

SHIFTING PARADIGMS: OPPORTUNITIES FOR A DEEPER EU-MEDITERRANEAN INTEGRATION IN A CHANGING WORLD

27-28-29 September 2023

Sala de Actes
European Institute of the Mediterranean (IEMed)
Carrer Girona, 20
Barcelona, Spain

*Annual Conference 2023 of the Euro-Mediterranean Forum of Institutes of Economic Sciences (FEMISE),
co-organised by the European Institute of the Mediterranean (IEMed) and the Economic Research Forum (ERF)*

INTRODUCTION

The global economy is undergoing major geopolitical and economic paradigm shifts. In addition to its profound political ramifications, the war on Ukraine has exacted major economic and social development costs on the global economy, especially for a developing world that is still reeling from the impact of the COVID-19 pandemic. Furthermore, climate change's impacts intensify and threaten the environment and societies with the poorest paying the heaviest price.

Within this context, the Euro-Mediterranean region has an important role to play as a major centre of global trade, connecting three continents of the world. In fact, while representing only 1% of the world's waters, the Mediterranean Sea generates around 15% of global maritime traffic and 20% of related economic value, making it a fundamental global economic and social crossroads. It has become even more central today following the discovery of giant natural gas fields in the Eastern Mediterranean.

As such, and as the countries in the Euro-Mediterranean region are facing their new and existing challenges and resetting their priorities, new opportunities are emerging towards deeper Euro-Mediterranean integration. For the



With the support of



Southern Mediterranean countries (SMC), the consequences of climate change, slow economic growth and increasing youth unemployment are particularly challenging. Nonetheless, there is a huge potential for the SMCs to exploit their comparative advantages to position themselves to meet economic, climate and human development challenges, while developing and strengthening a robust reciprocal, self-reinforcing, win-win partnership with the EU. Naturally, the SMCs' youth will need to be the centrepiece of such strategy and should be amongst the main beneficiaries of the envisaged deepening cross- Mediterranean integration.

Hence, as the world geopolitics is shifting, the Euro-Mediterranean relations could be on the threshold of a new era where the two shores are working closer together to build a more resilient and sustainable region. The present common challenges in the region demand such integration and cooperation between the North and South.

Against this backdrop, the objectives of the FEMISE annual conference of 2023 are threefold:

- ➔ To bring forward issues that are of concern to the Euro-Mediterranean region and more precisely to explore **how to turn challenges into opportunities** for a deeper and closer partnership.
- ➔ To exchange on how to build a **Euro-Mediterranean region that is better integrated** and **resilient to shocks while putting its young population at the heart of this partnership to allow them to play their role as the Mediterranean Change Makers.**
- ➔ To explore ways through which this **deeper integration** between the EU and SMCs, notably enhanced trade and investments, **could lead to better opportunities for the youth**, providing important inputs to the Team Europe's Initiative "Jobs through Trade and Investment in the Southern Neighbourhood."

Day 1 – Wednesday 27 September 2023

14.00-15.30 **FEMISE General Assembly**

Sala del Consell - **For FEMISE members only** -

16.00-16.15 **Welcoming Remarks**

Senén Florensa, Executive President, European Institute of the Mediterranean (IEMed)
Ibrahim Elbadawi, President, FEMISE and Managing Director, Economic Research Forum (ERF)

16.15-16.45 **Opening Speeches**

Nasser Kamel, Secretary General, Union for the Mediterranean (UfM)
Carmen Magariños, Director of Cooperation with Africa and Asia, Spanish Agency for International Development Cooperation (AECID)
Pau Solanilla, Commissioner of International Relations and City Promotion, Barcelona City Council

16.45-17.00 **Conference Photo**

17.00-18.30 **Plenary Session 1 – Towards Greater Euro-Mediterranean Regional Integration: Rebalancing the Geopolitical Landscape with Economic Opportunities**

The Mediterranean region is witnessing a new era of changing geopolitical landscape. Given the central role that this region is playing in global trade, economic and social development, it will be key to enhance its integration to secure its place within the global trends while meeting common challenges.

