

PRINCE FAISAL BIN FARHAN AL SAUD

Minister of Foreign Affairs of Saudi Arabia

Thierry de Montbrial, fondateur et président de l'Ifri et de la WPC

First, I want to thank Prince Faisal bin Farhan Prince Faisal bin Farhan Al Saud for having come here specially from Riyadh to talk to us tonight and immediately after our discussion he will fly back to Riyadh for a business dinner. It is such a pleasure to have you here I am still very pleased.

Prince Faisal bin Farhan Al Saud

Thank you, Thierry. I am extremely pleased to be able to be here and to have a conversation with you, I always enjoy our conversations and I will be glad to share it with all your friends here. You have an open invitation to have dinner in Riyadh any time you want.

Thierry de Montbrial

Thank you very much. I am grateful to you for a second reason, and I apologize to the collaborators because I understand you had a very good speech prepared but maybe it could be distributed later. You have agreed to replace the speech with a discussion between the two of us.

Let me start with a simple question, everybody understands that you have been extremely busy the last three days, so what can you tell us about the meetings you have had, especially on China?

Prince Faisal bin Farhan Al Saud

We had an excellent group of meetings, with three summits yesterday. One was just our regular GCC summit, which focused on continuing to improve and grow inter-GCC cooperation. Something I did want to point out is that His Royal Highness announced at that summit that we will be proposing a renewed vision for the GCC. We already have what we call the King Salman vision for the GCC program, which resulted in a lot of the economic integration we have already seen, and we are now working on presenting basically version 2.0 of that. After that we had the GCC China summit and then the Arab China summit, both of which were inaugural events, the first of their kind. Of course, for us to continue to increase cooperation with our main trade partner is an incredibly important prospect. China is the main trade partner not just for Saudi Arabia, but I believe for almost all the Arab world and having this dialogue with the second largest economy in the world is critically important for us as we continue to build our partnerships in the global environment in a way that fosters the opportunities for growth and prosperity for all.

**Thierry de Montbrial**

In this global environment, how do you position yourself in the currently increasing tensions between the US, China and now the Ukraine war, etc., in particular as far as oil production is concerned?

Prince Faisal bin Farhan Al Saud

From our perspective polarization is the last thing we need right now. We already see tremendous pressures on the global economy with inflation, food security, etc., and more polarization is not a way to solve that, it will only exacerbate it. We think we need to build bridges, strengthen connections, and find areas of cooperation. The China-Arab world, China-GCC summit was one iteration of that, just like the Jeddah summit with the US was. It is our attempt to continue to build bridges with all our international partners. This year, the kingdom is the 15th largest economy in the world and the fastest growing, and hopefully this year we will reach USD 1 trillion in GDP. As we are growing in importance as part of the global economy and our position, the Kingdom's position but also the GCC's position, and we really want to emphasize and build on our position as a bridge between East and West to address all these challenges we are facing. We live in a complicated and difficult world and there are always going to be issues that need to be addressed but the best way to address them is through dialogue, interaction, and cooperation and that is our approach.

Thierry de Montbrial

In describing your own foreign policy would you accept the word that the Indians use, multi-alignment or maybe multi-non-alignment?

Prince Faisal bin Farhan Al Saud

It is not about alignment, it is about finding areas of cooperation. For us, our foreign policy is driven by our need to build sustainable prosperity first for the Saudi people, but then for the people of our region and we hope, for the people of the world. We look for every opportunity to build on that goal. If there is an opportunity to work with a partner with a global stage to further our ability to strengthen our economic and social programs and our region, and that can only happen through cooperation, we will follow those avenues.

Thierry de Montbrial

If you are interested in reducing the tension in this increasingly complex world, since you are not yet a superpower, the main interlocutors, I am thinking of the US and China have to agree with the idea that reducing tensions is a desirable goal. On the whole, do you think that the US and China are willing to reduce tensions today?

Prince Faisal bin Farhan Al Saud

I cannot speak to whether or not they are willing, but I can tell you that our firm conviction is that they must and that a rise in tensions is not just detrimental to them but of course, to all of us. As I just said, the Kingdom of Saudi Arabia, is a leading economy, the 15th largest economy and we expect to be in at least the top 10 by 2030 if not higher, but we are also as part of the developing world. Here it is important that we galvanize the voices of the developing world, of



those countries that are most interested in a brighter future, into talking to all our partners to say let us focus on the future and cooperation. Competition is a good thing but competition that leads to conflict is a bad thing, it is bad for everyone, and it can only be destabilizing and raise the prospects of starvation and deprivation in the developing world, all of these things. We need to focus on building bridges, cooperation, on how we build sustainable prosperity for us as individual countries but also for the global community.

