



Union for the Mediterranean
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UfM Study Visit on International Trade and Investment Policy



Geneva
25—27
February
2025



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Background and Context

In alignment with its 2025 UfM Work Programme and in response to the pressing economic and trade challenges in the region, the Economic Development and Employment (EDE) Division of the Union for the Mediterranean (UfM) Secretariat organized a study visit in collaboration with the World Trade Organization (WTO), the United Nations Conference on Trade and Development (UNCTAD), and the International Trade Centre (ITC). The study visit, held from 25 to 27 February 2025 in Geneva, aimed to deepen stakeholders' understanding of contemporary trade and investment policies and to explore opportunities for regional cooperation.

This initiative built on the commitment expressed at the **11th UfM Ministerial on Trade**, where Ministers reaffirmed their support for multilateral initiatives contributing to the **UN 2030 Agenda for Sustainable Development**. By facilitating direct engagement with key global trade and investment organizations, the study visit sought to empower stakeholders from the MENA region and the Balkans with the necessary knowledge and tools to strengthen their economies.

Key Insights and Discussions

I. UNCTAD: Investment Policy Reform and Sustainable Development

UNCTAD presented its leading role in reforming the international investment policy framework through:

- The **Investment Policy Framework for Sustainable Development (IPFSD) and the Reform Package for the International Investment Regime**, providing guidance on modernizing investment treaties.
- The **IIA Reform Accelerator**, launched in 2020, designed to expedite treaty revisions to align with sustainable development priorities.
- Recent trends in **Investor-State Dispute Settlement (ISDS)**, highlighting an increase in disputes, predominantly involving developing countries.
- A **specialized toolbox for reforming IIAs** to support the global energy transition, emphasizing regulatory autonomy, corporate social responsibility, and technology transfer.





II. WTO: Global Trade Challenges and Policy Adaptation

The WTO provided insights into emerging global trade challenges, particularly in the context of:

- **Investment Facilitation for Development (IFD) Agreement**, which aims to enhance investment transparency, streamline administrative procedures, and promote sustainable investment.
- **Supply chain decentralization**, enhancing resilience in global trade.
- **Reforms addressing climate change and pandemic-related disruptions.**
- **Efforts toward a global carbon pricing framework**, aiming to mitigate trade conflicts arising from environmental policies.



- **Trade policy tools for climate action**, exploring how trade policies can support renewable energy adoption, emission reductions, and climate adaptation.
- **E-commerce developments**, including discussions on digital trade facilitation, consumer protection, and emerging technologies.



Trade in Services for Development

- **Growth of digitally delivered services exports**, reflecting the increasing importance of digital trade.
- **Impact of services trade policies on competitiveness**, emphasizing the role of regulatory frameworks in fostering innovation and market access.
- **Promoting services trade policy transparency**, to enhance business environments and reduce trade barriers.
- **Identifying best practices in export promotion strategies**, particularly in digital services and MSME participation.

MSMEs and Women in Trade

- **Role of MSMEs in global trade**, highlighting their contributions to employment and economic diversification.
- **Informal Working Group on MSMEs**, addressing trade barriers and facilitating SME participation in international markets.
- **Gender and trade discussions**, focusing on women's empowerment in trade through targeted policy measures and capacity-building initiatives.



III. ITC: Strengthening Trade and Economic Competitiveness

ITC highlighted its ongoing efforts to enhance economic development in the MENA region and the Balkans, with specific initiatives such as:

- **Support for textile and clothing exports** in the MENA region, promoting job creation, digitalization, and sustainability.
- The **Trade Promotion East: Balkans and Central Asia** project, aimed at enhancing SME competitiveness and fostering regional economic development.

IV. Bilateral Engagements and Collaboration

A key component of the study visit was the **bilateral meeting between the UfM Secretariat and UNCTAD**, where discussions centered on:

- **Strategies to attract foreign direct investment (FDI)** in green and digital economies.
- **Aligning investment policies with the Sustainable Development Goals (SDGs)**.



- Strengthening **SMEs' role in regional value chains and reforming IIAs** to support sustainable development.
- **UfM participation in the 2025 World Investment Forum (WIF) in Viet Nam.**
- Exploring **synergies between sustainable tourism investment and regional economic growth.**

V. Key Outcomes and Next Steps

Participants expressed strong appreciation for the study visit, acknowledging the significant value of direct engagement with UNCTAD, WTO, and ITC. These discussions underscored the importance of continued multilateral cooperation to advance trade and investment policies that support sustainable economic development.

Moving forward, the UfM Secretariat aims to:

1. **Formalize long-term collaboration** with UNCTAD, WTO, and ITC.
2. **Establish an annual or biannual UfM Study Visit on International Trade and Investment Policy.**
3. **Expand participation** to include policymakers, trade officials, private sector representatives, and academia.
4. **Enhance engagement** in key international trade and investment events, including participation in the **2025 World Investment Forum.**
5. **Further explore digital trade opportunities**, particularly in the context of e-commerce, services trade, and MSME participation.
6. **Address climate and trade intersections**, ensuring sustainability is integrated into trade facilitation measures.

VI. Conclusion

This study visit reaffirmed UfM's commitment to fostering international cooperation and strengthening trade and investment frameworks in the region. By working closely with UNCTAD, WTO, and ITC, UfM continues to enhance its stakeholders' capacity to navigate evolving global economic challenges, ensuring a more inclusive and sustainable economic future.