Chair

Roger Albinyana, Managing Director, European Institute of the Mediterranean (IEMed)

Speakers

Birgit Loeser, Head of Division MENA, Regional Affairs, European External Action Service (EEAS) – *via videoconference*

Alia Moubayed, Managing Director, Fixed Income Strategy at Jefferies, Lebanon

Massimo Deandreis, Director general, S.R.M., Gruppo Intesa Sanpaolo, Italy

Carlos Conde, Head of the Middle East and Africa Division, Global Relations Secretariat, OECD

Katarzyna Sidło, Director of the Middle East and North Africa Department, CASE, Poland

20.30 CONFERENCE GALA DINNER

Official reception and special keynote speech by

The **Hble. Ms. Meritxell Serret i Aleu**, Minister of Foreign Affairs and European Union, Government of Catalonia

Venue: **Museu Marítim de Barcelona**

Av. de les Drassanes, 1

- Upon invitation -

Day 2 – 28 September 2023

09.30-11.00 **Plenary Session 2 - A Better Integrated Euro-Mediterranean Region to Meet Common Challenges: Enhancing the Region's Resilience Through Regional Value Chains**

Following the recent disruptions in the global supply chains due to the COVID-19 pandemic and the war in Ukraine, the idea of near-shoring gained momentum in the Euro-Mediterranean region. This represents an opportunity for both shores as it would not only enhance intra-regional trade but will open new opportunities for cooperation on issues such as energy and food while reaching out further to SMCs' neighbours, including Africa.

Chair

Maryse Louis, General Manager, FEMISE

Speakers

Ingrid Schwaiger, Deputy Head of Unit - Regional Cooperation Neighbourhood South, Economic Investment Plan (NEAR.B.2), Neighbourhood South and Türkiye, European Neighbourhood Policy and Enlargement Negotiations (DG NEAR), European Commission - *via videoconference*

Mohamed El Razzaz, Head of Sector, Union for the Mediterranean (UfM)

Marc Lautier, Professor of Economics, University Rennes 2, France

Anna Ferragina, Associate Professor, Department of Economics and Statistics, University of Salerno, Italy

11.00-11.30 **Coffee Break**

11.30-13.00 **Thematic Session 1** – Financial Inclusion and GVC Integration in the Euro-Mediterranean Region

- Presentation and Discussion of Selected Papers -

Chair

Samir Makdisi, Professor Emeritus and founding director of the Institute of Financial Economics, American University of Beirut, Lebanon

1 - Financial Integration, Stability, and Spillovers in the Euro-Mediterranean Region: Implications for Enhanced SMCs Financial Markets

Simon Neaime, Professor of Finance and Economics, Institute of Financial Economics, American University of Beirut, Lebanon & **Isabelle Gaysset**, Research Fellow, Institute of Financial Economics, American University of Beirut, Lebanon

2 - EU-Med Capital Market Integration and the EU's Covered Bonds Directive

Bernd Lucke, Professor, Department of Economics, University of Hamburg, Germany

3 - Impacts of Financial Inclusion on Levels of Participation in a Global Value Chain (GVC)

Rawan Elshaarawy, Economic Researcher, Egyptian Competition Authority, Egypt

Discussant

Ahmed Ghoneim, Professor of Economics, Faculty of Economics and Political Sciences, Cairo University, Egypt

13.00-14.30 **Lunch Break**

14.30-16.00 **Thematic Session 2** – Building a More Integrated Euro-Mediterranean Region: Trade, Remittances and Skills' Mobility

- Presentation and Discussion of Selected Papers -

Chair

Patrick Plane, Research Director CNRS, CERDI, France

1 - Estimation of the Integration of Tunisia and Egypt with the EU and Eastern and Southern African Countries Using the Gravity Equation

Karim Chaabouni, Assistant Professor in Economics, Sfax School of Commerce (ESC Sfax), Tunisia

2 - The Talents Race in the Euro-Mediterranean Region: Policy Recommendations Derived from Panel Data Estimation of the Osmosis Model

Samir Djelti, Economist of Migration Studies and Lecturer, University Mustapha Stambouli of Mascara, Algeria

3 - Digital Financial Services of Remittances by North African Migrants in the EU States: Exploring the Mutual Benefits of Neo-Banks on the Immigrants and the Financial Firms

Abdeslam Badre, Ph.D., Mohammed V University in Rabat, Morocco

Discussant

Raed Safadi, Chief Economist, Dubai Department of Economy

16.00-16.30

Coffee Break

16.30-18.00

Plenary Session 3 – Towards a Green Transition of the Euro-Mediterranean Region: Challenges and Opportunities on the Way to Resilient Net-Zero Economies

Putting the green transition at the heart of the Euromed partnership, while finding solutions to sustainability challenges will help the region progress in achieving its goals in terms of resilience, prosperity, and development. While a number of opportunities arise in the region, especially with regard to clean energy production, challenges call for greater cooperation and integration to mobilise investments, build sustainable infrastructure, transfer knowledge and technology, create decent jobs, and green the productive tissue.

