

Recovery plan and a new economic development model for the Mediterranean

Time to act

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Executive summary version



Association des Chambres de Commerce et d'Industrie de la Méditerranée
Association of the Mediterranean Chambers of Commerce and Industry
جمعية غرف التجارة والصناعة للبحر الأبيض المتوسط

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1. ASCAME'S NEW DEVELOPMENT MODEL FOR THE MEDITERRANEAN ECONOMIC RESILIENCE

The COVID-19 pandemic has emerged as a tsunami and paralysed our economies, twelve years after the great recession. Historical precedents reveal that such a situation could alter political and economic systems, reconfigure ideas and theories, and impose radical changes on our lifestyle.

More than ever, it is time to react. The Mediterranean region needs to believe in its strengths and create positive futures. Effective containment of the pandemic and ensuing recovery requires a holistic and integrated regional response, which is currently hindered by low levels of intraregional trade and cross-border collaboration between the region's diverse economies.

Therefore, it is vital to shape a new vision for economic integration, harnessing the Fourth Industrial Revolution and promoting environmental stewardship. In addition, broader measures are needed towards realizing Mediterranean's economic inclusive growth, in order to provide inclusion of Mediterranean youth populations, particularly women.

1.1 The New Economic Development Model for the Mediterranean

The New Economic Development Model for Mediterranean Economies is based on three pillars: Digital Economy, Green Economy and Blue Economy. The Plan has the objective to be a guide of recommendations to mobilise the private sector to build a new region based on the new economic pillars of our immediate future.

Through complementing national efforts, the Mediterranean region has the power for a more equitable socio-economic recovery, the ability to repair and revitalise the Mediterranean economy, guarantee a level playing field, and support the urgent investments, in particular in the green, blue and digital transitions, which hold the key to Mediterranean future prosperity and resilience.

Digital Economy

In the post COVID-19 era new technologies are a necessary tool for SMEs and the self-employed, since operating digitally is the only way to stay in business and shows the future to perform more efficiently in the Mediterranean market region.

Highlighted initiatives:

- ✓ Create new opportunities out of digitalisation and the fourth industrial revolution for people, companies and governments.



- ✓ Business Country Desk free online Platform that offers to its users a Business HelpDesk and a tool for EuroMed Business Matching.
- ✓ Access to new technologies across sectors and business processes fostering the use of agile tools: design thinking, scrum, or lean management.
- ✓ Celebrate virtual and onsite business pitches and invite investors and venture capitalists to foster those connections.
- ✓ Foster 'from lab to market' framework to transfer technological innovation.
- ✓ Provide digital expertise to SMEs on technological issues favouring knowledge transfer.

Green Economy

In this recovery period, it is necessary to promote the creation of resource efficient and climate resilient economies supporting energy cooperation between the two shores of the Mediterranean region. Green Economy provides a great opportunity to foster global development with sustainable growth and in line with the 2030 Agenda.

Highlighted initiatives:

- ✓ Promote actions that make the Mediterranean region area a laboratory of innovation and inclusiveness.
- ✓ Share good practices and suggestions from other stakeholders to innovate the regional LABs, to increase the expected impact of future investments on the Green Growth and employment.
- ✓ Foster global development with sustainable growth and in line with the 2030 Agenda.
- ✓ Involve the private sector through business and employment opportunities, stimulating the sustainable growth in the Mediterranean.
- ✓ Incorporate and work in parallel with the principles of a Green Economy through new technologies that reduce water-energy-food nexus pressures.

Blue Economy

The Blue Economy is an essential source of wealth and prosperity for the Mediterranean. The region must take advantage of that potential and the opportunities for growth, employment and investment strengthening the collaboration between public and private actors related to the regional maritime sector.

Highlighted initiatives:

- ✓ Promote the participation of Mediterranean SMEs in Blue Economy.
- ✓ Free and Open access to a Platform to bring together several blue economy stakeholders, to interact directly with the Blue Growth actors and promote the private sector participation in the Blue economy.



