



Facility for Euro-Mediterranean Investment and Partnership • Facility for Euro-Mediterranean Investment and Partnership



FEMIP

Executive Summary of the Final Report

Feasibility Study for the Mediterranean Sea Maritime
Development Cooperation





Framework Contract Beneficiary 2009
EuropeAid/127054/C/SER/multi
Lot N° 2: Transport and Infrastructures

**FEASIBILITY STUDY FOR THE MEDITERRANEAN SEA MARITIME
DEVELOPMENT COOPERATION**

Contract nr TA2010049 RO FTF

Beneficiary Country: FEMIP Countries

**Executive Summary of the
Final Report**

Report date: 16/05/2012

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Parsons Brinckerhoff Consortium

The logo for Parsons Brinckerhoff, with "PARSONS" in a smaller font above "BRINCKERHOFF" in a larger, bold font, both in blue capital letters.



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The study / technical assistance operation is financed under the FEMIP Trust Fund. This Fund, which was established in 2004 and has been financed – to date – by 16 EU Member States and the European Commission, is intended to support the development of the private sector via the financing of studies and technical assistance measures and the provision of private equity.

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1 A new vision on maritime cooperation and development

To address the many issues related to improving maritime cooperation and development, the European Investment Bank (EIB) financed through the Facility for Euro-Mediterranean Investment and Partnership (FEMIP) Trust Fund the “**Feasibility Study for the Mediterranean Sea Maritime Development Cooperation**”, which started in February 2011. The International Maritime Organisation (IMO) and the European Commission (Directorate General for Maritime Affairs and Fisheries - DGMARE – as lead service) gave full and active support to the Study.

The global objective of this assignment is to contribute improving the integration of maritime policies and the dissemination of investment best practices in the Mediterranean, by providing a common way forward for the cooperation of the EIB, the EC and IMO. The specific objective of this assignment is to provide a feasibility study, which identifies and links in a single report some of the key issues for the success of the Mediterranean Sea Maritime Development cooperation project.

The principal concern of the Feasibility study has been to find ways to balance the needs relative to using the economic potential of the Mediterranean Sea with the growing pressure on the marine ecosystem by bridging the fragmentation across the range of maritime sectors and actors.

2 Key issues addressed

The Feasibility Study acknowledges in its approach the Integrated Maritime Policy (IMP) vision that considers “the sea as a fragile economic area”, where increased economic maritime activity and environmental protection have to go hand in hand and can have a symbiotic relationship as long as proper governance and crosscutting mechanisms are in place.

2.1 Investments in maritime infrastructure

International collaboration will continue for the development of terminals and ports. At the same time, the growing focus on the “sustainable use of the sea and its resources” will redirect efforts and investments towards actions to safety, security, alternative (clean) energy, environmental protection, employment, social conditions, quality of performance, sustainable use of sea resources, etc.

More resources will have to be made available for developments in the fishing industry, the ship repair sector, offshore activities (both oil and gas as renewable and clear energy), safety and security as well as environmental protection infrastructures, equipment and services, to name only the most important ones.

2.2 Maritime surveillance, safety & the environment

According to the Secretariat of the Union for the Mediterranean, there were 625 traffic accidents recorded between 1997 and 2009 leading to a spill of oil and/or hazardous and noxious substances. Protection and surveillance of this dense and rapidly growing maritime traffic is thus a key priority.

Coastal States monitor maritime traffic and protect the traffic from various threats; deploy the necessary means of relief near risk areas and take measures to minimise the consequences of possible incidents via the development and maintenance of emergency plans. Much has been achieved in the Mediterranean basin to improve maritime surveillance and control, in particular via important initiatives such as the SafeMed project.

In spite of important progress made in particular in the field of surveillance, the MPC will need more concrete and better targeted interventions to align the MPC with international practices in the other domains for safe traffic and environmental prevention and incident response, including systems to facilitate communication and information exchange.

2.3 Social aspects and training

A career as a seafarer is in theory attractive, given that the maritime sector is confronted with a growing lack of candidates to meet present and future demand. But the employment opportunity should not be overestimated for several reasons. Stimulating employment of a career as a seafarer for citizens in the MPC is difficult at national level as well as in the international market. At national level, opportunities are limited because the number of commercial vessels navigating under the national flag of MPC is small and fishing fleets are decreasing due to diminishing sector activities. The revival / expansion of the national fleets and improving Flag State performance could contribute to creating employment at national level but the effects on employment will remain moderate as an increasing number of Administrations outsource Flag State obligations to Recognised Organisations.

