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## Newsletter of the FEMISE Network

February 2019, Issue no. 17

FEMISE is a Euro-Mediterranean network gathering more than 100 institutes conducting socio-economic analysis on the Euro-Mediterranean Partnership with the financial support from the European Commission



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On the 12th of December 2018, the second side-event co-organized by Union for the Mediterranean, FEMISE, Institut de la Méditerranée, and Energies2050 took place during Cop24 at Katowice, Poland. Entitled "Socio-Economic intricacies related to Climate Change towards an EU-Med research agenda and actions ", this round table was particularly rich in discussions around the role of research in Climate Action in general and on the role of collaboration between stakeholders in order to instigate social change. [Read More](#)

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[To Access the full list of recent report](#)

#### Participate with FEMISE

- *Join FEMISE EU-Med researchers data base*
- *FEMISE Call for Policy Briefs*
- *Become a member of FEMISE network* 
- *Become a member of FEMISE Facebook Group and page :*  
[Femise - Forum Euro-Méditerranéen des Instituts de Sciences Economiques](#) 
- *Follow Us on Twitter: [@femisenetwork](#)* 

#### Calendar / Upcoming Events

- SAVE THE DATE: *FEMISE Annual Conference (13-14- June 2019, Brussels)*
- SAVE THE DATE: *Policy seminar on Social Entrepreneurship and Refugees (April 2019)*



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### Focus

### ***Implications of Climate Change in the EU-Med region, FEMISE at COP24 (Kotowice) and an interview with Dr. Constantin Tsakas, General Manager of Institut de la Méditerranée – General Secretary of FEMISE***



***Left to right : Constantin Tsakas (Délégué Général IM, Sec. Général FEMISE), Jorge Borrego (Secrétaire général adjoint UpM), Magnus Berntsson (Président de l'Assemblée Européennes des régions)***

With our approach, which we consider as “Science for Policy” & “Science for Business”, we want to move towards inclusive and sustainable socio-economic development in the Euro-Mediterranean region. Through our research and multi-stakeholder dialogue, we are raising the awareness of state actors in the North and especially the South to the need to develop affordable and green energy by 2030 (**SDG 7**). In addition, our actions contribute to raising awareness on and acting for the implementation of other SDGs, in particular **SDG9 “Industry, Innovation and Infrastructure”** which is a key vector of economic growth and development. That is why we actively participate in THE NEXT SOCIETY project to support innovation in the Mediterranean. In addition, our actions respond to the issues of **SDG10 “Inequalities Reduced”**. Here, FEMISE and IM have undertaken an ambitious effort for the emergence of Social Entrepreneurship (ES) ecosystems, by associating the EU-MED cooperation

communities with the main actors of social impact and support for entrepreneurship. We recently gathered some of these actors during a workshop, “Social Change Makers”, at the summit EMERGINGVALLEY2018 (Marseille, November 20, 2018).

- 1. You stress that climate change is generating increased socio-economic complexifications in the Euro-Mediterranean region. What is the situation in the region and what answers do you hope to bring?**

In the Mediterranean, climate change involves many risks for ecosystems and for the well-being of populations. The Mediterranean territories of Europe are the most vulnerable on the continent and the Mediterranean territories of the South and East of the basin are at the forefront at the world level. Therefore, we believe that it is first and foremost crucial to **update and consolidate scientific knowledge** on climate and environmental disturbances in the Mediterranean basin and to



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make them accessible to decision-makers, key stakeholders and citizens. That is why we are co-organizing a workshop with the Union for the Mediterranean and ENERGIES2050 (12 December 2018) which will allow to exchange between academics, practitioners and institutional representatives on ways to enrich the research program and the Euro-Med actions on climate change. By joining forces with the UfM, the reach of the messages for an impact on sustainable development in the Mediterranean can only be reinforced.

It should also be noted that the main challenges we encounter in the Mediterranean are **i. the frequent absence of reliable data** related to sustainable development and **ii. limited interest** in climate issues by the majority of public authorities in the South Bank. Thus, in our strategy we wish to intensify our efforts on three axes:

- By continuing to **fund research** on Sustainable Development (SD) and Inclusive Strategies to be followed in the Mediterranean and on issues related to Climate Change,
- Contributing to the establishment of **National Advocacy Panels in the South** to act directly with policy makers,
- Contributing to the development of a SD **Data Observatory** on the Mediterranean.

We favor an inclusive multi-stakeholder approach and call on all concerned to contribute to this common effort. Sharing of resources and common knowledge is essential.