- ✓ Knowledge sharing on Blue Growth issues.
- ✓ Blue Economy's transversal topics opened to the private sector (webinars and online conferences) encouraging the participation of the Mediterranean private sector.
- ✓ Endorse crowdfunding initiatives to Mediterranean Blue SMEs as an option for better access to funding and consequently deliver better and more innovative solutions.



2. ASCAME'S CHAMBERS ENTREPRENEURS AND BUSINESS PLATFORM INITIATIVES

At ASCAME we think this crisis represents an opportunity for change. The golden ticket for the Chambers of Commerce across the region to reaffirm their role of supporting the Mediterranean's SMEs and entrepreneurs. The Chambers of Commerce have existed for centuries as they represent community, prosperity, and the ease of obstacles for international commerce. Yet, they embody better than any other institution our Mediterranean roots of traders and travelers.

It is for these reasons that, today, we want to manifest our will to be resilient, highlighting our natural abilities to adapt our work to the needs of the people we serve, walking hand-in-hand with the era of digitalisation, helping them to navigate these uncertain times. ASCAME wants to take a step forward by setting up a range of initiatives with the wish that all its members will help in joining efforts towards a better integrated region using digital tools. Collaboration and coordination have not ever been as easy, it is in our hands to work towards a fast recovery and prosperity for all.

2.1 Mediterranean Entrepreneurs Hub

ASCAME proposes the creation of the **Mediterranean Entrepreneurs Hub**, a space for meeting and exchange for Mediterranean entrepreneurs. Our region is a land full of opportunities and connections for entrepreneurs. Its dynamic economic market and its gateway to Africa, Asia and Europe attracts entrepreneurs from all over the world.

The mission is to make available to the Mediterranean entrepreneurs a space in the form of a region so that they can identify with it and fully appropriate it. The ambition is to facilitate the access of thousands of Mediterranean women and young entrepreneurs worldwide to targeted, reliable and relevant information. To offer them quality intermediation, training, access to global networks, coaching and mentoring that is capable of generating ambitious and successful projects.

Furthermore, the hub could celebrate virtual and onsite business pitches and invite investors and venture capitalists to foster those connections as well as incubation and acceleration programmes for Mediterranean entrepreneurship initiatives.



2.2 Mediterranean Digital Live Platform

One of ASCAME's proposals to face the new reality after the pandemic is the creation of a digital platform available to ASCAME members and their companies, with the aim of holding events, conferences, seminars, B2B online meetings or debates. Under the name '**Mediterranean Digital Live Platform**', it will become a platform for engagement, interconnection and interaction. It would be a meeting point that would serve as basis for the emergence of new ideas and initiatives aimed at relaunching the Mediterranean economy.

2.3 ASCAME Events Special Programme

ASCAME and its members will organise over the course of the next months several online events and meetings in order to revitalise the economy and work for the recovery of every sector. Despite the fact that ASCAME's plan is to continue with the annual plan of events that was already defined, some of the events have had to be inevitably cancelled due to the social circumstances produced by the COVID-19 pandemic. However, other of the Association's most iconic events will continue to be held either face-to-face or in a hybrid format (face-to-face and online). In addition, ASCAME and its network have set a so called '**Events Special Programme**' with several online or hybrid events for the particular situation after the pandemic.

The main events of the **ASCAME Events Special Programme** are:

- ✓ **Mediterranean Textile Forum**
- ✓ **Conference: "Why are Chambers of Commerce in the Mediterranean and Europe so important also during this crisis and the post COVID-19?"**
- ✓ **Barcelona New Economy Week**
- ✓ **Mediterranean Week of Economic Leaders (MedaWeek Barcelona)**
- ✓ **3rd Mediterranean Private Sector Summit**
- ✓ **New Africa Business Development Forum**
- ✓ **Mediterranean Innovation Summit**
 - **3rd Mediterranean Startup Meeting**
 - **2nd Mediterranean Digital Transformation Forum**
 - **3rd Mediterranean Innovation Forum**
 - **2nd Finance & Business Angels Meeting**
- ✓ **Mediterranean Healthcare Forum**
- ✓ **Mediterranean Halal Industry Forum**