Thierry de Montbrial

You did not answer the question about oil production. President Biden visited Saudi Arabia somewhat reluctantly but he expected you and OPEC would agree to increase production. What can we say about that?

Prince Faisal bin Farhan Al Saud

We can say that Saudi Arabia and OPEC+ have a very consistent policy. Our policy is to maintain a stable market and we have worked very hard to ensure that market stability in very difficult times. If we go back to 2019 – 2020 during Covid, there was serious disruption in the oil market with prices going negative in some areas, which disrupted investment in the production of energy and led to constraints on the markets. We intervened and brought markets back into balance, which is what we continue to do. If you look at the oil market compared to the gas market, for instance, or the coal markets in Europe or elsewhere, you will see that oil has been relatively stable compared to all other sources of energy, even renewables. That is because we have been actively engaged in maintaining stability in the market. We have talked to all of our partners, the US, and others, and explained our approach and the recent OPEC+ decision in October where we announced the USD 2 million cut, given where prices are I think we can now see that decision was entirely justified. One of the things we have to remember is that the price has to be fair to consumers and to suppliers because without a fair price for suppliers, they will stop investing. We are already seeing a significant lack of investment in the hydrocarbon space because of the green agenda and other issue. In the long-term that may be okay but in the short and medium-term that is a problem because we are seeing spare capacity continuing to come down. If we see a significant recovery in China, which we all hope will happen and the prospects of a recession dimming and global economic growth goes up, we will see a significant reduction in spare capacity because of the lack of investment. The only way we can ensure there is enough investment and enough spare capacity to cushion us from supply shocks in the near and medium-term, is if the price is fair to suppliers and consumers. I would argue that the price where we are now is fair and most important, it is stable. That means that investors, whether governments or major companies, can see the prospects of a stable oil price now and into the future, which means they can make their investment decisions based on that stability. We do not see that in other energy markets and that is our core priority and the mandate that OPEC and OPEC+ have, price stability.

Thierry de Montbrial

Thank you very much for a very precise answer. More generally, what can you tell us about Saudi-Russia relations?

**Prince Faisal bin Farhan Al Saud**

We have had relations since after the first Gulf War and we have continued to have good relations, which we have tried to improve. We work very closely together of course within OPEC/OPEC+ historically and as I just explained, that has delivered benefits to the energy market, to the oil market. Obviously, the conflict with Ukraine is something that is of great concern to all the global community, and we have explained our opinion on that in the United Nations General Assembly. However, as I said in my first remarks, we believe in dialogue and that is our priority. That includes talking to Russia, who we still consider a country we can deal with and that we have a good relationship with. We have seen that relationship help, for instance, in some prisoner swaps, so you can build on these connections, relationships and trust to help dialogue. We have tried to continue to foster a dialogue between Russia and Ukraine and continue to have an engagement. Many people do not know is that our trade relationship with Ukraine before the conflict was larger than it was with Russia, so we have a strong relationship with both of those parties. We are focused on continuing to foster the potential for dialogue. This conflict will only be resolved in the end through dialogue, and we need to focus on that.

Thierry de Montbrial

Many experts and commentators complain that the US policy in the Middle East is not totally clear, to say the least, which could have serious implications because, as they say in the physics, nature abhors a vacuum. Could you comment on that?

Prince Faisal bin Farhan Al Saud

I certainly think that the US has an important role to play and of course, part of that in our region is being very engaged. I think they are engaged, and we are having a very good conversation with our partners in the US, but we do need to have a real strategic dialogue. That is something that is happening on the bilateral level but also with US-GCC and Arab world and US. Therefore, I think the US is playing an important and will continue to play an important role in the region, especially from a security perspective.

Thierry de Montbrial

If you compare Biden to Trump or even Obama, are there noticeable differences?

Prince Faisal bin Farhan Al Saud

Every President has differences in style, every administration has differences in approach and certainly, policy is very different between a Republican and Democratic administration, so there will be clear differences. However, in the end I believe US interests are the same whether a Republican or a Democratic administration is in office. They may approach those interests differently, but we have had a strong relationship with the US through multiple administrations, Republican and Democratic, so we are very accustomed to dealing with changes in approach. In the end, the joint interests that bind the US to the region are the same, they continue to exist, and I believe they will continue to exist in the future. That means that space for cooperation between the Kingdom, the GCC and the US will continue to be very solid.

**Thierry de Montbrial**

To continue this tour d'horizon, what about the JCPOA? A double question in fact, in your judgement, is there still a chance that the treaty will be saved or is it now inevitable that Iran will become a nuclear power and if so, what do you do?

