



Athens, 27-03-2008

## **RECOMMENDATION**

**on behalf of the Economic and Financial Social Affairs and Education Committee  
of the Euro-Mediterranean Parliamentary Assembly,**

**by Dr. Hazim El-Nasser, Chair,**

*On the basis of proposals submitted by the Rapporteurs,*

*Mrs Jamila Madeira, Vice-Chair of the Economic Committee and Mr Fathi Farjaoui on 'Encouraging investment in the Mediterranean region by means of education and employment. Equal rights to education and the work market for men, women and young people'*

*and*

*Mr David Hammerstein and Mrs Fatima Chelouche on 'Renewable energy sources and the promotion of new environmentally-friendly energies. Energy programmes with a view to promoting a Euro-Mediterranean energy market'.*

*The Euro-Mediterranean Parliamentary Assembly,*

- having regard to the Barcelona Declaration of 28 November 1995, establishing a partnership between the European Union (EU) and the countries of the South and East of the Mediterranean (PSEM), and the programme of work adopted at that Conference,
- having regard to the resolution adopted at the EMPA plenary sitting of 17 March 2007 in Tunis on 'The Millennium Objectives in the Euro-Mediterranean area'
- having regard to the conclusion of the Euro-Mediterranean Ministerial Conferences and the Sectoral Ministerial Conferences held since the launching of the Barcelona process, and particularly the conclusions of the IX Euro-Mediterranean Conference of Foreign Ministers, of 5 and 6 November 2007,
- having regard to the final declaration of the first Ministerial Conference on Higher Education and Research, adopted on 18 June 2007 in Cairo, and the objectives of the Catania Declaration of 2006,
- having regard to the conclusions of the EuroMed ECOFIN Ministerial Meeting of 15 September 2007 in Porto,
- having regard to its resolution of 11 May 2006 on 'Conditions for the transformation of the FEMIP into a Euro-Mediterranean Development Bank', forwarded to the EuroMed ECOFIN Council of Ministers of June 2006 in Tunis, and the conclusions of the latter meeting,
- having regard to the conclusions of the report on 'Direct foreign investment (DFI) in the MEDA region' published in 2007 by the Euro-Mediterranean Investment Promotion Network - ANIMA,
- having regard to the work of the XI Euro-Mediterranean Conference on the economic transition, 'Mediterranean economies facing the immediate environmental challenge', held on 18 and 19 June 2007 in Brussels,
- having regard to the conclusions of the Ministerial Conference on 'Renewable energies and energy efficiency: Innovative policies and financing instruments for the EU's Southern and Eastern neighbours' adopted on 19 April 2007 in Berlin,
- having regard to the Commission Green Paper on a European strategy for safe, competitive and sustainable energy, COM (2006)105, Brussels March 2006,
- having regard to the Club of Rome's White Paper on 'Clean Power from Deserts' DESERTEC, 2007

A whereas the economic attractiveness of the Mediterranean region has been increasing in recent years (DFI rose from 1% in 2000 to 4% in 2006) due inter alia to the major reforms carried out by most of the region's countries with a view to improving the legal and regulatory environment for investment,

