

PRESS RELEASE
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The UfM Secretariat and EIB join forces to a concrete cooperation in the Mediterranean

Ahmad Masa'deh, Secretary General of the Union for the Mediterranean (UfM), and Philippe de Fontaine Vive, Vice-President of the European Investment Bank (EIB), responsible for FEMIP, signed on 17 January 2011 a cooperation memorandum of understanding (MoU) for establishing a close collaboration in the Mediterranean region in the areas of economic, social and sustainable development, in close link with the UfM's priorities.

The MoU has the aim of implementing a global and regional strategy of development in order to reinforce policy and business networks in Mediterranean and to create a prosperous and sustainable Euro-Mediterranean region by further socio-economic development and private sector investments.

The MoU is based on six concrete and joint actions:

- **Sharing of information in order to promote the implementation of the UfM priority projects.** The two parties agree to closely collaborate in the exchange of information on projects, initiatives, events and studies, thus avoiding any possible overlapping and trying to complement the other Party's views in order to increase the value added of the final outcome.
- **Promoting UfM projects in order to facilitate the financing and implementation of UfM priority projects.**
The parties agree to collaborate in order to facilitate the financing and implementation of such UfM projects identified and chosen by the UfM Secretariat (UfMS) and in accordance with its priorities. More specifically, and upon request from the UfMS, EIB may provide support with regards to the processing of projects in the form of carrying out project analysis in view of their possible funding by financial institutions.
- **Promoting a better understanding of the region:** UfMS and EIB agree to collaborate in the area of studies and research; recognizing that an improved knowledge of the region's economic and financial characteristics would help them to better attune their policies to the UfM countries' needs and priority projects.
- **Enhancing visibility and raising awareness** about the UfM priority projects among stakeholders in the region including the media, via events, conferences and seminars.
- **Networks building** in order to implement their overall strategy. More specifically, EIB will facilitate the liaison between the UfMS and the business community, notably chambers of commerce, professional associations, banking organizations, relevant think-tanks and NGOs. Reciprocally, EIB could be associated in UfMS specialized platforms and structured networks.
- **Secondment of staff:** the privileged relationship between EIB and the UfMS is also reflected by placing EIB experts within the Secretariat.

The signed agreement marks a significant step in the operational activity of the Union for the Mediterranean, underlined in these terms by Philippe de Fontaine Vive, Vice-President of EIB: *"I am convinced that the closed and fruitful collaboration between EIB and the UfM Secretariat is the best efficient response to the actual challenges facing the Euro-Mediterranean region, such as economic and sustainable development, social cohesion and employment. This will support and speed up the implementation of Union for the Mediterranean priority priorities like the Mediterranean Solar Plan, the Depollution of the Mediterranean, the Land and Sea Highways and the support of micro, small and medium size enterprises through the Multilateral Business Development Initiative."*

Secretary General Ahmad Masa'deh said: *"Investment and the facilitation of investment are of critical importance for the creation of jobs and for the financing of the basic regional and trans-national infrastructures in the Mediterranean. The MoU concluded today between the EIB and the Secretariat of the Union for the Mediterranean, constitutes a major step towards the effective collaboration between two major players in the region: the EIB as the major lender to Mediterranean countries and the UfM Secretariat as the institution charged by Euro-Mediterranean Heads of State and Government to identify, promote and facilitate projects. Two regional institutions join their efforts for the benefit of a region that needs new sources of employment, capital and labor intensive investments and tangible and real projects that can impact the livelihoods of their people"*.

Background information:

The European Investment Bank

The European Investment Bank (EIB) is the European Union's financing institution. Its shareholders are the 27 Member States of the Union. Its subscribed capital is EUR 232.4 billion and it has a AAA credit rating. The EIB is active both within and outside the European Union. The bulk of its lending is for projects in the Member States to support development and integration policies. Outside the EU, the EIB supports projects that contribute to economic development in the EU's partner countries. Set up in 2002, the Facility for Euro-Mediterranean Investment and Partnership (FEMIP) is the EIB's financial arm in the Mediterranean region. Within the framework of the European Neighborhood Policy and the Union for the Mediterranean, its aim is to promote the economic and financial development of the Mediterranean partner countries.

As soon as 2009, 80% of funding concerned the UFM priorities. The projects funded by FEMIP include a sanitation project in Lebanon (EUR 70 million), the construction of a wind farm in Gabal El-Zeit in Egypt (EUR 50 million), the widening of the Rabat-Casablanca motorway in Morocco (EUR 225 million) and the first venture capital fund for Palestinian private enterprises (EUR 5 million).

The Secretariat of the Union for the Mediterranean

The Secretariat of the Union for the Mediterranean created by the 43 Euro-Mediterranean Heads of State and Government in Paris on 13 July 2008. Foreign Affairs Ministers in their meeting in Marseille on 4 November 2008 decided that the headquarters of the Secretariat will be in Barcelona. The Union for the Mediterranean is a multilateral partnership with a view to increasing the potential for regional integration and cohesion among Euro-Mediterranean partners. The Union for the Mediterranean is inspired by the shared political will to revitalize efforts to transform the Mediterranean into an area of peace, democracy, cooperation and prosperity. The creation of a joint secretariat is a key stone in this partnership. The Secretariat will contribute to reinforcing co ownership of new Mediterranean relations and achieving visibility through economic projects. The mandate and missions of the Secretariat have been defined in the Paris and Marseille Declarations as well as in the Statutes adopted on 3 March 2010. It is recalled that the mandate of the UfM Secretariat is of a technical nature, focusing on identifying, processing, promoting and coordinating projects, which are in line with the principles and rules of international law, which enhance and strengthen the cooperation and impact directly on the livelihoods of citizens. As stated in the Paris and Marseille Declarations, the central mission of the UfMS is to increase, promote and ensure the coordination of regional, sub-regional and transnational UfM projects in order to improve the socio-economic development, regional integration, sustainable development and the exchange of knowledge among and within the countries of the UfM. It is also recalled that in launching the UfM, the Heads of State and Government identified six priority areas. These are the following:

- De-pollution of the Mediterranean
- Maritime and land highways
- Civil protection
- Alternative energies: Mediterranean solar plan
- Higher education and research, Euro-Mediterranean University
- The Mediterranean Business Initiative

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FACTS SHEET

▪ ABOUT THE UfMS

The Union for the Mediterranean (UfM) is a multilateral partnership and a framework for political, economic and social relations between the European Union and the Southern and Eastern Mediterranean Countries. It was launched on the 13th July 2008 at the Paris Summit, gathering 43 Euro-Mediterranean Heads of states and governments, as a continuation of the Euro-Mediterranean Partnership (Euro-Med), also known as the Barcelona Process, established at the Barcelona Conference in 1995.

The Union for the Mediterranean encompasses the 27 EU member states¹, the European Commission and 16 Mediterranean countries. Foreign Affairs Ministers in Marseille, on the 4th November 2008 decided that the League of Arab States shall participate in all meetings of the UfM.

The Secretariat of the Union for the Mediterranean (UfMS) was established by a decision of Heads of State and Government of the UfM and its Statutes were adopted on the 3rd of March 2010 by virtue of a decision passed by the Senior Officials of the Member States. Foreign Affairs Ministers in their meeting in Marseille on 4 November 2008 decided that the headquarters of the Secretariat would be in Barcelona.

On the 3rd March 2010, the first Secretary General, Ahmad Masa'deh was officially presented at the UfMS headquarters in Barcelona.

The UfM Foreign Affairs Ministers in Marseille decided to provide the Secretariat with 6 Deputy Secretaries General to assist the Secretary General in developing cooperation and partnerships in the region in order to deal with these priority project areas.

The UfM is inspired by the shared political will to revitalize efforts in increasing regional integration and cohesion among Euro-Mediterranean partners. It is linked to the goals of the Barcelona Declaration, namely working for the creation of an area of peace, stability, security and shared economic prosperity, as well as full respect of democratic principles, human rights and fundamental freedoms and promotion of understanding between cultures and civilizations in the Euro-Mediterranean region.

The 2008 Paris Declaration considers that it is crucial to translate the principles of cooperation between all partners into concrete projects for the region and thus, identified 6 project priority areas: Projects Funding Coordination and Business Development (development of SMEs), Transport (Highways of the Sea), Energy (Mediterranean Solar Plan), Civil Affairs (Civil protection), Higher Education and Research, Environment and Water (de-pollute the Mediterranean).

Heads of State and Government decided to create the Secretariat as a joint institution that will provide more co-ownership in the promotion of regional cooperation, strengthening equal footing governance and translating it into projects to deliver concrete benefits for the citizens of the region. Therefore, the UfM Secretariat aims to identify, screen, process, brand and promote regional and transnational projects in the six priority areas identified by the Paris Declaration, ensuring appropriate coordination and links with, and provide assistance to, the various interested partners.

¹ Austria, Albania, Algeria, Belgium, Bosnia and Herzegovina, Bulgaria, Croatia, Cyprus, the Czech Republic, Denmark, Egypt, Estonia, Finland, France, Germany, Greece, Hungary, Israel, Italy, Jordan, Latvia, Lebanon, Lithuania, Luxembourg, Malta, Mauritania, Monaco, Montenegro, Morocco, the Netherlands, the Palestinian Authority, Poland, Portugal, Republic of Ireland, Romania, Slovakia, Slovenia, Spain, Sweden, Syria, Tunisia, Turkey, the United Kingdom



▪ ABOUT THE EIB

The European Investment Bank (EIB) is the European Union's financing institution. Its shareholders are the 27 Member States of the Union. Its subscribed capital is EUR 232.4 billion and it has a AAA credit rating. The EIB's Board of Governors is composed of the Finance Ministers of these States.

The EIB is active both within and outside the European Union. The bulk of its lending is for projects in the Member States to support development and integration policies. Outside the EU the EIB is active in over 150 countries (the pre-accession countries of South-East Europe, the Mediterranean partner countries, the African, Caribbean and Pacific countries, Asia and Latin America, and Russia and other neighbors to the East), working to implement the financial pillar of EU external cooperation and development policies (private sector development, infrastructure development, security of energy supply, and environmental sustainability).

The EIB is the Mediterranean region's main financial partner, with more than EUR 10 billion invested since 2002.

The Facility for Euro-Mediterranean Investment and Partnership is its financial arm in the region. In October 2008, the EIB was asked by the Euro-Mediterranean finance ministers at a meeting in Luxembourg to support three priority initiatives of the UfM, namely cleaning up the Mediterranean Sea, the Mediterranean Solar Plan and land and sea motorways.

At the ECOFIN Council/FEMIP joint ministerial meeting that followed the Paris Summit (held on 7 October 2008 in Luxembourg) the Euro-Mediterranean finance ministers expressed their satisfaction with the active role played by the EIB in supporting three of the six priority initiatives of the UfM. Through the FEMIP Trust Fund, the EIB also provides support for the Mediterranean Business Development Initiative, another of the UfM's priority projects.

The EIB raises the resources it needs to finance its lending activities by borrowing on the capital markets, mainly through public bond issues. Its AAA credit rating enables it to obtain the best terms on the market. As a not-for-profit institution, the EIB passes on this advantage in the terms it offers to the beneficiaries of its loans in both the public and private sectors.

The EIB works closely with the other EU institutions, especially the European Parliament, the European Council and the European Commission. The European Investment Fund is a subsidiary of the EIB.

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