- ✓ **Mediterranean Hotels and Hospitality Forum**
- ✓ **MedaTalk on Finance Sector Development**
- ✓ **MedaTalk on the Exhibitions & MICE Industry**
- ✓ **Country Focus Session on India**
- ✓ **Mediterranean Women Entrepreneurs Forum**
- ✓ **Mediterranean Real Estate Forum**
- ✓ **Mediterranean Tourism Forum (MediTour)**
- ✓ **Mediterranean Finance Forum (MedaFinance)**
- ✓ **Egypt Investment Forum**

2.4 HelpDesk COVID-19 Info

ASCAME has created an informative Helpdesk, the '**HelpDesk COVID-19 Info**', with the aim of following the developments and impact of the coronavirus pandemic on the economy and business sector in all Mediterranean countries and the world.

The main objective of the 'HelpDesk COVID-19 Info' is to help Mediterranean Chambers of Commerce, companies and institutions in the region overcome the negative economic effects of the spread of the virus. As an informative tool, the HelpDesk includes news, economic and educational resources and various economic viewpoints related to the current challenges and threats, as well as ways to confront them.

The HelpDesk COVID-19 Info contributes to guide Chambers and the private sector towards making informed practical decisions based on reliable data. It also helps companies to overcome challenges and enhance their competitiveness based on their ability to keep abreast of all developments related to the business environment, indicating that this platform benefits companies in managing its activities and operations.

Over the course of the last 4 months, more than 150 informative links have been sent to the ASCAME network, including press releases, economic articles, information on grants, finance opportunities etc.

2.5 Corporate Social Responsibility (CSR)

The COVID-19 pandemic has marked a turning point worldwide and cooperation and solidarity are the values that have taken centre stage in recent months in all social sectors. However, at a time of global crisis, the private sector is playing a fundamental role in collaboration with the public sector, contributing to minor the terrible



consequences of coronavirus. Corporate Social Responsibility (CSR) now plays a key role in any type of organisation, regardless of its size or sector.

According to the Corporate Social Responsibility Observatory, CSR is the "way of directing companies based on managing the impacts that their activity generates on their customers, employees, shareholders, local communities, the environment and on society in general".

Better companies make better societies. At ASCAME, we encourage our members to implement as many responsible and sustainable actions as possible in this crisis period. Many Mediterranean Chambers of Commerce have already designed CSR plans, thus contributing to the economic and social development of their immediate environment, such as:

- ✓ Materials or basic products' donations to the health system.
- ✓ Free services' offer, such as telephone consulting or logistics services.
- ✓ Masks and other sanitary protection materials' manufacture.
- ✓ Reorientation of factories to produce technical sanitary equipment.
- ✓ Creation of a fund to help the most affected individuals, groups or sectors.
- ✓ Reduction or elimination of bonuses for senior managers.
- ✓ Reduction or elimination of variable remuneration.
- ✓ Budget reduction in other items other than human resources.
- ✓ Promotion of telework and family reconciliation measures.
- ✓ Food donation.
- ✓ Launch of campaigns to collect funds.
- ✓ Volunteering of workers to produce materials or contribute to necessary tasks.
- ✓ Deferral of collection to small suppliers.
- ✓ Support for small businesses.
- ✓ Offering training and development courses to workers.
- ✓ Establishment of alliances with other companies or institutions.
- ✓ Redefinition of corporate values.
- ✓ Implementation of a post-COVID action plan.
- ✓ Acceleration of the application of environmental measures.

2.6 Mediterranean Finance Instrument

We have the ambition to provide our members a wide spectrum of sources to access capital to fund the Mediterranean unlimited potential. Therefore, ASCAME is always working on identifying potential financing opportunities for its members through meetings and partnerships with relevant stakeholders. In addition, the Association aspires to enlarge its network thinking outside the box to be able to connect strategic dots in order to benefit its members, SMEs, and entrepreneurs with new funding opportunities.



In this regard, ASCAME offers its members an [exhaustive and updated report](#) of more than 150 funding and investment institutions and opportunities focused on the MEDA region. Each one includes a short description, business sectors, target population, type of funding, amount offered, application process (if any), and contact info. After the regional section, there is country-specific which sums up another 33 opportunities in Algeria, Egypt, Jordan, Lebanon, Morocco, and Tunisia.