- B whereas economic and social policies should place economic growth, equity, regional development and regional convergence on an equal footing, whereas the population as a whole should enjoy the benefits of growth, whereas economic policies should be assessed in terms not only of their contribution to growth but also of the number of jobs they create, their contribution to poverty alleviation and their contribution to enabling the poorer regions to catch up,
- C whereas the greatest growth and productivity potential for European Small and Medium-sized Enterprises (SMEs) is to be found in Europe's immediate vicinity, and at present, the major investors in terms of amounts invested are the Gulf countries,
- D whereas it is imperative that quantitative growth in DFI go hand-in-hand with quality in terms of job creation and an improvement in the leverage effect, which means directing government action towards: guaranteeing the security of foreign and national SMEs by encouraging the development of a close-knit, professional and better-integrated industrial fabric; encouraging investment in the infrastructures needed for economic activity; seeking out socially responsible and sustainable investment likely to make proper use of the human and natural resources of the southern Mediterranean region,
1. Stresses that economic cooperation should not be divorced from the human considerations involved, and that this presupposes economic development investment for the benefit of the local population and, in particular, that economic and financial operations do not dissociate economic factors from their actual impact on the population groups concerned in terms of employment, education, housing, health care, the environment, culture and progress in favour of peace; calls for the allocation of a significant part of the financial cooperation budget to education;
  2. Affirms the importance of socio-economic convergence – both within the Southern countries and between the two shores of the Mediterranean – and regional integration, for any successful investment plan and in order to get full value from the economic, industrial and institutional cooperation to which the two shores of the Mediterranean have committed themselves; believes, furthermore, that convergence and regional integration are the best ways of tackling the challenges of globalisation, particularly for backward regions, and are the key to growth, to eliminating poverty, and to sustainable development;
  3. Acknowledges the need to associate more EU countries and organisations in MEDA issues, especially in northern and central Europe, and to promote more consistently the very substantial investment potential of the Mediterranean region within the European Union;
  4. Stresses the importance of micro-credits in the Barcelona Process and in neighbourhood and development policies, and urges that micro-funding projects be supported and programmes in favour of women within this framework be stepped up; calls for human and economic resources for micro-credit projects in the Mediterranean countries, and suggests that a joint micro-credit association be set up

with the remit of ascertaining the credibility of projects; affirms the need to reduce poverty through co-development and to achieve the Millennium Goals set by the United Nations in the Mediterranean region, with the creation of quality jobs that respect labour rights, especially for young people and women, the eradication of pockets of marginalisation in towns and action to combat the backwardness of rural areas; stresses the importance of giving an impetus to legal and formal equality between men and women in the public and private spheres and to promoting their full involvement in political, economic, social and cultural life by means of positive measures; calls on EMPA countries to facilitate the transfer of workers' remittances to their home countries;

5. Acknowledges that education and research are crucial to society's political and socio-economic development, and reaffirms the goal of achieving fair and unconditional access to quality education within the countries' capabilities and in keeping with the Millennium Development Goals and also adult education, by encouraging an effective system of continuous training, retraining and in particular, management training; points to the need to arrange for public education and health systems and to launch effective public measures aimed at ensuring general access to essential public services (water, electricity, transport and communications);
6. Calls on the EMPA countries to promote private education, given that many countries of the Euro-Mediterranean partnership depend on private education to meet their constitutional obligations concerning the right of all children to education, owing to the inability of the public sector to meet the expenses in this field;
7. Calls on governments to take steps to combat prejudices and work to strengthen women's rights through national legislation in order to achieve development for all, and therefore urges governments to ensure that every child attends school and enjoys a high standard of education and to endeavor to ensure that the school drop-out rate for girls is reduced;
8. Calls for the commitments made in the field of scientific and university cooperation to be honoured, so as to facilitate mobility for students and scientists with regard to establishments, by stepping up the Community TEMPUS and ERASMUS MUNDUS programmes with the partner countries; notes, in particular, the positive effect of the extension of the TEMPUS programme to the MEDA countries in 2002, which has been instrumental in creating a strengthened network of inter-university cooperation and in providing university and higher education teachers with the opportunity of exchanging good practices and ensuring a continuous transfer of knowledge; stresses that, despite the limited resources allocated to this programme, there has been a very positive response from the MEDA region and increasing demand for participation;
9. Stresses the need to create the necessary platform for the development of long-term relations and interconnections between EU and Mediterranean companies, notably SMEs, and notes the importance of networking especially between Business Representative Organisations in creating the ideal business investment environment in the region; considers that the organisation of events and forums

between EU and Mediterranean companies is of the utmost importance for achieving this objective;

