

French Presidency of the Council of the European Union

Co-presidency of the Barcelona Process: Union for the Mediterranean

Joint Ministerial Meeting of the EuroMed ECOFIN and Facility for Euro-Mediterranean Investment and Partnership (FEMIP)

7 October 2008

Draft agenda of the meeting:

- Current economic situation of the Euro-Mediterranean zone in view of high energy and food prices
- Follow-up of the Paris Summit for the Mediterranean - implications for the FEMIP

On 7 October, the finance ministers from the "Barcelona Process: Union for the Mediterranean" member countries will gather for the joint EuroMed ECOFIN meeting and annual ministerial meeting of the Facility for Euro-Mediterranean Investment and Partnership (FEMIP). The FEMIP brings together the European Investment Bank's (EIB) activities in the Mediterranean under one roof.

This will be the first ministerial meeting since the Paris Summit for the Mediterranean. It will be chaired by Christine Lagarde, French Minister for the Economy, Industry and Employment, and Youssef Boutros-Ghali, Egyptian Finance Minister. Egypt and France have been co-presidents of the "Barcelona Process: Union for the Mediterranean" since 13 July.

Joaquin Almunia, European Commissioner for Economic and Monetary Affairs, Philippe Maystadt, EIB President, and Jeannot Krecké, Minister for Economy and Foreign Trade for Luxembourg, will also chair the meeting.

The meeting should allow ministers to discuss the financing in greater detail of central projects for the Barcelona Process: Union for the Mediterranean, particularly through the action of the FEMIP. The ministers will also work on increasing economic dialogue, at a time when the international financial crisis means that effective international coordination is essential between the countries of the "Barcelona Process: Union for the Mediterranean".

Objective no.1: tackle the challenges associated with the financial crisis and hikes in raw material prices

Economic situation

On 7 October, the ministers will examine all of the latest economic developments in the Euro-Mediterranean zone and worldwide. They will discuss the recent promising economic performance in the zone, which is now risking a slowdown much like other countries¹.

Situation of the financial markets

The meeting of 7 October will give Euro-Mediterranean ministers the opportunity to express their resolve in contributing to an international response to the financial crisis. In particular, they will discuss the situation of the financial markets in view of the plan launched by the American government.

Oil and food prices

The consequences, particularly social, of the rise in oil and food prices will be studied. Building on the work undertaken at European level, the ministers will look into the most suitable means for dealing effectively with these sudden fluctuations in raw material prices at national level, without unsettling the balanced functioning of economies.

Objective no. 2: Follow up the Paris Summit for the Mediterranean, particularly in financial terms

Financing the main projects of the Union for the Mediterranean

The Heads of State and Government have selected six central projects, following the decision to make the "Barcelona Process: Union for the Mediterranean" a Union based on specific projects. The finance ministers will examine the FEMIP's contribution to three of them:

¹ Annual report of the Commission, entitled "Economic Review of EU Neighbour Countries", available at the following address:

http://ec.europa.eu/economy_finance/publications/publication13087_en.pdf

- depollution of the Mediterranean;
- motorways of the sea;
- Mediterranean solar plan.

The FEMIP will present the ministries with a tougher action plan to step up its already significant efforts and to stimulate investment, particularly from the private sector, in these three central projects.

Implemented by the EIB, the financial arm of the European Union, the FEMIP is also the leading international investor in the Mediterranean, with almost 1.5 billion euros in loans granted in 2007 to foster sustainable growth in the zone².

Fostering the growth of small and medium-sized enterprises (SMEs) in the Mediterranean

The ministers will discuss the Mediterranean Business Development Initiative, which was adopted on 13 July as one of the specific projects for the Union for the Mediterranean.

This initiative seeks to improve the access of Mediterranean SMEs to funding by fostering the development of the local financial system. The development of Mediterranean SMEs, which account for 99% of Mediterranean businesses and employ two-thirds of the workforce in the zone, is one of the keys to economic and growth and employment in the Mediterranean.

The meeting should confirm political support in the process set in motion by Italy and Spain, together with the Mediterranean partner countries, to implement this initiative.

² FEMIP annual report 2007 available at the following address:

http://www.eib.org/attachments/country/femip_annual_report_2007_fr.pdf