On the other hand, International organisations with funding capacities seek for reliable and trustworthy institutions to implement Euro-Mediterranean projects. To this extent, Chambers of Commerce are great partners as they bring to the table their expertise and networks as the main representatives of the private sector, adding an incalculable value to the project implementation, creating win-win synergies at a national, regional and international level.

2.7 International Cooperation Projects Plan

In the post COVID-19 scenario and aiming at the economic recovery of the Mediterranean private sector, all the projects from ASCAME's network will be at the service of the Chambers of Commerce and the Mediterranean Private sector/SMEs playing an essential role, as instruments tackling important elements on economic reactivation, green economy, energy efficiency, cultural heritage, innovation, investment, and technology.

Among others, ASCAME's members and the General Secretariat are actively involved in numerous projects as CRE@CTIVE, GREENLAND, HELIOS, iHERITAGE, INTECMED, INVESTMED, TECLOG, ORGANIC ECOSYSTEM, MEDUSA, MAIA TAQA, MEDST@rts, MED PEARLS, MEDArtSal, GREENinMED, IPMED, TEX-MED Alliances, Bleu TourMed, 4Helix+, EBSOMED, Blue Growth Community etc.

This great potentiality to the service of ASCAME's members network is clearly reflected, working aligned with strategic key sectors and cross-cutting issues such as blue economy, sustainability, agrifood, tourism, and business alliances, among others.

These projects offer great opportunities to take action towards the recovery of the region and to establish synergies with other members and networks of stakeholders.



2.8 Chamber Initiatives: Chamber 4.0

ASCAME will take a closer look at how Chambers of Commerce can adopt 4th Industrial Revolution (4IR) technologies and adjust their value proposition for their members. Chamber 4.0 will give the Chambers a chance to rethink their priorities, find new solutions to remove trade barriers and explore innovative and sustainable solutions for businesses. Some of the concrete proposals of this initiative is the following:

- ✓ Promote the Mediterranean economy, companies and investment opportunities throughout the world
- ✓ Work towards sustainable economic development and enhancing development cooperation through the Chambers of Commerce.
- ✓ Interact with governmental powers, international organisations in order to work for the protection of the interests of the Chambers and the private sector.
- ✓ Actively contribute to the development of human resources.
- ✓ Support the Chambers' for developing their environmental policies.
- ✓ Promote interaction between member Chambers to create joint projects that can achieve greater efficiencies and benefits for the region.
- ✓ Work on the establishment of a positive, solid and united global image of the Mediterranean chambers network.
- ✓ To provide a platform for investment, business and joint venture.
- ✓ Inform about multilateral finance and international cooperation programs

2.9 ASCAME's Members Initiatives

Chamber of Commerce, Industry and Agriculture of Beirut and Mount Lebanon

The Mediterranean after COVID-19

There will always be a before and after covid-19.

Over the last 30 years, ASCAME has been unanimously recognised as the representative of the economic sector in the Mediterranean area. The annual events, regularly attended by representatives of the three continents, have largely contributed to homogenising the good practices of the private sector in the member countries and to facilitating binary as well as multilateral relations.

ASCAME has a planning and coordinating role. It is responsible for identifying Good Practices, planning and coordinating dissemination. At the state level, good practices are called "public policies". The rationalisation and homogenisation of public policies is the cornerstone of Mediterranean renewal.



- ✓ A first mission involves the planning by ASCAME and the cooperation of the chambers of an associated statistical approach in order to identify the comparative situation of the Med Countries after COVID-19.

Priorities

- ✓ Health sector investment
- ✓ Food security
- ✓ Stimulate employment
- ✓ Stimulate regional trade
- ✓ Embracing the Fourth Industrial Revolution

Establishing a policy favourable to mergers and acquisitions

The future will certainly lie in mergers and acquisitions, which have the particularity of shortening lead times and enabling the company to reach its optimum productivity threshold.

If this phenomenon has not spread to the countries of the South, it is because the governments of the South and especially the companies did not understand the interest. The legal, fiscal and administrative framework made this initiative expensive and difficult.

Mergers / acquisitions are part of the essential role of the chambers. Some chambers do it free of charge, at least for the first stages: preparation of the technical data sheet, publication in the chamber's magazine, identification of the partner.

