



PARLIAMENTARY ASSEMBLY OF THE MEDITERRANEAN
ASSEMBLEE PARLEMENTAIRE DE LA MEDITERRANEE
الجمعية البرلمانية للبحر الأبيض المتوسط

**Keynote speech by Amb. Sergio Piazzì, Secretary General of the
Parliamentary Assembly of the Mediterranean (PAM)**

on the occasion of the event

**MEDPRO: PROSPECTIVE ANALYSIS FOR THE MEDITERRANEAN
REGION**

Brussels, 26 February 2013

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Mr. President,
Distinguished guests,
Ladies and Gentlemen,

It is a pleasure and an honor, for me, to address this important event, and I would like to thank the organizers for the kind invitation. This conference represents an excellent opportunity to raise awareness about the challenges ahead of us, and identify measures on how to work, all together, to face the situation and prepare for the future.

The programme of the Conference is impressive. I am sure that, with such high level speakers, the outcome of the event will be rich of substance, and it will provide us all with concrete elements to build realistic scenarios.

On my side, I will brief the Bureau and the relevant Committees of our Assembly. I will also ensure an appropriate follow up. PAM is fully aware that the current situation is extremely delicate, and our MPs are committed to contribute to the efforts of the international community. I sincerely believe that cooperation between our two institutions is key to achieve concrete results needed to shape policies and practices.

Dr. Rym Ayadi asked me to introduce to you the Parliamentary Assembly of the Mediterranean. Our Assembly is an interstate regional parliamentary organisation. It was born in 2005, in Amman, as the dedicated instrument of parliamentary diplomacy in the Mediterranean region. PAM is the result of the maturation of the so-called “Conference on Security and Cooperation in the Mediterranean (CSCM)”, initiated by the Inter-Parliamentary Union (IPU) in the 80s. In 2009, the United Nations granted our Assembly with the “Permanent Observer” status at the United Nations General Assembly. We have 27 member states, all represented on an equal base, all Mediterranean. Some of our countries are members of the EU, but we have no formal links to the EU and its policies towards non EU countries. We are totally autonomous and independent and our MPs do not take any guidance from any institution. We work in close collaboration with the UN System and UN Secretary General.

Our budget is paid directly by our member states. We enjoy excellent relations with European institutions, and we cooperate regularly with the European Commission on several subjects. At present, PAM strengthens institutional relations, particularly with European Commissioner Stefan Füle, and Vice-President Antonio Tajani with whom we coordinated at our last parliamentary economic forum in Tunis in November. Now, I also hope to develop strong ties with DG Research and Innovation.

PAM represents the national parliaments of the Mediterranean region, including all the Balkans, from Portugal to Morocco, via Jerusalem. We are also responsible for the parliamentary dimension of the 5+5 group, the West Mediterranean dialogue, and Mauritania has notably joined us a few months ago.

PAM has set up numerous international and regional partnerships. We organize annual meetings of Ambassadors of the PAM Member and Partner States in Geneva, New York and Malta, and we established three Permanent Representative offices, with PAM Ambassadors, in New York, Geneva and Vienna.

PAM also participates in the activities of other Parliamentary platforms, such as the IPU, the European Parliament, the Arab Inter-Parliamentary Union, and the Parliamentary Assembly of the Council of Europe, the OSCE, NATO, the Organization of the Black Sea Economic

Cooperation, the UfM, the OIC, the Maghreb Arab Union and the recently relaunched South-Eastern European Cooperation Process (SEECF), as well as the Gulf Cooperation Council.

Our Assembly works regularly also with a number of major international institutions such as the UN, the League of Arab States and the Gulf Cooperation Council, which have a direct interest, or a specific role, in the region. In five years, PAM has grown into to a fully-fledged negotiator and facilitator for the region.

The last two years witnessed some of the greatest social and political transformations in the Middle East and North Africa. The Arab Spring must be an opportunity for change, and PAM works closely with the countries concerned. With reference to the Syrian crisis, PAM continues to collaborate discreetly with national authorities, the UN and the Russian Ministry of Foreign Affairs in facilitating the delivery of humanitarian assistance and advocating the protection of civilians, including Palestinian refugees. We are also assisting the Libyan Ministry of Foreign Affairs and National Congress in preparing the newly elected MPs.

PAM continues to monitor developments in the Middle East. Our Assembly supports the two-State solution for Israel and Palestine, and contributes to the negotiations, as both the Knesset and the Palestinian National Council (PNC) hold two of PAM Vice Presidencies. Following the recent Israeli military intervention in Gaza in 2012, PAM actively contributed to reaching a ceasefire. Just imagine that at that time our President was the Prime Minister of Jordan.

The root causes of the uprisings and present impasse can be identified in a combination of factors, but they can mainly be attributed to the mal-functioning of the political systems, corruption, speculation and deteriorating socio-economic conditions experienced by local people. These factors were indeed a clear signal about the need of change.

PAM is open to collaboration with all international key players to foster operational solutions to meet the aspirations expressed by the peoples following the Arab spring. Now, as the region strives to get back on its feet and re-establish stability, the Parliamentary Assembly of the Mediterranean has taken upon itself the challenge to assist its members as required.