2. **With regard to knowledge sharing, you are presenting the study "Euro-Med Subnational Governments in the Fight Against Climate Change" at a second COP24 workshop. How does the SUD Provence-Alpes-Côte d'Azur region, illustrated in your report, offer examples for the EU-Med?**

Indeed, another workshop, in collaboration with the same partners, will take place on December 11 and will present the study that the IM has carried in partnership with FEMISE and ENERGIES2050 on **"The sub-national governments Euro-Med in the fight against climate change: Framework for action, example of the SUD Provence-Alpes-Côte d'Azur region and opportunities for cooperation on a Mediterranean scale "**.

What we observe is that, globally, the action of communities, in France in general and in the SUD Region in particular, benefits from an incentive and coherent legal framework, which is supported by regional information systems provided, but also by the possibility of mobilizing many levers of European, national and regional funding.



*COP24, Katowice, Pologne, pavillon ENERGIES2050*

The communities of the SUD PACA Region have engaged in the implementation of integrated climate strategies in the form of PCET (Climate Territorial Energy Plans) and then PCAET (Climate Climate Air Energy Plans).

Even if things still need improvement, the point of view that we defend in the study is that the SUD Region can therefore make a real contribution on the climate / territory issue in the cooperation strategy with the southern and Eastern Mediterranean territories.



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Our reflections underline that the SUD PACA Region could bring valuable lessons and feedbacks, notably by bringing together the results of scientific research, decision-makers and the production of information and knowledge on local development / climate issues, which remains to be built in many countries. Moreover, a platform at the service of the territories in this area offering the possibility to capitalize, to exchange, to train, to allow a dialogue with the world of regional statistics and to offer technical assistance could be supported at the regional level, particularly through nascent initiatives such as the Mediterranean House of Climate.

Our study also emphasizes, more generally, on how the involvement of the private sector in EU-Med cooperation could provide interesting answers. Proposals for actions to be undertaken in the field of Euro-Mediterranean cooperation could include the creation of an “ERASMUS of social and environmental entrepreneurship” to cultivate entrepreneurial skills with social and environmental impact particularly with regard to the youth. Many other lines of thought are advanced in this study which was made available on December 7, 2018 on the FEMISE website. [Read More](#)

### FEMISE MED Briefs

The FEMISE Policy Brief series MED BRIEF aspires to provide Forward Thinking for the EuroMediterranean region. The briefs contain succinct, policy-oriented analysis of relevant EuroMed issues, presenting the views of FEMISE researchers and collaborators to policy-makers. Now, the policy briefs are available in Arabic language.

#### **FEMISE MED BRIEF no15: “Is informality an irrevocable obstacle to Universal Health Coverage?”** by *Mohammad Abu-Zaineh (AMU), Bruno Ventelou CNRS, Khaled Makhloufi (AMU)*

In many developing countries and in particular in the context of Middle East and North Africa (MENA) region, large fractions of the population are deprived of access to any social security system, mainly because they are working in the informal sector. This paper shows that even among the most precarious workers, the willingness-to-pay for a health insurance system is substantial but varies according to the three different healthcare insurance plans proposed in the survey (giving access to public provider, to private providers, or reimbursement), associated or not with a pension scheme. This suggests that informality, by and in itself, is not an incurable impediment behind the achievement of the UHC goal in Tunisia as long as appropriate insurance plans are offered to the uncovered populations. [Read More](#)



*Mohammad Abu-Zaineh (AMU), Bruno Ventelou CNRS, Khaled Makhloufi (AMU)*



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### **FEMISE MED BRIEF no14: “How does spatial proximity of firms contribute to EU-Med transition?”** by *Dr. Anna M. Ferragina, CELPE, University of Salerno, FEMISE*

In this policy brief we provide policy implications and recommendations on how firms' productivity react to spatial economic drivers of growth related to agglomeration economies, clustering of innovation, and localization of FDI. We observe how these features interact with firm characteristics (specifically size, ownership, and innovation) focusing on three case studies: Turkey, Italy, and Tunisia. Overall, the estimation results suggest significant productivity enhancing agglomeration and innovation effects, in particular spillovers are higher between firms operating in the same sector and region and having small technology divides. In addition, evidence on productivity spillovers from neighboring foreign firms is less robust. The results of the study confirm the efficiency of clusters of SMEs in **South** Mediterranean countries and helps identifying key drivers and patterns of localized production providing a benchmark of analysis. The evidence supports policies which pay specific effort to enhance the absorptive capacity of less technologically sophisticated firms by supporting R&D investment and human capital qualification allowing firms to compete and benefit of surrounding spillovers in agglomerated areas. Another policy target for the government should be investing in transportation infrastructure, easing access to housing and developing regional complementarities. This would lead to a more sustainable convergence of standards of living among regions in the long-term and would reduce the exploitation of resources along the coast and the pressure on natural resources. [Read More](#)



