



MAY 23, 2006

## SAUDI ARABIA-US

### **Second Saudi-US Strategic Dialogue held in Washington**

Foreign Minister Prince Saud Al-Faisal and Secretary of State Condoleezza Rice co-chaired the second Saudi-US Strategic Dialogue in Washington May 18. In a joint statement, both countries reiterated the importance of a just, comprehensive and lasting peace in the Middle East. They expressed opposition to unilateral steps that could undermine the peace process, and pledged to work towards providing aid to the Palestinian people through proper channels.

On Iran, they expressed concern about the threat of nuclear proliferation in the region. Both the US and Saudi Arabia called on Iran to work with the international community. On Iraq, both countries agreed that a stable, democratic, unified Iraq is in the interest of all. They called on the new Iraqi government to preserve the unity, identity and territorial integrity of the country, and stated their intent to support it politically and economically.

The US welcomed the measures Saudi Arabia has taken to combat extremism and intolerance. The US also expressed satisfaction with the Saudi decision to form a group to enforce Saudi laws on trafficking in persons.

"The Strategic Dialogue is proving to be an effective way of maintaining communication and cooperation between Saudi Arabia and the US on a variety of important international issues," Saudi Ambassador to the US Prince Turki Al-Faisal said in a statement. "We look forward to meeting again in the fall, when we can assess our progression toward our mutual goals."

### **Foreign Minister meets with President Bush**

Foreign Minister Prince Saud Al-Faisal met with President George W. Bush at the White House May 19. Prince Saud told reporters at the White House that he and the president reviewed the situations in Iran and Iraq, as well as other issues of mutual concern. "I am absolutely convinced that President Bush is doing his best to bring stability and security in the Middle East region," he said.

### **Foreign Minister gives wide-ranging interview to US media**

In a wide-ranging interview with US journalists at the Saudi Embassy May 17, Foreign Minister Prince Saud Al-Faisal said that Saudi Arabia continues to hope

for a diplomatic solution to the US-Iranian standoff over Iran's nuclear program. To that end, the Gulf Cooperation Council would send the Omani foreign minister to Iran in the next few days to discuss the situation, he stated.

Turning to the Palestinians, Prince Saud said that Saudi Arabia believes it is the wrong policy to block funding to them, because doing so will only increase radicalism. He also stressed the importance of continuing dialogue with the new Palestinian government, and added that the Palestinian government has said that it is willing to have an extended period of cease-fire as long as negotiations continue. Prince Saud also said that Saudi Arabia has no inhibitions about the US resuming relations with Libya.

### **Saudi detainees at Guantanamo returned to the Kingdom**

Interior Minister Prince Nayef bin Abdulaziz said that 15 Saudi detainees at Guantanamo Bay were returned to the Kingdom May 19. The proof against the detainees will be examined, he said. Those proven innocent will be released and the guilty will stand trial, with punishment meted out by the court system.

Prince Nayef expressed appreciation to US authorities for their cooperation in facilitating the detainees' return, and noted that efforts remain ongoing to return the remaining Saudi detainees at Guantanamo to the Kingdom.

## **ENERGY**

### **New \$6 billion refinery planned for Jubail**

On May 21, national oil company Saudi Aramco signed an agreement with France's Total to build a \$6 billion oil refinery in Jubail. The export-oriented, full conversion refinery will process Arabian heavy crude, and is expected to have a capacity of 400,000 barrels per day. It is scheduled open by 2011.

## **FINANCE**

### **SAMA Governor named to IMF committee**

Governor of the Saudi Arabian Monetary Agency (SAMA) Hamad Al-Sayari has been appointed to an International Monetary Fund (IMF) committee of eminent persons. The committee will provide the IMF with an independent view of the available options for ensuring that it has a sustainable and durable income base in order to finance its long-term running costs.