Of course, this call for great changes in our region has deep and complex roots. The economic scenario is alarming: just to give you an example, very high youth unemployment rates (50% in Spain, 34% in Italy, in the North, 25% overall unemployment in Tunisia, and similar rates in the South, for example). Please remember that, by 2020, the Youth in MENA region alone will reach 100 million individuals. PAM monitors all the initiatives in the region, aiming at supporting and stimulating the economic process at large. Europe has been launching a number of projects to sustain growth and employment in the region, in terms of funds made available for investments (support to SMEs and infrastructures), in terms of training and education and also in support of the process of the consolidation of democratic institutions. Unfortunately, as Dr. Cornaro mentioned, this process cannot count yet on an all inclusive Free Trade Area in the region, which was “promised” for 2010.

The complexity of the region is also due to the interests and policies of other players. For example, all major EU States have resumed strong “bilateralist” approaches; the United States are very active, and the Obama administration intends to further increase its ties with the Mediterranean. These initiatives are carried out both through bilateral relations with individual countries and in the framework of the Deauville Partnership, in cooperation with the G8 countries. This forum is frequently used by major EU southern countries to avoid some German diverging priorities in EU institutions. It represents a good opportunity also for the Russian Federation and for China, and we must not forget that even the states of the Gulf are involved in the Mediterranean area with increasing interest.

In this context of renewed bilateralism, and European “rhetoric” support for the South, PAM MPs have a role to play in the process of integration and cooperation, especially through the PAM Panel on Trade and Investments in the Mediterranean, a dedicated instrument to support regional economy.

The Panel, launched in May 2010 in Lisbon, gathers, around the same table, parliamentarians and key economic actors, such as investment promotion agencies, international financial institutions, employers’ federations, Regulators, normative agencies, chambers of commerce and consumers’ associations, in order to stimulate joint actions and propose practical measures –

including at legislative levels – to be undertaken to strengthen trade and secure a social dignity for all peoples of the region.

On these bases, we started to organize meetings of our four sectoral groups. The Energy Group, which has been mandated with the task of facilitating the creation of the “Mediterranean Energy Community”, in close collaboration with Director Barbosa of DG ENER, will meet for the third time in Rabat in May. For your information, Med-TSO was created under our auspices. PAM Financial Group gathered its members in June, last year, in Portugal. The recommendations of the Lisbon Conference include the need for more South-South trade; measures to facilitate the access to credit for SMEs (in terms of harmonized legislative frameworks and procedures); the key importance of training and education, especially in the Southern shore. An excellent EU Communication of December 2012 highlights the same elements.

The Finance Group focuses on employment and the development of a financing mechanism to drive investment at Mediterranean level, so assisting projects for micro, small and medium enterprises. In this context, PAM has developed important synergies with the EBRD, WB, IMF, ECB, EIB, the African Development Bank, the Islamic Development Bank. In addition, the EBRD has chosen PAM as its political partner and requested PAM’s assistance in implementing the G8 decision of Deauville, where it pledged Euro 2.5 billion annually to the Mediterranean economic recovery.

I am proud to say that the United Nations Economic Cluster and its Commission for Europe invited PAM, again, to hold the next high level intergovernmental conference of its Panel in Geneva. The conference will take place on 30-31 May. The event, “Harnessing trade for growth in the Mediterranean”, will tackle crucial political aspects of the economic growth: the importance of trade, the need for more developed transport infrastructure, investments, productive capacity. I take this opportunity to invite all those interested in attending our event to contact the PAM Secretariat, in Malta. I hope to see many of you in Geneva.

Investments in infrastructure are fundamental in all the regions of the Mediterranean, also in the North. Therefore, we should focus our efforts on creating the conditions to attract investments, especially foreign investments. A *sine qua non conditio* is political stability. The extraordinary

events of the Arab Spring are positive in this sense, because the establishment of a democratic political system will increase the capacity of a country to attract investments, not only from the private sector, but also from the public financing institutions. Companies are however, at present stage, less willing to invest in an unstable country, and democratic transparent procedures are fundamental to encourage foreign investments. We are aware that, for instance, some major European industrial groups are closing their plants in Egypt. The same companies are ready and willing to invest in Turkey.

Furthermore, the rationalization and reduction of the bureaucratic procedures to start new businesses, the fight to corruption and the support to education represent other key objectives to be achieved to realize the whole process that, I repeat, has in the Small and Medium Enterprises its strategic players.

Please remember that the demographic machine will not wait for new agreements or stable regimes to be in place. We also have to distinguish which kind of financing measures are needed: very often, they include *ad hoc* one-time grants, but we should keep also in mind that these measures do not alter the fundamentals of the economic system. It would be more appropriate supporting venture capital and micro-financing institutions, which could lead to a long-term change. Unfortunately, these measures, as of today, appear to be underdeveloped in the MENA region. I am confident that, even through initiatives such as the one of today, we will be able provide some practical solutions that will impact the next generation.

I wish to conclude thanking, once again, the organizers for the kind invitation, and I wish all of you a fruitful and successful meeting.

Thank you for your attention.