*Dr. Anna M. Ferragina, CELPE*

### **FEMISE MED BRIEF no13: “The success pillars of a national innovation system in Maghreb”** by *Sonia BEN SLIMANE (ESCP Europe) & Maarouf RAMADAN (KEDGE, FEMISE)*

The perspective of economic growth supported by innovation activity has now proved ineffective for Maghreb countries (Morocco, Algeria and Tunisia). Our analysis under the angle of the national innovation system emphasizes the main causes such as structural weaknesses and lack of time-consuming coordination among the actors of innovation. Our recommendations are based on proposing an appropriate systemic model of innovation that takes into account the specificities of these three countries. The pillars of success of this model are first “Structural”: Setting up an effective “support structures” for innovation and entrepreneurship, offering appropriate tools and complementary services; Second, “Coordination”: Coordinated coherent interactions between public and private actors of innovation in the development of new production methods and the dissemination of knowledge; And third, “Governance”: The rehabilitation of the role of the Government in education, in ensuring and overall coherence of the actor's actions (regulation protecting innovation, financing of innovation, supporting scientific research activities and an education system favoring the development of a new generation of innovative entrepreneurs). [Read More](#)



*Sonia BEN SLIMANE (ESCP Europe) & Maarouf RAMADAN (KEDGE, FEMISE)*



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### Mediterranean Thoughts

#### FEMISE and Institut de la Méditerranée at COP24!



**Joël Guiot (MEDECC), Stéphane Pouffary (ENERGIES2050, Jorge Borrego (UfM)**

On the 12th of December 2018, the second side-event co-organized by Union for the Mediterranean, FEMISE, Institut de la Méditerranée, and Energies2050 took place during Cop24 at Katowice, Poland. Entitled **"Socio-Economic intricacies related to Climate Change towards an EU-Med research agenda and actions "**, this round table was particularly rich in discussions around the role of research in Climate Action in general and on the role of collaboration between stakeholders in order to instigate social change. All panelists stressed on the importance of establishing reliable monitoring and reporting mechanisms. The South Med region lacks data on environmental issues making this a priority in the region. Constantin Tsakas, General Manager of Institut de la Méditerranée and General Secretary of FEMISE, highlighted the need for a Mediterranean data observatory that would gather robust data on environmental issues in the South Med region, which could be made available publically allowing to remove gaps and to enhance research and policy-making. [Read More](#)

#### Social entrepreneurship as a key issue in the Mediterranean and Africa

At the invitation of Institut de la Méditerranée and FEMISE, a dozen "Social Change Makers" involved in the Mediterranean region and Africa attended a workshop (Marseille, November 20th) during the Emerging Valley 2-day event. Their various experiences show the contribution of social entrepreneurship as a vector of socio-economic development accelerator but also its difficulties in imposing itself. Set-up by Institut de la Méditerranée, Femise and IRD (Research Institute for Development) on the occasion of Emerging Valley (Marseille, November 20, 2018) this meeting aimed to highlight the existing social entrepreneurship initiatives in Africa and in the South Mediterranean countries. [Read More](#)



**Enterprises with social impact as a vector for accelerating socio-economic development (photo: F.Dubessy)**

#### The sophistication of the economy: source of growth, inclusiveness and employment



Economic complexity results from the country's level of knowledge and technological progress starting from the manufacturing phase to the exporting one. In a report on "The complexification of productive systems as a vector of economic transition in MENA and the role of short-term policies", (FEM42-07) Femise introduces a geographical factor.

Led by Nicolas Péridy, Michel Dimou and Myriam Ben Saad from the University of Toulon in collaboration with Ilham Haouas (University of Abu Dhabi) and Naceur Kraief (University of Sousse), the paper analyzes the complexification of productive systems in MENA countries. by integrating the geographical dimension. The authors add that the competitiveness of a country at the global level depends on what the country exports, not the quantity of what they are exporting. [Read More](#)



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### When the location of a firm affects its productivity?

Should firms give in to the sirens of globalization? Stimulating R & D, sharing knowledge, skills, subcontracting ... Productivity rises when firms in the same sector are in geographical proximity analyzes the latest Femise report. The Femise report notes some interesting variables accross countries. While foreign firms play a decisive role in Turkey, clusters of domestic SMEs create negative externalities, with Femise citing the example of congestion. The emergence of clusters, generates spatial inequalities and large disparities across regions. In Tunisia the majority of firms are located in coastal areas. Wealth and jobs are therefore concentrated on the coastal strip. For the authors of the report, the country must invest in transport infrastructure in order to develop regional complementarities. [Read More](#)



### The need to promote vocational training in Egypt

University education is considered as the royal road in Egypt. It has contributed to the education of far too many students in recent years compared to the needs of the labor market. Vocational education suffers from a lack of image and does not attract young people. However, according to the latest report of Femise, it deserves to be valued given its relevance in the labor market.

