and (4) investment. The following policy brief identifies key opportunities for collaboration that the Europe Gulf Forum will continue to advance.

Energy demand in the future is likely to be gargantuan: According to the **International Energy Agency**, by 2030 global electricity consumption required for data centers is expected to reach 945 terawatt hours in a base-case scenario. AI can help optimize electricity grid efficiency, whether at the consumer, prosumer, or producer level, but the demand is growing to a challenging scale. Continued conflicts are setting the world back rather than helping meet increasing energy needs. Both the **Russian** invasion of Ukraine and the **Iran** war have demonstrated the vulnerability of the world's energy security, with supply routes becoming limited or closed altogether, and gas price hikes and **supply** shocks. Finally, the **double environmental costs** of these **conflicts** cannot be overstated. As such, leaders in both Europe

and the Gulf stand to do well by their countries if both regions remain internally unified, as they work together across regions to overcome some of most formidable challenges facing humanity.

Why the Gulf matters

- The Middle East accounts for approximately 30 percent of global oil production and nearly 20 percent of global gas production. During the transition away from fossil fuels, Middle Eastern hydrocarbon producers—especially in the Gulf Cooperation Council—will play a central role in meeting demand, including for **jet fuel**, which is increasingly in short supply.
- Gulf countries such as the United Arab Emirates and **Saudi Arabia** have been investing billions of dollars in developing and acquiring greener sources of energy, including solar photovoltaic technology, hydrogen, and wind. Nuclear energy is also one to watch in the region. The timing of recent Saudi-US nuclear energy **deal** for Saudi Arabia is no coincidence. Although the Saudis will want to ensure such future facilities are secure from Iranian attacks, for the kingdom it clearly will represent a major step forward from an energy security perspective, should the deal come to fruition. The West will, however, have to address concerns over a nuclear race in the region.

Why Europe matters

- Europe is a major **importer** of hydrocarbons from the Gulf region.
- Some businesses are moving from the Middle East and North Africa to **Europe** due to the Iran war; data centers are a case in point.
- **European** technology is helping drive the energy transition.
- In a geopolitical landscape marked by questions over US policy in the Middle East, Europe increasingly offers an alternative—or at least a reliable and stable partner. This is especially important as Iran appears to have emerged from the recent conflict more emboldened to disrupt global peace and the global economy.
- Unlike in the US, where many green energy incentives have been abolished by the **current federal government**, the trend in **Europe** is moving in the opposite direction. Investment in, and deployment of, green energy sources—including solar PV, wind, hydrogen, nuclear, energy storage, and emerging global advances in space-based energy technologies, such as **space-based solar power**—is critical not only to a more sustainable energy system but also to a more energy-secure world. While renewable energy can still face **supply-chain** challenges, including with critical minerals such as silicon, silver, indium, and lithium, renewables are generally less prone to disruption than hydrocarbons exported through restricted trade routes.

Why the Europe Gulf Forum matters

- Formal mechanisms between Gulf countries and Europe are needed in an era of increased volatility to institutionalize and accelerate cooperation, and to deploy investment both to the Gulf and to Europe in support of the above goals.
- Europe's lessons in reducing its dependence on Russian gas are critical for Gulf countries as they seek to reduce dependence on the Strait of Hormuz as the export outlet for energy in particular and trade in general. This has several dimensions:
 - Identifying alternative routes for exporting hydrocarbons, such as the existing **Saudi East-West** pipeline and the **UAE** pipeline to the Sea of Oman. The former could take several years to expand further, although the Saudi government is likely to prioritize it. Expansion of the latter is expected to be complete by 2027. But other pipeline initiatives are possible which would bypass both the Strait



of Hormuz as well as the Red Sea, such as the possibility of transit from Saudi Arabia through Jordan, Israel, and the Gaza Strip to the Mediterranean.

- In addition, direct **fiber optic** and **electricity** line connections bypassing the Strait of Hormuz are being advanced from the Gulf to Europe via Saudi Arabia, Jordan, and Syria, for example.
- Initiatives such as the India-Middle East-Europe Economic Corridor (or **IMEC**), linking India to **Europe**, have taken center stage recently following the Iran war. Moving to finalize the **IMEC** routes is essential, though not easy, given the many geopolitical considerations involved. Some routes should be “no-brainers”—for example, engaging both Israeli and Palestinian actors could also yield positive peacebuilding outcomes. However, should the Israeli-Palestinian route options prove unfeasible now, whichever projects and routes are pursued should provide for a possible future connection in Israel and the Palestinian territories (for example to the Haifa and Gaza ports).
- In any event, alignment within the Europe Gulf Forum regarding IMEC routes would be an important step in the right direction.
- Initiatives from the Gulf to Turkey (such as the proposed **rail link** from Saudi to Turkey) can be viewed as Turkey’s desire to find alternatives to IMEC (which excludes Turkey). It will be key, therefore, for such initiatives to prove their financial, technical, and political feasibility, as a key ingredient for success.

Policy recommendations

Countries should accelerate the shift to renewable sources of energy that are not only cleaner and greener but also less vulnerable to geopolitical blockages. Two troubling parallel trends are unfolding: increased vulnerability in the supply of conventional energy sources, particularly hydrocarbons, and unprecedented impact from climate change, as demonstrated by recent summer **heatwaves** across Europe. Both trends must be addressed head on.

By strengthening and formalizing the Europe Gulf Forum (EGF), leaders can accelerate projects, deploy capital, and align on policy objectives. Funding regular EGF task forces, which can engage with other regional and global actors directly affected by the Iran war crisis, would help ensure the success of the Forum—and the critically important relationship. A fragmented Europe or a fragmented Gulf means a weak Europe and a weak Gulf.

About the author

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About the Europe Gulf Forum

Launched in September 2025, the Europe Gulf Forum is a platform bringing together the highest level of political and business leadership in Europe and the Gulf to advance greater strategic and economic engagement between the two regions.

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