ASCAME can and must first of all make an inventory of the organizations that work and adequately serve the needs of companies seeking mergers/ acquisitions and determine the good practices that make the chambers effective in their intervention to facilitate them. It should help the various chambers that do not have a similar organisation or that have a non-performing organisation to set up an effective structure;

In addition, in agreement with the various chambers, it should define the climate that attracts mergers / acquisitions and identify the gaps in the Mediterranean area; it could then help the local chamber officials to convince the public authorities of the changes needed to create a favourable investment climate.

Chamber of Commerce, Industry and Services of the Tanger-Tétouan-Al Hoceima región

Roadmap



- ✓ Value the role of Chambers as reliable interlocutors and as socio-economic and territorial partners of rigour.
- ✓ Provide the Chambers' with bodies with the skills and resources to make a difference.
- ✓ Consolidate and generalise the battery of measures taken during containment, while looking for other, smarter and more durable measures.
- ✓ Generalise social security coverage for all professionals, beginners and self-employed people.
- ✓ Triggering of a special plan to safeguard and revive the disaster-stricken sectors of tourism, passenger transport and non-food trade.
- ✓ Working for spatial equity in terms of equipment, promotion and infrastructure throughout the regional territory.
- ✓ Accompany and assist professionals to acquire the digital weapon in management as well as in production and marketing.

Malaga Chamber of Commerce, Industry, Services and Navigation

PROMOTION

- ✓ Supporting domestic tourism in the Mediterranean by developing a platform that includes the tourist offer of the different countries and serves as a meeting point between potential partners, customers and suppliers.
- ✓ Promote domestic tourism in the Mediterranean by studying and promoting, together with the airlines, connectivity between Mediterranean destinations.

COLLABORATIVE DEVELOPMENT

- ✓ To establish, within the ASCAME Tourism Working Commission, a meeting point for Good Practices for projects aimed at SMEs and for policies and measures to reactivate them, from the different Chambers of Commerce, regions and countries to reactivate tourism after the COVID19.

TOURISM PRODUCTS

- ✓ Based on the connecting link of the region, the Mediterranean Sea, promote the development of the blue economy and its direct link with the tourism sector.

TRAINING

- ✓ To carry out a plan of training needs of the tourism sector in the Mediterranean in order to improve the quality of the destination, and to implement an online



training plan, taking advantage of the evolution of the use of online platforms during the COVID, as well as the successful training experiences carried out in the Mediterranean, such as the Tourclass, developed by CCI Malaga.

Piraeus Chamber of Commerce and Industry

We would like to suggest to continue to work on common business guidelines based on lessons learned and the best practices of successful actions in our countries.

What do we propose?

- ✓ To develop common guidelines for business in times of corona, incorporating measures and learnings from the first wave.
- ✓ These common guidelines would ideally refer to specific measures used in different situations (infection rate/number of COVID 19 cases) - for example by using a hierarchy and colour codes (green, orange, red) – as well as providing an overview what has been applied across the Mediterranean countries and, where possible, the effect of the measures.

How could this help?

- ✓ The guidelines would be helpful for members and for our countries to facilitate quick agreement on common measures, should a second wave lead to new restrictions on retail/wholesale operations.
- ✓ This could help for a wide model, in support of the Mediterranean market and helping cross-border supply chains.
- ✓ The PCCI has specifically proposed for such guidelines in order to be better prepared next time and to assist the Chambers to react in a more harmonized manner.



3. RECOVERY PLAN

3.1 SMES

SMEs are once again victims of the current global economic crisis, which represents a great threat to their continued operation and the livelihood of workers. They act as the backbone of the global economy, since they are and will be the engine of economic growth and job creation. Therefore, there is an urgent need to launch specific plans that provide concrete tools to help rescue them.

