



Outcome Document

**Workshop on Green Economy promotion:
How to make green economy work for sustainable development and regional integration?**
Algiers, 15 December 2022

At the 5th UfM Regional Forum in 2020, the UfM Co-Presidency identified sustainable and inclusive economic and human development as well as environmental and climate action amongst the priority areas for the UfM and its Member States.

Acting upon the Co-Presidency's Statement, the UfM Secretariat organized on the 15th of December 2022, a Workshop on Green Economy, under the auspices of the Ministry of Industry of Algeria, and with the support of the German Development Cooperation.

The hosting of this important Workshop in Algiers clearly reflects the firm commitment of the Government of Algeria to promote green economy through the implementation of conducive strategies in collaboration with the relevant international partners, thus tapping into its huge potential in terms of renewable energies.

This event brought together a diverse range of stakeholders and experts from both shores of the Euro-Mediterranean region to discuss the threefold role that green economy can play in generating economic growth, in fostering regional integration, and in contributing to the mitigation of climate change. The event took place at a time of unprecedented unemployment, inequalities and developmental gaps between and within the North and the South, and in view of several disruptions such as the accelerating effects of the climate change, the repercussions of the COVID pandemic and the war in Ukraine.

In this context, the promotion of sustainable, green, low-carbon and circular resource-efficient sectors is not only a contribution to an inclusive and sustainable economic recovery in the region. It also presents an opportunity to build a new and long-term green economic model in the countries of the Mediterranean region. This includes an emphasis on green jobs, circular economy, sustainable supply chains, and green investments. It also requires a closer look at the European Green Deal, including the EU's bilateral and regional cooperation and trade policies and the EU's demand for clean energy from producer countries in the South.

Furthermore, the participants shared best practices on how to harness the green economy's full potential for the interest of the whole region through the adoption of an enabling legal and regulatory framework, government incentives and capacity building for the benefit of relevant stakeholders.

The discussions focused on:

- The green economy as a generator of sustainable development
- The green economy as a catalyst for regional integration
- How to unleash the green economy's full potential?



The Workshop has yielded the following findings and recommendations:

- ✓ To achieve sustainable development in the Mediterranean, it is necessary to intensify the cooperation between the region's countries for an inclusive and just green transition and to address the challenges arising from it. Support through measures by governments and the private sector is fundamental to achieve green production and consumption, the creation of decent green jobs and the involvement of vulnerable groups.
- ✓ At the last UfM Regional Forum held in November 2022, the aggravating situation of the impact of climate change and the search for solutions to this reality in the region's societies were central topics. In this sense, the countries of the region should focus their efforts on developing green agendas and actions for capacity building and expertise, on promoting renewable energies and optimizing their use, on increasing sustainable investments, and on the support to industrial sectors for their integration in the green transition. Above all, creating green jobs and developing green capacities should be a policy priority at national as well as regional levels.
- ✓ Developing and emerging countries are searching for solutions to face environmental degradation's consequences. The decarbonization of economies or the greening of economies requires new branches of industry. Reaping the benefits of this green transition requires research, technology, training, and financing. To meet these challenges, developed countries must remain committed to supporting green projects, actions, and investments in developing and emerging countries.
- ✓ The complementarity between the countries of the Mediterranean region is an excellent opportunity to achieve the green transition. The South has the resources, and the North can contribute with know-how and financial support to develop sustainable and efficient green economies.
- ✓ Sustainable Investments are required to adapt to climate change and maintain the security and well-being of the population and its food supply. Collaboration between the northern and southern shores of the region is fundamental to facing the challenges of climate change; only together can we find solutions for a just green transition.
- ✓ The political will to cooperate in the region is paramount. This collaboration must be a sharing and not an imposition. There must be a transfer of technology to Southern Mediterranean countries, as it is from this part of the region that actions need to be implemented to adapt to climate change efficiently.
- ✓ The workforce needs to develop green skills, especially in the renewable energy, technology, and other innovative sectors. Job creation and investment in human capital in these new, clean, and green adaptation sectors is a reality that needs action. Regional and international cooperation in technology and expertise is vital for the promotion of the green economy. Certification, homologation, and technical testing and financing of these elements are projects that can be supported by international development cooperation.
- ✓ The green transition significantly impacts the labor market; some jobs will disappear, and new ones will emerge in the green economy. The ILO estimates that about 100 million new jobs



can potentially be created until 2030, leading to a net job creation of 25 million jobs. Skilling is an essential factor for adaptation in the green transition. Green reskilling and upskilling refer to technical values, attitudes, and transversal skills that must be adapted to give workers job opportunities in the green transition. Raising awareness of the importance of the green transition must be part of the educational programs and curricula.

✓ Reinforcing green knowledge in university students through adapting educational programs will contribute to more decent jobs and foster green entrepreneurship, especially in the southern part of the Mediterranean region.

✓ At the national level, it is essential to preserve natural resources and the commitment of governments to promote and support the use of renewable energies. Guaranteeing energy supply at the national and regional level should be based on new energy production models and changing and rethinking these models to clean, green, efficient, and sustainable energies. This will contribute to preserving natural energy resources and securing energy in the region's countries. Green hydrogen is a new energy model that will contribute to mitigating climate change.

✓ Energy transport is complex, and cooperation between the countries of the north and south of the Mediterranean region is essential to install and improve infrastructure in energy-producing countries and transport this energy to the rest of the countries in the region, especially Europe. This will ensure the energy supply in the region, reducing dependence on other countries outside the Mediterranean.

✓ The EU is going to start using the Carbon Border Adjustment Mechanism (CBAM) in October 2023, which can create challenges for the Southern Mediterranean countries' exports to the EU. Therefore, immediate action is needed to support exporters in the southern part of the region, in order to overcome the challenges imposed by the new mechanism. To this end, there must be North-South cooperation, so that trade competitiveness in the Mediterranean can be ensured.

✓ The UfM, as a platform for strengthening regional integration, is an ideal forum for collegial cooperation between North and South to maximize the positive effects of CBAM implementation. There should be an opportunity for the EU's southern neighbours to get involved in the green transition, i.e. by allowing southern countries to participate in negotiations on green measures and to make their assessments of the challenges they face in order for the EU to assist them. Southern countries must have active and committed participation to ensure that this mechanism is equally beneficial to all in the region. Assistance from the North is needed in the financing, technology, and capacity building to achieve the green transition and sustainable and fair implementation of CBAM.

✓ Youth and women are among the groups most affected by climate change; there must be a commitment by the region's governments to ensure measures to promote the active participation of these groups in the discussion of the green transition to look for inclusive solutions to the challenges.

✓ The promotion and regional coordination of the circular economy should be a priority in local and national governments' work plans. Reusing materials for further production, i.e., the



circular economy is an important model for developing better integrated sustainable processes. Not only is it economically efficient and energy-optimizing, but it is also one of the great solutions for environmental protection.

- ✓ The private sector and Public-Private Partnerships (PPPs) play a key role in achieving the UN Sustainable Development Goals. Training MSMEs in green transition is necessary to remain competitive in the market. MSMEs should also get adequate access to green finance to meet the challenges of the green transition.
- ✓ The UfM will consider the organization of capacity building national trainings dedicated to the promotion of green entrepreneurship for the benefit of several UfM countries including Algeria and Palestine, among others who might be interested.