Other employment generating initiatives at national level with better success perspectives include the rehabilitation, modernisation and expansion of the national fishing industry; the development and expansion / modernisation of shipyards, expanding and developing vessel-based services that will increase the need for seafarers (deep-sea search and rescue, ship supply and waste collection services in ports, supply and transport services to rigs and other installations at sea, etc.). Improving the access for MPC candidates in international markets should be pursued via coordinated and simultaneous initiatives at regional level. Dissemination and image building campaigns should be the first step in an effort to increase employment of MPC candidates in the international market, highlighting the quality and availability of trained and certified seafarers and other personnel, including highly specialised engineers.

3 A concrete approach to a modern vision

3.1 Summary of the results

The key conclusions from the Feasibility Study were that:

- *Infrastructure investments* could be more oriented to non-traditional infrastructure due to the growing role of the private sector in the maritime sector. Focus could be on maritime logistics efficiency improvements (hinterland connectivity, logistics centres, port community systems, etc.) in addition to terminals and ports where an identified need remains.
- *Surveillance systems* are widely introduced, also in the MPC, and now need to be inter-connected and their functioning integrated. In terms of safety and environmental protection, accurate and up-to-date information is urgently needed to outline technical and financial assistance to develop mandatory facilities in the MPC, lagging in this field far behind the EC Mediterranean coastal states.
- *Social conditions and training* transform rapidly. Increasing employment in the maritime sector will be difficult and other domains such as marine tourism and new and emerging activities related to the sea need to be focused. Training of candidates in the MPC is not (or no longer) a major issue and the accent should now be on dissemination and sector image building campaigns.

Recommended initiatives for various intervention areas are summarised in Annex 1.

3.2 Improving the image of the maritime sector

Building a better image of the marine sector in the MPC is a first important step in increasing the attractiveness of the sector for a maritime career. The growing gap between supply and demand of seafarers (from sailor to engineer and officer) creates concrete opportunities for candidates at all levels of education in the MPC to pursue a career in maritime transport. This should represent a demonstrable part in the image building campaigns but at the same time, the many other career opportunities the sea can offer should not be ignored. The underlying message of the campaigns should be that a career in the maritime sector is more than navigating on vessels and should demonstrate that the sector also offers interesting careers in related sectors such as oil and gas exploration and exploitation (offshore and land-based), coastal and maritime tourism, civil and environmental protection of the sea and coastlines, technology development and engineering for information management and communication systems, research, consulting, engineering, or

management. With messages that reflect the diversity of career opportunities in the maritime sector, campaigns can target more candidates and of different education levels.

3.3 Improving management and communication, coordination and cooperation

It is recommended to provide technical and financial assistance to improve the collection, management, and dissemination of up-to-date information and to strengthen and structure communication, coordination, and cooperation between all stakeholders involved in the governance, management and operations of the maritime sector in the Mediterranean. This action could be combined under the working title "ICCC" and could benefit from the introduction of a dedicated instrument.

3.4 Creating employment

Improving employment conditions and opportunities in the maritime sector thus requires a multi-dimensional approach that touches the basis of the economic exploitation of the sea. Actions for improving employment in the maritime sector can therefore only be successful if they are based upon a concrete strategy to stimulate sector performance, combined with a national and international image building effort. In other words, create the conditions and then inform employment seekers on the opportunities and employment providers on the quality and expertise of candidates.

Concrete action of such strategy involves measures to modernise particular maritime sub-sectors including but not limited to ship repair and maintenance facilities; port and maritime services such as provision, ship waste, deep-sea rescue and surveillance, off-shore supply services; fishing industry, in particular the processing industry and aquaculture; marine and coastal tourism including cruise lines; off-shore energy exploration and exploitation, including clean and renewable energy; environmental protection including research; etc. While the MPC can do much to improve employment opportunities, problems also should be addressed at the international level, where political efforts could improve market conditions and guarantee free and fair competition in one of the truly global economic markets.

3.5 Training and expertise building

Governments in the MPC need to harmonise training and cooperate at the regional level to agree on programs that rationalise and where necessary modernise existing training programs and facilities. A coordinated effort will permit also to amend the scope and scale of existing training programs to cover the wide range of new areas in transport, information technology, sea-based and coastal tourism, strategic management, environmental protection, safety and security, bio- and energy sector careers, research in the preservation of fauna and flora; etc.

Cooperation and coordination is important not only between institutes in the MPC, but also and maybe more importantly between MPC institutes and professional training and education facilities in Member States bordering the Mediterranean basin. This effort should simultaneously address cooperation and coordination of facilities in the MPC, with training institutes in EU Member States as well as international institutes, not excluding reputed private academies and institutes. Finally, cooperation imperatively needs to link with representatives of the profession to ensure that training corresponds to concrete needs now and in the future. It is finally recommended to expand and strengthen assistance to student exchange programs to permit more candidates in the MPC to start a career in the maritime sector.