- ✓ In order to support and improve their environment and extend their life cycle, it is necessary to draw up specific policies, programmes and initiatives.
- ✓ Channels for dialogue between governments, employers and workers must be implemented.
- ✓ Governments have to offer a welcoming platform to entrepreneurship and provide a transparent and effective business environment.
- ✓ It is vital to facilitate their access to financing, especially for the most vulnerable.
- ✓ Finance SMEs needs that constitute a real brake on their development and, therefore, on the economic development of the countries of the region.
- ✓ Support and improve SMEs environment, extend their life cycle, boost their association with the public sector and facilitate their access to financing.
- ✓ Draw up specific policies, programmes and initiatives to support SMEs, bearing in mind that they are and will be the engine of economic growth and job creation.
- ✓ Implement Channels for dialogue between government, employers, workers and communities.

3.2 Logistics and Transport

- ✓ The economic and social importance of logistics and the awareness of its shortcomings in the Mediterranean, require a strategic vision shared by public and private actors.
- ✓ A national and regional policy articulated with professional players, integrating the other strategic objectives (ecological transition, industry, regional planning, ...).
- ✓ Initiate a sustainable organisational approach and logistical planning of the territory, articulated with a new industrial policy reoriented on European, Mediterranean and African exchanges.
- ✓ Support logistically the relocation of a certain number of industrial activities, by encouraging the local Mediterranean economy and industrial clustering, and by strengthening shorter, more reactive and more resilient supply chains.
- ✓ A new industrial and logistics cooperation, more balanced between Europe and the Mediterranean.



- ✓ Establish consistent regulations and support for the transformation of transport and improve information systems, which are the two pillars of sustainable logistics.
- ✓ Revalue financially the logistics trades to strengthen skills throughout the chain.
- ✓ For the Mediterranean and Europe to regain sovereignty, logistics must be taken into account at the highest level of the State, with adequate governance and resources.
- ✓ Start a process aimed at easing flows, less sensitive to hazards, by accepting higher stock levels and greater massification, which would favour multi-modality.
- ✓ Develop an incentive taxation going back to the principals, so that the physical flows are in adequacy with the objectives regarding climate, environmental and societal impacts.
- ✓ Implement a new organisation, new procedures, strengthened skills, clarified rules between the various stakeholders and a major investment in the information flow from producer to consumer, to develop more efficient and sustainable logistics.
- ✓ Beyond the immediate challenge, initiatives must be urgently promoted to make trade flows more robust. The construction of digital platforms will be crucial to adapt to this new type of crisis in the long term.
- ✓ Bet on an efficient and eco-sustainable model for logistics and reduce carbon emissions, as 23% of CO₂ emissions are attributed to transport.
- ✓ To ensure sustainability, it is important to improve the training of the new work force that will be incorporated into the logistics sector. This way, the human capital could adapt to the demands of an evolving field.
- ✓ The success of the sector cannot be proven without the incorporation of women into qualified jobs, especially in fields that are traditionally male-dominated.
- ✓ The pandemic has made the 4.0 industrial revolution a reality for millions of people. The contours of a new horizon are being configured. The digital future will create new opportunities for people, companies and governments.
- ✓ Greater integration of infrastructures is necessary, as well as more interconnection of the south through highways and the promotion of multimodal corridors, such as the Mediterranean Corridor.
- ✓ It is necessary to use big data to efficiently manage logistics flows and implement online platforms that optimise the volumes of cargo transported.

3.3 Tourism

Initiatives for Recovery

- ✓ Create a rescue and bailout fund businesses and companies, especially for those in the travel and tourism industry, including airlines, cruise companies, travel agencies, and tour operators.
- ✓ Promote stimulus policies and provide financial incentives for investment and tourist exploitation.



- ✓ Support SMEs and startups and protect the most vulnerable groups.
- ✓ Review taxes and regulation that affect transport and tourism.
- ✓ Guarantee consumer protection and trust, as well as promote events and conferences.
- ✓ Include tourism in economic emergency mechanisms at a national, regional and global level, to restore confidence and stimulate demand.
- ✓ Create crisis management strategies.
- ✓ Prioritise tourism in national, regional or international recovery programmes and in development aid.