Chair

Rafael de Arce, Professor of Econometrics, Universidad Autónoma de Madrid, Spain

Speakers

Adel Ben Youssef, Professor of Economics, University of Nice Sophia-Antipolis, France

Majd Al-Naber, Director of Science for Society Centre, Royal Scientific Society, Jordan

Bernard Ziller, Former Senior Advisor, European Investment Bank (EIB)

Hala Abou-Ali, Vice President of the Institute of National Planning and Professor of Economics at the Faculty of Economics and Political Science (FEPS), Cairo University, Egypt

Marco Berti Palazzi, International Relations and Enlargement Unit, DG Energy, European Commission - *via videoconference*

Day 3 – 29 September 2023

09.30-11.00 **Thematic Session 3 – Economics of the Euro-Mediterranean Green Transition**

- Presentation and Discussion of Selected Papers -

Chair

Stéphane Pouffary, Chief Executive Officer, Energies 2050, France

1 - ICT as a Driver of Green Economic Growth in the South Med region: An Output-Oriented Approach to Green TFP Estimation

Stefano Iandolo, Research Fellow, Department of Economics and Statistics (DISES), University of Salerno, Italy

2 - EU Hydrogen Policy: What Path for a Just Energy Transition in North Africa?

Ayoub Menzli, Ph.D Candidate, Department of Political Science, Roma Tre University, Italy

3 - Towards Sustainable Green Transition in the Southern Mediterranean Countries: Identifying Policy Gaps and Spotting Opportunities to Design Sustainable Policies

Jeanne Mawad, Head of the Management and Entrepreneurship Programme, Université du Saint-Esprit de Kaslik Business School, Lebanon

Discussant

Stella Tsani, Associate Professor, National and Kapodistrian University of Athens, Greece

11.00-11.30 **Coffee Break**

11.30-13.00 **Plenary Session 4 - Towards a Youth-Driven Euro-Mediterranean Region: Policies to Boost Training, Entrepreneurship, and Innovation**

The Euro-Mediterranean region is home to the youngest population in the world. While youth can be among the most vulnerable, they are also the most creative and innovative and they aspire for a better future for their region. They deserve to be the main beneficiaries of a deepened regional integration with better education, job, and mobility opportunities. Unleashing the potential of the Mediterranean youth can only be achieved by providing them with the needed support in terms of training, access to finance, as well as the tools and knowledge to develop their entrepreneurship activities in innovative and sustainable sectors.

Chair

Majdi Hassen, Executive Director, The Arab Institute of Business Leaders (IACE), Tunisia

Speakers

Afef Ajengui, Senior Program Manager, Tunisia Foundation for Development, Tunisia

Nayef Stetieh, CEO, Business Development Center (BDC), Jordan

Houssam El Hajj, Instructor, General Directorate of Vocational Education and Training, Lebanon

Sana Afouaiz, Founder and CEO, Womenpreneur Initiative, Belgium

Giuseppe Provenzano, Project Manager, Higher Education and Research Division, Union for the Mediterranean (UfM)

13.00-14.30 **Lunch Break**

14.30-16.00 **Thematic Session 4 – Policies Empowering the Youth to Deliver Sustainable Development in the Euro-Mediterranean Region**

- Presentation and Discussion of Selected Papers -

Chair

Moundir Lassassi, Research Director, Centre de Recherche en Economie Appliquee pour le Development (CREAD), Algeria

1 - When Active Labour Market Policies Increase Unemployment: An Assessment of the Impact Employment Plan in Algeria

Ali Souag, Associate Professor and Researcher, University Mustapha Stambouli of Mascara, Algeria

2 - Enhancing Decent Jobs and Access to Funding for Youth: Employment Formalisation and Financial Inclusion Issues in MENA Countries

Philippe Adair, Emeritus Professor, ERUDITE Fellow, University Paris-Est Créteil, France

3 - Possibilities and Benefits of Entrepreneurial Ventures: A Comprehensive Study on Youth Social Entrepreneurship in the MENA Region

Rabeh Morrar, Assistant Professor, An-Najah University, Nablus, Palestine

Discussant

Mona Said, Professor of Economic, American University Cairo (AUC), Egypt

16.00-16.20 **Closing Remarks**

Senén Florensa, Executive President, European Institute of the Mediterranean (IEMed)

Ibrahim Elbadawi, President, FEMISE. Managing Director, Economic Research Forum (ERF)