Femise asks these questions in its latest report (FEM 42-10) published in March 2018 entitled "

Inequality and inclusive growth : Are education and innovation favoring firm performance and well-being?" in three parts. The first, coordinated by the economist Inmaculada Martinez-Zarzoso (Jaume I Universities in Spain) in collaboration with Javier Ordonez from the same University and Dr. Mona Said from the American University in Cairo (AUC), analyzes vocational and technical secondary education in Egypt in 1998, 2006 and 2012. Femise starts from an observation: "The vocational-general education divide results from a phenomenon of class struggle. The elite relegates the members of the "lower class" to technical schools". In industry, the shortage of technicians hinders the development of companies. [Read More](#)

### Med Change Makers

FEMISE is happy to announce the launch of its new series of interviews called « Med Change Makers ».

« Med Change Makers » are text and video-based interviews that allow dynamic FEMISE researchers to illustrate how their research addresses a policy-relevant question and contributes to the policy-making process in the Euro-Mediterranean region.



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### Med Change Makers e01: JULIE HARB, Climate Change and the Lebanese Economy



*Julie Harb (Université Saint-Joseph de Beyrouth)*

The latest edition of the ENERGIES2050 / Institut de la Méditerranée / FEMISE report "The challenges of climate change in the Mediterranean" (available in May) provides insight into the specific place of the Mediterranean basin in the new International Climate Agenda.

Julie Harb (Saint Joseph University of Beirut, Policy Researcher at Institut de la Méditerranée / FEMISE) is one of the young researchers who contributed to the report. Julie Harb stresses the need for more public efforts for environmental protection and the need for a change in attitudes towards climate change. [Read More](#)

### Med Change Makers e02: Simona RAMOS, Climate-Induced Migration: Issues and Solutions

Simona Ramos (Aix-Marseille University (France), Policy Researcher at Institut de la Méditerranée / FEMISE) contributed to the report "The challenges of climate change in the Mediterranean" by studying the link between "Migration and climate-change in the countries of the southern Mediterranean".

In this interview, Simona Ramos offers avenues for political reflection to deal with the continuing effects of climate-induced migration. [Read More](#)



*Simona RAMOS, Aix-Marseille Université (France)*

### Med Change Makers e03: Jocelyn VENTURA, Integration into the global value chains of Moroccan SMEs



*Jocelyn Ventura, Aix-Marseille Université*

Jocelyn Ventura (Aix-Marseille University (France), Economist at Institut de la Méditerranée and FEMISE) contributed to the report "Identifying Barriers to Improving the Business Environment and Integrating the global value chains for Moroccan exporting SMEs". In this interview, he offers avenues for reflection on opportunities as well as measures that the state could put in place to improve the insertion of SMEs into global value chains. [Read More](#)

### Med Change Makers e04: MyriaBEN SAAD, Sophistication of productive systems and economic transition in MENA



*Dr. Myriam Ben Saad, Université de Toulon (LEAD)*

FEMISE has just published its research project FEM42-07, "Complexification of production as a vector of economic transition and the role of short-term policies", coordinated by LEAD, Université de Toulon. Member of the project coordinating team, Dr. Myriam Ben Saad is one of the young FEMISE researchers who actively participates in the activities of the network. Her work shows the importance of the economic complexity of a country to create more growth and jobs and sketch out clues for the future in the Southern Mediterranean countries. [Read More](#)



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### Med Change Makers e05: Katarzyna SIDLO, Women Empowerment and Collaborative Economy



**Katarzyna Sidlo,**  
*Political Analyst at*  
**CASE**

FEMISE recently published its Policy Brief “Boosting female labour market participation rates in the MENA region : Can collaborative economy be of help?”.

Author of the MED BRIEF, Dr. Katarzyna Sidlo is a FEMISE researcher who actively participates in the activities of the network. Her work assesses the potential of the collaborative economy to increase women’s labor force participation in the MENA region (Middle East and North Africa). More specifically, it examines ways in which the collaborative economy can enable women who are interested to join the labor market. [Read More](#)

### Med Change Makers e06: Alexandra FLAYOLS, Education & Integration of the Marrakech youth

FEMISE recently published the Policy Brief « The key role of education in the professional integration of young people in the Marrakech region »

Author of the MED BRIEF, Dr. Alexandra Flayols highlights the important role of secondary education in gaining access to paid employment. However, many young people drop out of school early. The analysis of reasons for stopping studies is essential so that public authorities can put in place effective measures. [Read More](#)