10. Believes that the exchange of best practices and experiences in the field of investment promotion and trade facilitation, especially in specific areas of cooperation such as the development of strategies to welcome potential investors and to assist them with administrative procedures via the creation of one-shop stops, will prove to be particularly beneficial to the MEDA countries and should be adequately promoted; calls on those countries which have not already done so to ratify the United Nations convention on fighting corruption and to establish a partnership between donor and recipient countries to combat corruption;
11. Calls on the European Commission to organise "Training for trainers" programmes, in order to provide Mediterranean trainers with better capacity-building in respect of investment promotion, and to ensure the dissemination of their knowledge in their countries of origin by organising similar training at local level;
12. Renews its request concerning the follow-up of the transformation of the Euro-Mediterranean Facility for Investment and Partnership (FEMIP) into a Euro-Mediterranean Development Bank; calls for the drawing-up of technical studies in collaboration with the European Investment Bank to be accelerated so as to transform this Facility into a bank and to ensure that projects are implemented more promptly and effectively and to create jobs in the region; recommends also the creation of a common technical working group (two members from the North and two members from the South belonging to the Economic Committee), in order to monitor implementation of the Road Map adopted by the EuroMed ECOFIN in June 2006 with various participants such as: the European Commission, the European Investment Bank, the Euro-Mediterranean Facility for Investment and Partnership (FEMIP) and other experts in the field;
13. Calls upon the countries of the Euro-Mediterranean region to improve conditions for free trade in goods and services as well as for the free movement of labour, so as to achieve a better balance in employment opportunities between the two shores of the Mediterranean and to create new jobs and new training opportunities, especially for young people, thereby contributing to encouraging direct investment within the framework of an increased opening of borders between the states of the Euro-Mediterranean region and of support for the proposals of the World Trade Organization (WTO) for promoting the services sector in an even-handed manner between the two sides of the Mediterranean; insists on the fact that the implementation of this even-handedness is strongly dependent on the development of postal and telecommunication networks;
14. Insists on the importance of consolidating the tendency towards the common exploitation of resources available in the Euro-Mediterranean region such as the desert which may be crucial in the production of alternative energy sources and may help maintain the equilibrium between the production of renewable energy, guaranteeing food security and the rational use of water resources in the Euro-Mediterranean region; calls therefore for increases in the price of foodstuffs to be closely monitored in order better to identify issues relating to food security and

for the effect of using these food products in order to produce biofuels to be studied;

15. Calls for the switch to renewable energies be further accelerated by boosting investments and promoting education and training programmes in this vital and promising sector and by adopting incentive policies and legislation and encouraging the private sector to invest in the domain of renewable energies;
16. Calls for steps to be taken to facilitate access to credit and, in particular, micro-credit from private sector banks by consolidating and liberalising the financial sector and improving cooperation between financial establishments and, above all, central banks; reaffirms the importance of a social policy that creates jobs, especially for young people and women, in particular through the establishment of a climate conducive to an increase in foreign direct investment and measures to encourage young people and women to set up their own companies at local level, by making appropriate instruments;
17. Calls for increased efforts to promote scientific cooperation between countries on both sides of the Mediterranean by renewing and promoting higher education programmes, in particular those which seek to establish fruitful cooperation between education and training institutions so as to facilitate the acquisition of new technologies by increasing the subsidies set aside for common projects in this field, by supporting the creation of the Euro-Mediterranean University, by establishing a Euro-Mediterranean observatory of higher education in order to guarantee scientific cross-fertilization and closer scientific ties and to encourage appropriate curriculum reforms;
18. Encourages efforts to combat pollution and the effects of climate change, in particular special action to address industrial emissions and urban waste, as well as the promotion of sustainable development models with clean and renewable energies and non-polluting towns, industries and services, as part of the Horizon 2020 Programme, an ambitious European plan which includes measures to clean up our seas by that date;
19. Stresses the huge benefits for all partners of setting up a Euro-Mediterranean energy market that is fully interconnected and integrated through the extension and integration of energy markets in the Euro-Mediterranean region and the completion of the necessary energy infrastructure projects;
20. Stresses the need for closer cooperation on security of energy supplies in the Euro-Mediterranean region through measures relating to diversification of energy resources, the promotion of energy efficiency, conservation measures, the development of new technologies, research and development activities and the stepping-up of financial opportunities for energy projects of common interest;
21. Believes that priority should be given to sustainable development, especially since energy consumption in southern and eastern Mediterranean countries is rising very rapidly; wishes to anticipate and draw the necessary lessons from the way in which European countries have developed, thereby saving the partner countries unnecessary costs, and calls for measures to be taken to stimulate

investment for projects based on renewable energies and energy efficiency or helping to reduce greenhouse gases, in particular projects under the Clean Development Mechanism, as defined by the Kyoto Protocol; calls on the EMPA states and the industrialised, developed countries to implement the Kyoto agreement and to encourage developed countries to build renewable energy plants using wind and solar energy which are more environmentally-friendly;

