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Concept Note
UfM Workshop on Sustainable Supply Chains
9 -10 July 2024
Cairo, Egypt

The capacity of the EU's environmental policies to drive change is inherently constrained by its integration into a global trading system. Due to globalisation, many economic activities with significant impact on the environment and human rights are interwoven with international supply chains. The EU Green Deal's main objective is to put the EU on the path to net zero by 2050, this has led the EU to propose or adopt various regulatory measures aimed at mitigating these impacts, including the EU Deforestation Regulation (EUDR), the Carbon Border Adjustment Mechanism (CBAM), and the Corporate Sustainability Due Diligence Directive (CSDDD), among others.

The Secretariat of the Union for the Mediterranean, with the support of the German Development Cooperation, together with Climate & Company, will be holding **a workshop on sustainable supply chains on 9-10 July 2024 in Cairo**. The purpose of the event is to present and discuss the mentioned initiatives which highlight the importance of supply chain considerations in defining sustainable economic activities and underscore the need for enhanced value chain reporting.

Enhancing collaboration with the MED partner countries is essential for the EU to meet its environmental targets and contribute to worldwide sustainability efforts. Trade and corporate relationships within value chains are at the heart of these efforts.

This two days' workshop aims to enhance the understanding of these EU regulatory measures (focusing on the EUDR and CBAM and the sustainable finance regulatory framework) and facilitate future international cooperation. It will do so by raising awareness about their objective, their scope, as well as the opportunities and challenges that they create with a focus on the MED region.

While the Southern Mediterranean region is for the most part not prominently covered by forest, the possible extensions of the EUDR to other ecosystems could increase its relevance for MED partner countries in the near future. More generally, the EUDR and the CBAM are the perfect learning examples of the increasing measures for environmental ambition from consumer countries. The EU Green Deal and policies around the globe point out to the growing need to consider impacts throughout our supply chains.

The workshop also aims to explore the linkages between these regulatory measures and the sustainable finance regulatory framework. Indeed, developing EU policies in a way that works for both European companies and businesses and stakeholders of the whole Mediterranean region, is essential. This can be achieved through effective sustainable finance tools, which include



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standards and guidelines on how companies report their sustainability efforts. Ensuring the alignment between EU and international sustainable finance policies is key. It would increase the international level-playing field and make it easier for partners in the MED region to provide meaningful and comparable data.

To this end, the Forum will bring together a broad spectrum of actors, partners and stakeholders from both shores of the Mediterranean region to address the potential to turn trade into a powerful ally for the climate, the environment, and sustainable growth, making sure it helps rather than hinders the protection and recovery of our planet.