## FEMISE Recent Thematic Reports



### Report “Euro-Med sub-national governments in the fight against climate change”

INSTITUT DE LA MEDITERRANEE (IM) and its partners, FEMISE and association ENERGIES2050, announce the publication of the final version of the report on “Euro-Med sub-national governments in the fight against climate change: Framework for action, example of Région SUD Provence-Alpes-Côte d’Azur and opportunities for cooperation at the Mediterranean level ”

This report, articulated in three chapters, offers a photograph of the initiatives and dynamics undertaken by Région SUD (France) in the fight against the effects of climate change and also fits within the framework of the great Euro-Mediterranean cooperation. [Read More](#)



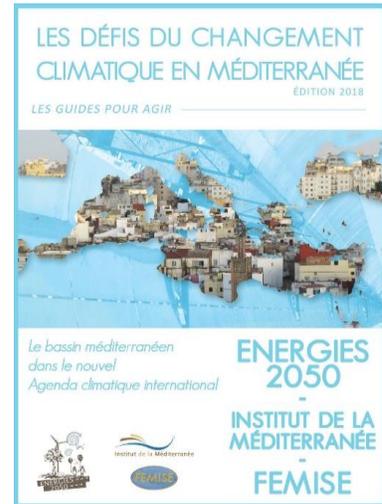
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### Report “The Challenges of Climate Change in the Mediterranean” (2018)

FEMISE is pleased to announce the publication of the final version of the 2018 edition of the report on “The challenges of climate change in the Mediterranean: The Mediterranean in the new International Climate Agenda”, in the “Guides for Action” series. The report is an ENERGIES2050 – Institut de la Méditerranée – FEMISE coproduction.

This report, coordinated by Stéphane Pouffary (ENERGIES 2050), Guillaume de Laboulaye (ENERGIES 2050) and Constantin Tsakas (Institut de la Méditerranée, FEMISE), presents in an updated way the realities of climate change in the countries around the Mediterranean basin and the actions implemented by stakeholders to respond to the challenges of the fight against climate change. The Mediterranean is one of our planets’ “hotspots” and the impacts of climate change are very pronounced and particularly visible on countries of the South and East shores. International mobilization on the climate issue shows there is a real awareness whether for the signatory States of the UNFCCC or for the non-state actors and subnational governments that are strongly mobilized. [Read More](#)



## FEMISE NEWS

### FEMISE among the list of best Think Tank networks for 2018

FEMISE proud to have entered the list of best Think Tank networks according to TTCSP Report for 2018. It is an honor and testament to the hard work of our members for continuous policy-relevant analysis and impact. Cooperation and the work through a network is from the main criteria of the success of any Think Tank. FEMISE’s Network is considered one of the unique networks that connects institutes from the North and South of the Mediterranean and promotes dialogue and research between both sides. [Read More](#)



### Announcement of the winners of 2018/2019 FEMISE Internal Competition!

In this fourth round of the Internal Competition 2018/2019, we received sixteen (16) eligible proposals under the General theme of “Priorities of the EU-MED region”.



Following the evaluation undertaken by the Evaluation committee, the Selection committee selected six (6) proposals for funding in the context of the FEMISE-European Commission contract on: “Support to economic research, studies and dialogue of the Euro-Mediterranean Partnership”. The selected proposals will have a real value added generating fresh knowledge, use rigorous and sound methodology, and have the potential of offering policy recommendations. From the seven selected proposals: four (4) are under the “Inclusiveness” theme; one (1) is under the “Trade Agreements and Technological Transfers” theme; and; one (1) is under the theme of Climate/Energy/Health.

Selected proposals include 15 different FEMISE Affiliates from 9 different EU-Med countries (3 from the north and 6 from the south) and with the participation of more than 25 researchers from the Mediterranean. Drafts of the research papers will be presented in the forthcoming FEMISE Annual Conference (2019). [Read More](#)



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### Workshop: Discovering Social Change Makers in the Mediterranean and Africa, November 20th, 2018, Marseille

FEMISE and Institut de la Méditerranée (IM) joined the great event of “Emerging Valley 2018” and organize the workshop “Discovering the “Social Change Makers” in the Mediterranean and Africa”. Social entrepreneurship refers to the practice that combines innovation, dynamism and the ability to address important social and environmental challenges. The support of states and multinationals around the world has been very encouraging for this model of innovative social activity. A real potential, still weakly exploited, also exists in the framework of the cooperation between the EU and Africa and in particular with the Mediterranean countries of the South Shore.