Prince Faisal bin Farhan Al Saud

Is there still a chance? There is certainly always a chance, I cannot say there is no chance. What I will ask is does reaching a JCPOA necessarily mean that we do not have a nuclear-armed Iran? I am not that sure, we are quite skeptical about the JCPOA. That said, we continue to support an engagement on the JCPOA and a return to that, on the condition that it is a starting point not an end-point. It would be a starting point to address some of the deficiencies within the JCPOA and some of the other issues of concern. The signs right now are unfortunately not very positive. We hear from the Iranians that they have no interest in a nuclear weapons program and it would be very comforting to be able to believe that, but we need more assurance on that level. If we do not reach a JCPOA, I think we will enter a very complicated and dangerous period in our region that we should avoid. That said, even if we did come back to a JCPOA I am not sure that is the end, I think we then need to look beyond that to a stronger agreement.

Thierry de Montbrial

Could you elaborate a bit further on what happens if they get an operational nuclear weapon?

Prince Faisal bin Farhan Al Saud

Clearly, if Iran gets an operational nuclear weapon, all bets are off. We are in a very dangerous space in the region, we have already seen significant activity from Iran, and we could see much more risk from that. Of course, regional states will not want to be exposed to such a threat without a reaction, so you can expect that regional states will certainly look at how they can ensure their own security.

Thierry de Montbrial

A few words on Europe-Saudi, European Union, France in particular.

Prince Faisal bin Farhan Al Saud

Last year we actually signed a strategic framework with the European Union, between the GCC and the European Union, which has already brought significant progress. We restarted our FTA talks after they had been stalled for many years, which is a positive sign and I think Europe is still one of our main trade partners and a very important technological partner. There is a lot we can do with Europe, and I would say that Europe needs to be more engaged in this region. We have a lot to offer Europe and of course, we are already a very important energy partner, but we are also a very important partner for the energy transition. Europe cannot achieve its carbon neutrality goals without this region because you cannot produce enough renewable energy in Europe. The Kingdom and others in the region are investing hundreds of billions of dollars in developing green hydrogen, solar and wind capacity, and the capacity to export that green energy to Europe and elsewhere. We will be a key partner for Europe well into the next century, so we want to build on that partnership. The relationship between the Kingdom and France is



very strong, I can say that we can see that President Macron is very engaged in the region and active in trying to work with France's partners in the region. We have built an excellent working relationship with our French counterparts across the board, whether on the economic or political side, dealing with regional files, such as Lebanon, Iran, etc. We look towards strengthening that relationship and, as I said, France has been very proactive and that is something we appreciate.

Thierry de Montbrial

I would like to spend the last few minutes on a few words about the domestic situation, because I do not think many people in Europe in particular, understand what is going on in Saudi Arabia, and a lot of things are going on. Before that, have I missed any important questions on foreign affairs?

Prince Faisal bin Farhan Al Saud

I would not presume, Thierry, to tell you what is important in foreign affairs, that is what I call you and ask.

Thierry de Montbrial

Let me know if anyone here thinks I have not asked an important question, which is possible. There are three, but I am talking about global affairs. The Abraham Accord is a good question.

Prince Faisal bin Farhan Al Saud

What is the question?

Thierry de Montbrial

What is the answer? It is better to start from the answer!

Prince Faisal bin Farhan Al Saud

I can tell you what the answer is, the answer is a Palestinian state.

Thierry de Montbrial

Yes. I remember the discussion on that in Paris and that is a very serious point. Next time we have the pleasure of being with you perhaps we should concentrate on the issue of a Palestinian state with a few others.

I think we have a few more minutes. It would be good to take the opportunity of your presence, because you are typically a representative of the new generation of leaders in Saudi Arabia. Can you just say a few words about how you see your country today and what the dream is of the next generation of young Saudis?

Prince Faisal bin Farhan Al Saud

First, I am actually already relatively old because I am in my late forties and 70% of Saudis are under 35. That means I am actually one of the later generation, but I am happy to contribute as much as I can under the leadership of His Majesty the King and the Crown Prince, to setting up



