

### IRAQ SAUDI RELATIONS: A CURRENT APPRAISAL

By  
**Sarah Akram**  
Research Fellow

*Centre for Afghanistan, Middle East & Africa (CAMEA), ISSI*

Edited by  
**Amina Khan**

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*(Views expressed in the brief are those of the author, and do not represent those of ISSI)*



Iraq and Saudi Arabia have often been contenders for a leadership role in the Middle East. However, their relationship has been complex and marked by many ups and downs. The Iraqi invasion of Kuwait in 1990 commenced an era of hostility, which continued until the U.S. invasion of Iraq in 2003. The two countries reestablished diplomatic relations in 2015, after a gap of nearly twenty-five years. According to perception in the region, years since then have been characterized by Iranian influence in Iraqi politics. It may be noted that Iraq has been in the crossfire of regional and international tensions since the 1990s, -- a period of regional turmoil and conflict ever since Iraqi invasion of Kuwait. With the latest developments in the region, oscillating between serious tensions and relative calm, a good example of which is the thaw between Riyadh and Tehran, it has become imperative for Baghdad to normalize its relationships within the region. Regional calm benefits both Iraq and Saudi Arabia, with the former seeking to stabilize its post-2003 foreign policy and the latter trying to expand its regional clout and open new avenues for economic and security initiatives.

While pursuing economic prosperity, regional countries for many years now have been engaged in efforts to balance out geo-politics and economics. The Gulf Cooperation Council (GCC) countries

reviewed Iraq as a pro-Iran state, a degree of hostility in their approach towards Iraq was palpable.<sup>1</sup> However, Iraq played a positive role in facilitating back-channel talks between Saudi Arabia and Iran, which later concluded in significant advancement between Saudi Arabia and Iran, with China playing a pivotal role as a mediator. Iraq hosted five rounds of Iran Saudi negotiations between 2020 and 2022.<sup>2</sup> It has become evident that Baghdad would not like to be embroiled in regional politics or become a proxy. An independent foreign policy aimed at improving relations within the region is what seemingly drives Baghdad to improve bilateral relations with Riyadh. On the other hand, Riyadh also sees this as an opportunity for furthering its increasingly open foreign policy aimed at improving relationships beyond the GCC.

As part of this new trend, Riyadh and Baghdad have evinced interest in moving forward in several different realms. A commercial representation office for Saudi Arabia is being set up in Erbil, with a different view to fortifying trade ties between Saudi Arabia and Iraq. The office will run under the commercial consulate in Baghdad.<sup>3</sup> Riyadh has in the past few years also embarked on several ventures pertaining to investments in Iraq. In 2020, Iraq invited Saudi Arabia to invest in agriculture and industry in the southern provinces, and, in 2020-22, opened two border crossings with Saudi Arabia.<sup>4</sup> After decades of estrangement, Saudi Arabia sees the need for a soft power footprint, besides other initiatives to strengthen the relationship. This soft power extension includes the provision of medical assistance throughout Iraq, which has been done through the King Salman Humanitarian Aid and Relief Center.<sup>5</sup> This initiative has entailed the provision of medical supplies as well as the availability of doctors, sponsored by the Kingdom.

It must not be overlooked that reconciliation between Saudi Arabia and Iran has also had a positive impact on the increasing normalization between Riyadh and Baghdad. Bilateral relations are now experiencing an upward trajectory and the exchange of visits has increased. The key development in this context has been the reinvigoration of the Saudi-Iraqi Coordination Council, which was created in 2017.<sup>6</sup> The Council, encompassing seven technical, specialized committees, aimed at furthering relations between Riyadh and Baghdad, has now held multiple series to identify areas of

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<sup>1</sup> Hamzah Hadad, A golden opportunity: How Iraq can benefit from regional calm, European Council on Foreign Relations, July 25<sup>th</sup>, 2023 <https://ecfr.eu/article/a-golden-opportunity-how-iraq-can-benefit-from-regional-calm/>

<sup>2</sup> Mohammad Salami, Saudi-Iranian Reconciliation and its Impact on Iraq, Centre Francais de Recherche Sur l'Iraq, May 19<sup>th</sup>, 2023 <https://cfri-irak.com/en/article/saudi-iranian-reconciliation-and-its-impact-on-iraq-2023-05-19>

<sup>3</sup> John Lee, Saudi Arabia Opens Commercial Office in Erbil, Iraq Business News, September 24<sup>th</sup>, 2024 <https://www.iraq-businessnews.com/2024/09/22/saudi-arabia-opens-commercial-office-in-erbil/>

<sup>4</sup> Op.Cit, Mohammad Salami.

<sup>5</sup> Yerevan Saeed, Saudi Arabia Makes Soft Power Comeback in Iraq, The Arab Gulf States Institute in Washington, June 8, 2023 <https://agsiw.org/saudi-arabia-makes-soft-power-comeback-in-iraq/>

<sup>6</sup> Ibid.

convergence. The focus areas of the Council have been healthcare, education, banking, trade, energy as well as electricity. Moreover, Iraq has also extended an invitation to the Saudi giant company, Aramco, to invest in its Akkas gas field located in the Anbar province.

Iraq-Saudi rapprochement has been a highly positive development in a largely tumultuous region, especially with the Israeli aggression raging on in Gaza. Iraq has been successful in undertaking energy projects with the GCC states, especially Saudi Arabia.<sup>7</sup> The success of regional diplomatic initiatives has borne fruit for the Iraqi economy as well. Commercial and trade ties between Baghdad and Riyadh have grown gradually in recent years. While a positive development, Iraq-Saudi relations require both nurturing and a lot of balancing. Despite a warming-up between Iran and Saudi Arabia, U.S. and Israeli tensions with Tehran can pose a serious challenge. However, it is good for Baghdad to strengthen relationships in the region, and the one with Saudi Arabia is of immense importance. With better relations in the region, Iraq can lessen the challenges and emerge as a rapidly healing, secure, connected and prosperous country.

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<sup>7</sup> Ali Kareem Ozheb, Iraq-Saudi engagement weathers tumultuous regional climate, Amwaj Media, March 28, 2024 <https://amwaj.media/article/iraq-saudi-engagement-weathers-tumultuous-regional-climate>