The social entrepreneurs mobilized by FEMISE and IM will present innovative initiatives, capable of meeting important social and environmental challenges in Egypt, Palestine, Morocco, South Africa, Lebanon, the MENA region and France. [Read More](#)



### Second Annual Conference of GDR International Development Economics (GDR IDE) organized, in collaboration with FEMISE, November 15 and 16, 2018, Clermont Ferrand

GDR International Development Economics (GDR IDE) organized, in collaboration with FEMISE and a number of partners, its second annual conference, on November 15 and 16, 2018 at the CERDI in Clermont Ferrand

The 2-days event included a number of presentations, plenary sessions and a round table. More than 50 papers were presented addressing priority issues for development, which include: migration, environment, poverty and inequality, income redistribution, external financing, institutions, agriculture, health, banking and finance, etc. [Read More](#)



### FEMISE is co-hosting a workshop on “Sustainable Finance” at SDSN-France with Prof. Jeffrey Sachs, November 13th, 2018, Paris



FEMISE was pleased to be part of SDSN-France launch in Paris on the 13th of November 2018.

The UN Sustainable Development Solutions Network (SDSN) aims to gather a large number of leaders from all regions and diverse backgrounds in order to promote practical solutions for sustainable development, including the implementation of the Sustainable Development Goals (SDGs) and the Paris Climate Agreement. This network has been operating since 2012 under the auspices of the UN Secretary-General and bases its action on values of joint learning and integrated approaches towards interconnected economic, social, and environmental challenges.

The event was extremely rich in presentations, forward-thinking discussions and proficient workshops. These workshops took the form of collective intelligence sessions where the diversity of the backgrounds of the participants allowed a broad understanding and holistic approaches to the issues discussed. [Read More](#)



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### **What challenges facing economic development in the MENA? A youth-driven research initiative backed by FEMISE, November 5th, 2018, Paris**

More than 50 researchers from more than 15 countries were brought together in Paris, at Sorbonne-Panthéon University to present their most recent research work on the challenges facing economic development in the Middle East and North Africa, invited by the IEDES at Paris 1, Oxford university, Sciences Po Lille and Heriot Watt University, in collaboration with FEMISE and other renowned institutions.

This was the third edition of the conference on "Research initiative on the Economics of the Middle East", organized this year by UMR « Development and Society », Institute of Economic and Social Development Studies (IEDES), Paris 1 Pantheon-Sorbonne University, Chaire Maghreb and the Euro-Mediterranean Forum of Institutes of Economic Sciences (Femise) in collaboration with Oxford University, Heriot Watt University and Sciences Po Lille.

For two days, the sessions covered issues including impact of refugees, inequality, poverty and education, the political economy of government policies, industrial policies, cronyism and firms' behaviour, competition, corruption and macroeconomic policies. [Read More](#)



### **FEMISE and ERF researchers are in Paris for the Workshop on Business-State Relations and Growth in MENA, June 21st and 22nd, 2018, Paris**

Thirty specialists from the Middle East and North Africa gathered in Paris for a conference organized by the Femise, the Economic Research Forum (ERF), in collaboration with Paris Dauphine University, ENS and Paris-Sciences-and-Letters on "The Political Economy of State Business Relations and of Growth in the MENA region.

In the emblematic Paris Dauphine University, that an international conference on the theme of growth and the political economy in the countries of the Middle East was held on June 21st for two days of intense and constructive debates, animated by participants from all over

the world. The aim of the event organized jointly by the Femise, Economic

Research Forum (ERF, Cairo), Paris Dauphine University, ENS and Paris-Sciences-et-Lettres, was to question the relations between power, the state and the financial markets. [Read More](#)





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### Workshop on “Climate Change in the Mediterranean and Economic Attractiveness of local Territories”, May 15th, 2018, Marseille



The workshop, organized by Institut de la Méditerranée and the Departmental Council of the Bouches du Rhône, in partnership with FEMISE and ENERGIES2050, addressed the actors for whom these issues have a resonance, the political actors of the territory as well as non-state actors (private operators, civil society organizations, universities ...). While considering the recent and current economic situation, this workshop highlighted the development opportunities to be seized. It illustrated the momentum created by local actors and made a positive contribution to debates on climate issues in the Mediterranean in the light of current realities and challenges. [Read More](#)

### FEMISE welcomes 8 new members!

Following the adhesion of the 8 new members in the FEMISE Network, as of the 1st of March 2018, FEMISE is pleased to announce that the number of network members reached 104 members’ institutes: 57 from the North and 47 from the South.