22. Recognises the considerable renewable energy production potential in the Euro-Mediterranean region that may play a key role in fighting climate change, diversifying energy sources and strengthening economies, and promoting qualified job markets and democratic structures; points out that this is an issue of global and regional interest that affects the future stability and social viability of all our societies and that a key reason for a substantive increase of renewable energy in the Euro-Mediterranean region is to guarantee access to fresh water and clean sources of energy for millions of people who lack these services;
23. Encourages all EMPA countries to set targets for renewable energy production in order to ensure that renewable energy accounts for a significant proportion of overall energy consumption according to the capabilities of each country; calls on the European Commission to provide technical aid to the partner countries in order to formulate country-by-country objectives for solar, wind, biomass, geothermal and other renewable sources;
24. Notes with interest the proposals of the Club of Rome "Trans-Mediterranean Renewable Energy Cooperation" (TREC) in favour of clean power from deserts; believes in particular, that financial and infrastructure measures should be taken by the EU and the EMPA partner countries to promote concentrated, high-temperature Solar Thermal Power technology (CSP) in desert areas of the Euro-Mediterranean region; points out that these initiatives need EU financial assistance for the creation of a pilot project, facilitation of grid access and possibly the linking of the transmission grid with Europe for the integration of this power into European energy markets; urges the European Commission to make a concrete proposal to this effect;
25. Calls for a broad-based policy of renewable energy and energy efficiency technology transfer and professional training in renewable energy as a strategic policy of EMPA governments; calls also for an expansion of scholarships and technical training and student exchange programmes in this field and for the full integration of renewable energy in the European Neighbourhood Policy Instrument (ENPI) and all bilateral EU-partner country actions plans and association agreements;
26. Calls for an exemplary energy project to be implemented as a matter of urgency for Gaza, possibly in the Rafah area, in order to ensure autonomy and self-sufficiency in electricity production and desalinisation for the population of Gaza: believes that a large, high-temperature solar plant could fulfil these objectives and be an emblematic renewable initiative for the entire region; takes the view that the Paris donors' conference, the PEGASE mechanism and EU assistance programmes should allot significant resources to this initiative in collaboration with the ANP, Egypt and the Quartet;

27. Calls upon Euro-Mediterranean institutions to take advantage of and learn from traditional Mediterranean architecture and urban planning that embody many positive examples of passive cooling and heating designs and the use of energy-efficient local materials; considers that these sustainable models can be integrated with modern renewable energy technologies and energy-efficient Mediterranean town planning based on centuries of climate-wise building and thinking;
28. Stresses that, in order successfully to develop the renewable energy policy, a concrete policy must be launched in order to transfer technology between the EMPA countries; stresses the importance of creating a general Euro-Mediterranean convention aimed at organising the implementation, transfer and dissemination of renewable energy technologies in the Euro-Mediterranean area; encourages all EMPA countries to consider harmonising their legislation on renewable energy;
29. Calls for efforts to raise public awareness about renewable energy sources since these should concern not only specialists in the field, but also the broader public;
30. Considers that the cost of renewable energy should be affordable for all consumers, regardless their social level;
31. Calls for financial and technical support for promoting renewable energy;
32. Instructs its President to forward this recommendation to the Speakers of the Parliaments of members of the Barcelona Process, to the Euro-Mediterranean Ministerial Conference, to the European Commission, to the Governments of the member countries of the Barcelona Process and to the institutions concerned.

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**No consensus was reached on the following paragraph :**

33. Express deep concern at and condemns the Israeli aggression against the Palestinian territories in Gaza and the West Bank and the killing of children, women and the elderly and the destruction of the infrastructure, which has a negative effect on economic development and investment opportunities in the Palestinian territories.