Sector's New Development

- ✓ **'Mediterranean Tourism Council'**: Emphasis needs to be placed on creating new opportunities for economic growth across the region
- ✓ **'Mediterranean Brand'**: Use the claim **'Mediterranean as a brand'** for co-branding in successful international marketing, and provide scope for expansion via franchising or via other models.
- ✓ **Promote the Mediterranean region as a sustainable destination**: This sets an unprecedented opportunity to reconfigure the sector and guarantee not only its growth, but its sustainability, with inclusion and responsibility as key factors.
- ✓ Plan and implement a **green tourism infrastructure**.
- ✓ **Digital Era**: Create new opportunities, new jobs and new skills acquisition out of digitalisation.
- ✓ It is time to **diversify markets, products and services**, and also invest in market analysis systems, economic intelligence, digital transformation, human capital and talents.

3.4 Textile

Current situation

The textile sector, one of the most important industries in the world, has always been very important and widespread in the Mediterranean. It is an industry valued at 2.5 billion dollars and employs more than 60 million workers throughout the production chain, being a veritable engine of development in the region. In 2018, exports worth 15.1 billion Euros were made to European Union countries. The leading countries are Turkey, Morocco, Tunisia, Egypt, Jordan, Israel and Lebanon. During the COVID-19 pandemic, the Mediterranean textile sector has suffered millions of Euros of losses and on many occasions, it has redirected its production to serve the health crisis in an exemplary manner. Demand has fallen sharply, affecting many Mediterranean countries where the textile sector is very important.



The fourth industrial revolution is already impacting the textile business through digital fabrication technologies, additive manufacturing, 3-D printing and new computational design techniques. Therefore, for the Mediterranean textile industry, the time to join the revolution has arrived.

New Development

- ✓ Enhance the value of "Made in the Mediterranean" textile through public-private action in media communication and the development of a label symbolising quality, respect for the consumer and the environment, to encourage global purchasing.
- ✓ Strengthen the fight against smuggling and under-invoicing of imports.
- ✓ Promote regional textile consumption and investments in the sector.
- ✓ Promote sustainable partnerships between retailers and manufacturers with a production reorganisation based on flexibility, swiftness and nearshoring.
- ✓ Protect workers in the supply chains and tackle and deal with the lack of protection for unregistered workers.
- ✓ Reschedule, without penalties or interest on arrears, the tax debt of companies.
- ✓ Abolish VAT on investment to boost investment in the sector.
- ✓ Extend social security benefits to enable companies to cope with the very slow recovery of their activity by the end of the year.
- ✓ Strengthen the price competitiveness of Mediterranean exports.
- ✓ Tighten non-tariff barriers to imports of finished textile products, standards, labelling, etc.
- ✓ Reduce social charges taking into account the constraints imposed on companies to ensure health and safety in industrial units.
- ✓ Grant a rebate on the cost of energy for industrial companies in the upstream textile sector.
- ✓ Create the Mediterranean Youth Fashion Platform for students passionate about sustainable fashion.
- ✓ Promote joint ventures between Mediterranean companies in order to better compete in the International markets.

3.5 Agrifood

- ✓ Urgently develop a new vision and association of the common Mediterranean agricultural and food sector based on joint development, to overcome the current and future crises.
- ✓ Enhance the value of the Mediterranean Diet in international markets.
- ✓ The Mediterranean Diet could serve as basis for the construction of regional food systems, based on autonomy and proximity, and therefore, more resistant to economic, social, health and environmental crises.



- ✓ Promote stimulus policies and provide financial incentives for investment in agro exploitation.
- ✓ Boost and enhance the organic agrifood ecosystem in the Mediterranean.
- ✓ Develop the Mediterranean whole organic sector.
- ✓ Ease obstacles to help MSMEs be more competitive and better integrated.
- ✓ Improve agricultural education and promote the adoption of new technology arrangements.
- ✓ Foster institutional credit for the agrifood sector. Adequate credit facilities should be made available at reasonable cheap rates in rural areas.
- ✓ Work to improve employability in agrifood sector, especially among young locals and women.
- ✓ Promote regional joint-ventures and investments in the sector.
- ✓ Mobilise agro-ecology, circular bio-economy and participatory governance, to guarantee sustainable local development by recovering the internal market, while exporting to international markets. They should contribute to reduce territorial differences by revitalising rural areas.