This is a vote of confidence to FEMISE who is developing into the largest EU-Med network in the region, with an increasing number of researchers from both shores who are working together for the development and integration of the region and an increasing number of contacts from policy makers and international organizations. [Read More](#)



TOBB UNIVERSITY OF ECONOMICS AND TECHNOLOGY



Université Sidi Mohamed Ben Abdellah  
Université moderne, créative et entrepreneuriale



Loughborough University



Deutsches Institut für  
Entwicklungspolitik



German Development  
Institute

### FEMISE Recent Research Reports

#### FEM43-18: Early childhood development and inequality of opportunities in the Mediterranean, by Touhami ABDELKHALEK

Early childhood is the most important time for human development. Countries tend to under-invest in this stage of development, particularly in the MENA. This project analyzes inequality of opportunity in early childhood development in three Southern and Eastern Mediterranean countries (Algeria, Morocco and Tunisia) and three countries from non-EU Eastern Europe (Bosnia, Serbia and Ukraine). The findings demonstrate that there is substantial inequality of opportunity starting early in life. A variety of circumstances impact early inequality, with wealth, mother’s education, and geographic differences all contributing substantially. [Read More](#)





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## Newsletter of the FEMISE Network

### **FEM43-07: Effects of Syrian Refugees on Labor Markets of Host Middle Eastern and European Countries, by Dr. Roby Nathanson & Prof. Khalid Sekkat**

This research seeks to contribute to the assessment of refugee's impact within labor markets and differing countries' economies. The country review and the empirical results lead us to four main policy recommendations. As for the majority of countries no connection between the Syrian refugees' inflow and unemployment or wages has been found, first, we recommend strengthening the existing trend of removing refugee-specific barriers in the labor market. In addition, in countries with high minimum wage, temporary exceptions should be permitted in order to promote the employment of refugees. Another important recommendation is to provide temporary migration opportunities in line with the labor market needs and address shortage of workers in some occupations, such as agriculture. A further investigation is needed based on each country's needs. Our last policy recommendation is to offer targeted temporary work opportunities and programs, as some European countries are already doing, both to local population that might be affected by the integration of refugees, and to the refugees themselves. [Read More](#)



### **FEM42-08: Macro Management & Evaluation of IMF Reforms: Tunisia and Comparative Experiences, by Sami Mouley**

The Arab Spring countries faced significant transition challenges, in addition to the structural problems they have inherited. Applied to the IMF's reform programs in the Arab Spring countries (Egypt, Jordan, Morocco and Tunisia) during the transition period, this study aims to fill a knowledge gap on how to take into account reform evaluation methods, whose analysis grid will identify and analyze the key factors of success or failure of policies, to better understand their particular contexts as well as the constraints of transposition of reforms. The cross-tabulation of econometric results globally shows that when IMF programs, although appropriate, are not always followed by a positive effect on growth, the explanation would be rather to be sought in terms of the effectiveness of the reforms, i.e., the compliance of countries with the structural benchmarks of the economic policy actions contained in these programs. When structural benchmarks are fully met, the effects of these programs on growth are clearly positive. Indeed, effective implementation of IMF programs would result in a net positive effect on growth regardless of the estimation method adopted. [Read More](#)

### **FEM43-06: Income Convergence and the Impact of the Euro-MED Trade and Financial Integration on Macroeconomic Volatility, by Simon Neaime – CUT**

Economic and financial integration efforts between the Mediterranean Partner (MPs) countries and the European Union (EU) were initially introduced by the Cooperation Agreements, which granted total exemption from tariffs on industrial products. These efforts were subsequently enhanced by the Association Agreements that were launched under the Barcelona declaration of 1995, which resulted in MPs reducing or even eliminating tariffs on European industrial imports. At the same time, MPs have opened up considerably to other countries, either under the framework of the EU-Mediterranean (MED) trade agreements, or in the context of widespread reduction in tariffs through the signing of the World Trade Organization (WTO) agreements. In early 2000, the Barcelona Process was replaced by the European Neighborhood Policy (ENP), which then was revised in 2015 and became the New European Neighborhood Policy. It is under this framework that the economic relations between the EU and their MPs are now being reshaped. [Read More](#)



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### **FEM42-13: External and internal imbalances in South Mediterranean countries, by Pr. Doaa Salman and Pr. Vassilis Monastiriotis**

South – MED countries are characterized by non-diversified economic structures. This makes them vulnerable to external economic conditions. Within this context, and largely in response to the new risks that emerged in the financial sphere, with regard to both internal and external imbalances, after the global financial crisis, government policies in the South – MED adopted – sometimes harsh – economic reform programmes as a way to stabilise their economies and manage the associated risks. Adjustment programmes, however, are socially painful and may also have adverse effects on the economy, thus increasing further the fragility of these economies and threatening a further deterioration of their external position. This raises two analytically interesting and, in policy terms, very pressing questions about, on the one hand, the extent and nature of internal and external imbalances in these countries and, on the other hand, the appropriateness of the adjustment policies that were pursued. This study provides an extensive analysis of these issues, focusing on the case of six South – MED countries, namely Algeria, Egypt, Jordan, Lebanon, Morocco and Tunisia. It examines in detail the internal and external imbalances of these countries, over the last three decades, both descriptively and econometrically. It subsequently reviews the range of adjustment programmes, austerity policies and other macro-economic adjustment mechanisms, it provides useful insights about the effectiveness and appropriateness of these policy responses in addressing the problem at hand. [Read More](#)