the future for this younger generation. I think it is a tremendously exciting time to be working in the Kingdom of Saudi Arabia. We are undergoing breakneck change and most importantly, we are working under a clear roadmap and vision, which I referred to earlier, building sustainable prosperity for the Saudi people. That is the absolute priority and driving ethos of everything that the government of Saudi Arabia does, whether domestic or foreign policy. My mandate as Foreign Minister is very clear, it is to support and enhance the prospects of achieving the goals in that vision, sustainable prosperity for the Saudi people. That is what I spend most of my time on and it is tremendously exciting to have a very clear direction for what you are working on, the goals and objectives. Of course, we could go into any number of details, but we mentioned one of them, the fact that this year we are probably going to reach USD 1 trillion GDP for the first time in our history. The fact that Saudi Arabia with all of the challenges that this region presents is the fastest growing economy in the world, that we are on track to be the fastest growing economy in the G20 for the next five years according to our estimates. The fact that we have plans in place that will likely mean that by 2030 we will be in the top eight economies in the world. All of that means that it is a tremendously exciting time to be part of the government under the leadership of the King and the Crown Prince. It also means that we have a lot of expectations to live up to, but we have a fantastic team and fantastic energy within the government to work on that. Most important, we hope you can visit us in the Kingdom and all of you here, you can see the energy in the Kingdom and that energy is infectious. You can see people really being excited about the future, you can see them being engaged in the future, unemployment numbers are down, home ownership numbers are at historic highs. We are already a long way down the path towards diversifying our economy away from a dependence on oil. All these targets are steadily moving ahead and that is contributing not just to the success of the Kingdom but also we hope and believe, to the regional success.

Thierry de Montbrial

Of course, the country is extremely young, as you reminded us, but do you still have some kind of social resistance from the older generations?

Prince Faisal bin Farhan Al Saud

As one of that older generation I can tell you-

Thierry de Montbrial

I am talking about my generation, for instance, my generation of Saudis.

Prince Faisal bin Farhan Al Saud

You would be surprised. Everything that the kingdom is doing, because we are doing it in a very well-studied way because the leadership has taken care to study every decision and base it on a clear logic of numbers and necessity, everybody understands and is excited. Even the older generations, people older than me, are very engaged and I hope when you visit the Kingdom, Thierry, you will see how engaged everybody is across the board. Everybody will have their opinions but, in the end, the energy, the prospect of moving towards the future, I think what you will hear from most people is that they have been waiting for this for many years and they are just so happy they get to see it.

**Thierry de Montbrial**

We could spend a lot of time with you, but you have already been very generous, so a very last question. To bridge the two topics of foreign affairs and domestic affairs, there is a very classic subject discussed by academics, which is the relationship between them. In your position today, how do you see this relationship?

Prince Faisal bin Farhan Al Saud

It is absolutely key. I alluded to it earlier, my mandate from my leadership is very clear, Saudi Arabia's foreign policy is a tool for its domestic prosperity. That is the top priority, how we can deliver sustainable prosperity for the Saudi people and everything we do on the foreign policy issues must be focused primarily on that. Of course, that means protecting our interests, building partnerships but also building a stable and secure region because you cannot build prosperity in a turbulent region. It also means working with our global partners to ensure global stability, because as we have seen from the conflict in Ukraine, a crisis anywhere in the world can have impacts all around the world. If we want to protect our pathways to sustainable prosperity, we must be engaged in the world. One of the results of that mandate is that we are trying to be more engaged, not just in our immediate region but globally in a way that serves our interests but also of the wider global community, with a focus, I have to say, really on the developing world because we feel very strongly that the developing world's voice has not been heard enough and of course, we are still part of the developing world. We see that the global agenda has historically often been set in a way that has ignored the interests of developing countries, most of the time out of the best intentions, but still they have not served really effectively the developmental paths of those developing countries in a way that is most effective. We want to be part of the global conversation in a way that ensures everybody has a pathway to prosperity because in the regional context we have taken an approach that is absolutely key that our immediate neighbors are not just stable but also prosperous. If they have growing economies and markets, for us, that is an opportunity and vice versa, if we are stable and growing, we provide a great market for them. That is the key focus for our foreign policy.

Thierry de Montbrial

On a different scale, it seems to me that your formulation is very close to the one we had yesterday in a similar discussion with Dr Anwar Gargash on the UAE foreign policy, so your general philosophy is quite similar.

Prince Faisal bin Farhan Al Saud

I think if you talk to any GCC foreign minister you will hear the same message and again, this is just a reflection that we are very much a strong unified block and we work together very effectively, with similar visions. Our leadership in the UAE and in the Kingdom of Saudi Arabia, our various countries, are very close to each other, work together and work towards ensuring prosperity not just for their countries but the region. We are going to continue to do that.

Thierry de Montbrial

I will ask our European Union friends to follow your example.



Prince Faisal bin Farhan Al Saud

We are happy to share our experiences.

Thierry de Montbrial

It is time to end this session. Thank you very much, if I may say, I think you were great, an excellent discussion and I wish you all the best, for you personally and for your country. I hope that Saudi Arabia will be more present in the World Policy Conference in the coming years. Thank you very much and have a safe journey back.

Prince Faisal bin Farhan Al Saud

Thank you very much, Thierry and thank you all.