

Towards EU-MENA Shared Prosperity

POLICY REPORT

3rd Edition



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About bruegel

Bruegel is the European think tank that specialises in economics. Established in 2005, it is independent and non-doctrinal. Bruegel's mission is to improve the quality of economic policy with open and fact-based research, analysis and debate. We are committed to impartiality, openness and excellence. Bruegel's membership includes EU Member State governments, international corporations and institutions.

Through publications, events, social media, and a lively blog, Bruegel has carved a unique discussion space for everyone interested in improving the quality of economic policy. Through a dual focus on analysis and impact, and dynamic relationships with policymakers at every governance level, it has also established itself as a vibrant laboratory for economic policies.

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About Policy Center for the New South

Policy Center for the New South, formerly OCP Policy Center, is a Moroccan policy-oriented think tank based in Rabat, Morocco, striving to promote knowledge sharing and to contribute to an enriched reflection on key economic and international relations issues. By offering a southern perspective on major regional and global strategic challenges facing developing and emerging countries, the Policy Center for the New South aims to provide a meaningful policy-making contribution through its four research programs: Agriculture, Environment and Food Security, Economic and Social Development, Commodity Economics and Finance, Geopolitics and International Relations.

On this basis, we are actively engaged in public policy analysis and consultation while promoting international cooperation for the development of countries in the southern hemisphere. In this regard, Policy Center for the New South aims to be an incubator of ideas and a source of forward thinking for proposed actions on public policies within emerging economies, and more broadly for all stakeholders engaged in the national and regional growth and development process. For this purpose, the Think Tank relies on independent research and a solid network of internal and external leading research fellows.

www.policycenter.ma

Foreword

We are very pleased to present this joint publication, which collects the papers produced as part of the third collaboration between Bruegel and the Policy Center for the New South (PCNS). Within the theme “Towards EU-MENA Shared Prosperity”, our two organisations launched a “Platform for Advanced & Emerging Economies Policy Dialogue” in Rabat on 1 April 2016, and published two previous policy reports addressing issues of common interest in the Mediterranean and the MENA Region.

The aim is to establish an ambitious, yet timely, platform for policy dialogue between emerging MENA economies and advanced economies. The cooperation between Bruegel and PCNS constitutes the main pillar of this platform. We aim to be the driving force for a content-based dialogue that can lead to concrete analytical output.

With a strong conviction that fruitful policy dialogue should be primarily anchored in sound policy research, Bruegel and PCNS researchers have tackled issues of utmost importance to all shores of the Mediterranean basin through their papers.

In the first paper, Uri Dadush and Yana Myachenkova explain how trade agreements that the European Union has with North African countries are often seen as having delivered disappointing results, and how the agreements have been judged too harshly, as they helped generate large amounts of trade. In this regard, the paper gives relevant recommendations of policies for a greater trade performance.

The second paper highlights the role of structural economic transformation as a necessary gateway for nations wishing to move up along the development path. It focuses on the case of Morocco, shedding light on its manufacturing sector’s transformation, its integration in Global Value Chains (GVC) and its economic challenges.

In “The EU-Southern Mediterranean Energy Relationship: A Fresh Perspective”, Simone Tagliapietra analyses how regional energy

cooperation should strongly focus on fostering large-scale deployment of renewable energy, allowing southern Mediterranean countries to meet their increasing energy demand in a more sustainable way, and having positive economic and political benefits for Europe.

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