3.6 Automotive

Recovery strategy

The global COVID-19 pandemic has severely affected many sectors of the economy but especially those activities with global production chains spread throughout the world, such as the automotive sector.

The time has come to regionalise the sector, to focus on proximity and the alliance between the two shores of the Mediterranean as the next frontier of growth. To overcome this crisis, it is necessary to restructure the automotive sector into business ecosystems, implement adequate financing and support mechanisms. In addition, governments should encourage the creation of business support funds for industrial and market recovery.

Furthermore, the current situation should also serve to reflect on the impact of the crisis on the implementation of European obligations. The sector must also start to diversify its production chains to reduce risks and adopt a comprehensive approach and develop a variety of scenarios and robust contingency plans to navigate through this crisis.

New development

The Mediterranean has the ideal characteristics to become a hub for the automotive sector and to house production chains, as an international hub for manufacturing and assembly with easy access to Africa, Asia and Europe. Cheap energy, raw materials, geographical location and a young workforce that can be trained with the required skills



are the main advantages. Moreover, there are possibilities of complementarity between countries that could promote the region to play a leading role in the global automotive scene.

- ✓ Launch of the Mediterranean automotive ecosystem.
- ✓ Bet on the Mediterranean region as an automotive hub by taking advantage of its unique characteristics.
- ✓ Boost the sector and expand its capacity to manufacture, export and create jobs.
- ✓ Commit to regional integration and international collaboration to strengthen the automotive hub.
- ✓ Bet on the development of sustainable cars and vehicles.
- ✓ Address strategies for transforming the sector towards sustainable mobility.
- ✓ The sector needs to adopt a comprehensive approach and develop a variety of scenarios and robust contingency plans to navigate through this crisis.
- ✓ Bet on greater regional integration, supply chain efficiency and development of a regional expertise

3.7 Health

Recovery strategy

The Mediterranean region has been one of the hardest hit by the COVID-19 pandemic. The region's health systems have proven to be insufficiently prepared. After the most intense months of the emergency, health systems are beginning to recover, but with significant consequences.

The experience highlights the importance of having a solid, efficient and interconnected health system in the Mediterranean region. It has become clear that the region must revitalise and reorganise its health sector in order to respond to the challenges that may arise in an effective and coordinated manner together with other countries, bearing in mind that health crises know no borders. In conclusion, it is time to engage in long-term cooperation on health in the Mediterranean.

Although the critical moments we have experienced, where countries have chosen to close their borders, it is not the time to stop international collaboration, but on the contrary, to make it closer than ever. Today's crises know no borders and demand global and consensual solutions taking into account the regional and world interconnection. Within this context, ASCAME calls for more cooperation on public health, for greater investment in health infrastructure – including the construction of regional storage centres for medical supplies – and committed to improving the availability and affordability of products of reliable quality, especially vaccines, drugs and other essential



items. Ensuring fair access to health products and services should be the world's top priority.

It is necessary to Mobilise and coordinate an ecosystem of corporations, start-ups, NGOs, international and academic institutions, as well as health policymakers in order to transform the health systems in Mediterranean emerging economies.

New development

- ✓ Mobilise and promote public-private partnership. The Mediterranean region needs closer and more efficient cooperation between the public, private, and civil society sectors. The public-private partnerships will need to evolve from the traditional bilateral and transactional models to an ecosystem of partnerships.
- ✓ Foster intergovernmental collaboration to deal with health crisis situations that transcend borders.
- ✓ Bet on health integration in Mediterranean countries.
- ✓ Foster investments through regional integration.
- ✓ Ensure access to essential technologies, including medicines improving the resilience of health systems to environmental change.
- ✓ Involve the society in the decision-making process regarding recovery and modernization of health systems.
- ✓ Commit to improve the availability and affordability of products of reliable quality, especially vaccines, drugs and other essential items.
- ✓ Establish a platform to bring together investors, companies in the health sector and public authorities in order to search investment in the sector.
- ✓ Establish a hub for regional health centres to share solidarity initiatives and information of regional interest.
- ✓ Establish regional research funds and aid for research and development.
- ✓ Foster investments through regional integration.
- ✓ Bet on digital health and telemedicine.
- ✓ Share best practices, resources and capacities between regions and countries.