### **FEM41-09: Spatial proximity and firm performances: how can location-based economies help the transition? by Pr. Anna M. Ferragina**

The aim of this project is to investigate the productivity impact on firm's performance stemming from location-based economies due to agglomeration of firms, clustering of innovation and localisation of FDI in three Mediterranean countries, Turkey, Italy and Tunisia. More specifically the research addresses three main questions: 1) the relationships between agglomeration economies and firms' productivity; 2) the role of innovation spillovers at spatial level taking into account geographical and sector clustering of firms; 3) the spillovers from foreign MNEs at regional and sector level. Overall, the estimation results suggest that there are significant productivity enhancing agglomeration effects, in particular there are significant spillovers between firms operating in the same sector and region, spillovers from innovation at local level are also strong, and higher output of foreign firms produce positive spillovers on productivity in the province. However, spillovers are specific to technologically more sophisticated firms. [Read More](#)

### **FEM42-15: Assessing the Macroeconomic and Welfare Effects of Universal Health Coverage in Palestine, by Mohammad Abu-Zaineh**

The implementation of "Universal Health Coverage" (UHC) poses serious challenges. Some of these stems from the macro-fiscal space considerations while others relate to the micro-behavioral sphere.

This project seeks to assess the macro-fiscal conduciveness of UHC-oriented reforms in Palestine using a dynamic microsimulation-based Computable General Equilibrium (CGE) approach. Overall, UHC-oriented reform appears to enhance social welfare and economic growth. However, a parallel expansion in the breadth and width of coverage can have a sizeable budgetary impact, with fiscal deficit representing 14% of the GDP, of which about 2% is due to UHC. The latter would absorb about 10% of GDP, 15% of public spending and 57.4% of public spending on health. Under conditions of narrow fiscal space, an additional annual growth of 3.0% is required to progress along all the dimensions of UHC. A set of policy measures, which can help achieve UHC in a financially sustainable manner is advanced. [Read More](#)



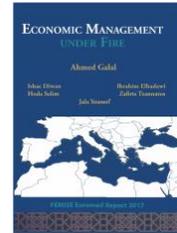
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## Newsletter of the FEMISE Network

### Launch of the FEMISE Euro-Mediterranean 2017 Report on “Economic Management Under Fire”: Analysis and Recommendations

The Economic Management of the Arab Spring Mediterranean countries has given mixed results with some progress achieved however rather slow and limited. FEMISE participants at the EUROMED Report Launch in Brussels provide their analysis, insights and recommendations. Dr. Ibrahim Elbadawi (President of FEMISE and Managing Director of ERF) initiated the event by providing a brief introduction about FEMISE as a network of 97 of members of research institutes that work to

develop development and transition of the south Med countries and monitor the EU-Med Partnership. Dr. Patricia Augier (President of Scientific Committee of FEMISE and IM) complemented the introduction by stating that that the FEMISE annual report is a remarkable publication because of its wide distribution and its usefulness for stakeholders interested in [Read More](#)



### FEMISE Opportunities

#### FEMISE is creating a database for researchers of the EU-Med region

This initiative will allow the research community to use the FEMISE database to get contacts, interact, collaborate, find specialists, partners etc. contracts.

To construct the database, we need your input. To maximize the inclusion of all FEMISE researchers, a questionnaire has been created where researchers and doctorate students fill in the information about themselves to be included in the database.

Please circulate this to as many researchers and doctorate students as possible from your institution so that they may also register.

If you are interested, [fill in the questionnaire.](#)

#### FEMISE Call for Policy Briefs

FEMISE is inviting all researchers and experts to submit original Policy Briefs based on recent research conducted on policy issues relevant to the EU-Med region.

Deadline for Submission is: 31 December 2018

Policy Briefs are essential communication tools that translate the findings and the recommendations of an academic research work into a simple and concise policy note that could be accessible by, not only the policy makers, but also the business community and the general public.

The choice of the topic is left open to researchers. [More Information](#)



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Newsletter of the FEMISE Network

## Calendar / Upcoming Events

*Save the DATE*  
***FEMISE Annual Conference***  
***(13-14- June 2019, Brussels)***

*Mark your calendar ... more to come in our next issue!!!*

*Save the DATE*  
***Policy seminar on Social Entrepreneurship and Refugees***  
***(April 2019)***  
***FEMISE, CASE (Poland) and the Royal Scientific Society (Jordan)***

## Participate



Become a member of FEMISE network



Become a member of FEMISE Facebook Group and page : [Femise - Forum Euro-Méditerranéen des Instituts de Sciences Economiques](#)



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