

Trade and investment



Creative Forum Ljubljana (Slovenia)

The Euro-Mediterranean region has one of the **lowest levels of regional integration in the world**. A study commissioned by the UfM Secretariat has shown that, out of all trade flows occurring in the region, **90%** are within the European Union, **9%** between the North and the South, and only **1%** among southern and eastern Mediterranean countries themselves.

In this sense, the UfM Secretariat continued in 2018 to encourage a stronger contribution from the private sector to regional integration efforts. It particularly aimed at enhancing trade and investment to promote inclusive growth, with a special focus on sustainability, socio-economic inclusion, and the empowerment of women and young people.



Trade: key to unlocking economic integration

UfM member states gave a new impulse to economic integration in the Euro-Mediterranean region at the **10th UfM Trade Ministerial Conference**. Building on the enormous potential to be unlocked by reinforcing the UfM free trade area, ministers discussed how to

IN 2017, SMEs REPRESENTED MORE THAN **95%** OF REGISTERED FIRMS WORLDWIDE, ACCOUNTING FOR MORE THAN 50% OF JOBS AND CONTRIBUTING MORE THAN 35% OF GDP IN MANY EMERGING MARKETS.

Source: World Bank

facilitate investment across the region. They agreed to develop a set of **modernised rules of origin** that would be simpler, easier to use and more adapted to regional value chains than under the current convention. These

modernised rules would ease the activities of economic operators, especially those of small and medium-sized enterprises (SMEs).

Action plans were also endorsed to help fight against piracy and counterfeiting and to assist sectoral cooperation in several areas, including: the automotive sector, textiles and clothing, environmental goods and services, and information and communication technology. Moreover, the ministers endorsed the new **Euromed Helpdesk**, developed jointly by the European Commission and the International Trade Centre, which will provide free, up-to-date information for businesses looking to export, helping to boost intra-Mediterranean trade.

“The organisation of this ministerial meeting is a testament to the member states’ will to continue working towards translating their shared goals and common interests into concrete actions, in view of achieving economic growth and prosperity for the nations on both shores of the Mediterranean.”

Yarub Qudah, Minister of Trade, Industry and Supply (Jordan)

ASSESSING PROGRESS ON REGIONAL INTEGRATION IN THE MEDITERRANEAN

In order to assess progress achieved in regional integration, UfM member states tasked the Secretariat with launching a study on the specific performance indicators of regional integration, that would allow for analysis of major trends and developments. An initial study defining these indicators was finalised in 2018, and will serve as a basis for the first progress report on regional integration, expected to be released in 2020.



Creativity as a tool for regional cooperation

In 2018, the UfM Secretariat co-organised the **Creative Forum Ljubljana** with the Slovenian Government. The forum focused on the role of the creative sector in modern society, with particular emphasis on employment opportunities for youth in the Western Balkans and the Southern Mediterranean. The cultural and creative sector provides jobs for millions of people around the

world. In this context, the conference aimed to develop a **new network of cultural and creative industries** in the Euro-Mediterranean region that would enhance regional cooperation, job creation and economic growth.

The UfM-labelled project **Establishment of a regional platform for the Development of Cultural and Creative Industries and Clusters in the Southern Mediterranean**, promoted by UNIDO, was also highlighted during the event. Building on the success of its first phase, the project was extended in 2018 for 18 additional months, with €1.2 million provided by the European Commission.

SUSTAINABLE TOURISM, SUSTAINABLE GROWTH

The importance of tourism for the economies of the Euro-Mediterranean region, with its potential impacts on growth, job creation, infrastructure and cultural understanding, is evident. The consolidation and development of a sustainable tourism sector, cross-linked with other sectors of the economy, can significantly contribute to the sustainable development of the region.

With this in mind, the UfM Secretariat launched its first tourism-related activities in 2018. It held an initial brainstorming meeting, which focused on the digitalisation of SMEs in the sector, as well as on the need for innovative approaches to climate action and energy efficiency. This meeting served as an initial opportunity to exchange with experts and stakeholders towards building a more structured UfM regional dialogue on tourism-related issues.

(See the section on Climate Action to learn more about UfM activities in the field of tourism)

ALSO ON THE AGENDA...

- UfM Experts Technical Meetings on Industrial Cooperation
- Steering Committee meetings of the IPEDM Co-Production Observatory
- UNWTO World Tourism Conference on “Tourism and Digital Transformation”
- UNOSSC 4th Regional Networking Forum...

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