3.6 Environmental protection

A first important initiative for the MPC countries is the execution of the 'Voluntary IMO Member State Audit Scheme' (VIMSAS). MPC that have not yet conducted audits should volunteer at their earliest convenience to avoid forthcoming sanctions for ships of States that have not yet embarked on a VIMSAS audit and to send a positive and clear message to the shipping sector showing the commitment of the national Administration in meeting their responsibilities.

Concrete initiatives could also be launched for the creation of port reception facilities, port reception facilities, or the improvement of marine incident response (or MAS) capability.

More attention should also be given to cooperation between coastal States because marine pollution does not respect boundaries. An efficient response to maritime incidents needs integrated and coordinated national contingency plans based upon established regional agreements for assistance and support with neighbouring States.

3.7 Surveillance (safety and security)

Surveillance of activities and operations at sea and along the coastline is an essential component to address the wide range of sea-borne environmental, safety, and security concerns. There is a need to consolidate, and integrate at the regional level Vessel Traffic Management and Information Systems (VTMIS) for better surveillance of maritime activities to improve safety, security and pollution prevention. Concrete implementation is still too often carried out in a fragmented manner with multiple surveillance data gathering activities at national levels and amongst different authorities.

It is recommended that, in addition to ensuring the availability of sufficient and properly qualified staff, to provide assistance that encourages MPC to develop or improve where necessary:

- Infrastructure for ship reporting systems, ship routing systems and vessel traffic services in accordance with the relevant International Maritime Organisation (IMO) guidelines;
- Off shore based Automatic Information System (AIS);
- Relay and exchange of information between national AIS systems;
- SafeSeaNet (SSN) infrastructure and interface with the European SSN Index Server.

3.8 Integrated governance

The introduction of a “**Marine Integration Facility for the Mediterranean**” (MIF-M) to improve ICCC in the Mediterranean is a strong catalyst for integrated action. It could be considered and the Feasibility Study recommends that the same integrated approach is pursued in regional governance.

The integration of regional governance requires action at three levels:

- EMSA: fully opening EMSA to the MPC, but according to specific conditions that put the MPC at the same level as the EU Member States in terms of rights and obligations;
- EMSA, REMPEC, UfM, better coordination and possible future integration of activities to ensure alignment of action and avoid duplication;
- Creation of a single information platform in support of above two integration efforts.

4 A new instrument to support a new policy

To remediate identified gaps in information, communication, coordination, and cooperation (ICCC), It is recommended to create a “**Marine Integration Facility for the Mediterranean**” (MIF-M) to provide technical assistance and financial support with a specific focus on ICCC at the regional level.

The overall objectives of the MIF-M are

- 1) Collect, manage, and disseminate information relevant to the maritime sector in its broadest sense;
- 2) Provide technical assistance in the improvement of communication, coordination and cooperation between all stakeholders, with a particular focus on establishing operational networks;
- 3) Organise the financing of integrated projects with a regional or cross-border dimension;
- 4) Coordinate and align activities of MIF-M with ongoing efforts relative to ICCC, such as the Integrated Maritime Data Environment (IMDatE) under development by EMSA, the Mediterranean Information System on Environment and Development (SIMEDD) as part of Blue Plan or the Regional Activity Centre for Information and Communication (INFO-RAC) to

provide a shared Environmental Information System for the MAP (Mediterranean Action Plan).

4.1 Governance of the MIF-M

The MIF-M instrument could be governed by an *Advisory Board* that includes representatives from the EC, from the EIB, IMO, and the Union for the Mediterranean (UfM). The role of the Board would be to outline the overall investment strategy and identify operational frameworks in consultation with the MPC. As primary beneficiaries, the MPC could directly participate in the working of the MIF-M through a dedicated *working group*, such as for instance the existing Working Group on Integrated Maritime Policy in the Mediterranean given its cross-sectoral nature.

The implementation of the MIF-M investment and development strategy could be entrusted to an *Executive Office* established as a Division under the Secretariat of the Union for the Mediterranean (UfMS). Linked to other Divisions of the UfMS dealing with issues in the Mediterranean region that are directly or indirectly of interests to the EC-DG Mare, the EIB, and the IMO, establishing the executive office as a Division the Secretariat would also be an efficient platform for integrated consultation and alignment of activities, therewith reducing duplication and facilitating the exchange of information and results.

4.2 Funding

The funding of the activities of MIF-M could be secured via the main financial instruments available from the key partners for the development of the maritime sector in the Mediterranean:

- For the EU, via the existing European Neighbourhood and Partnership Instrument (ENPI) and from January 2014 by the European Neighbourhood Instrument (ENI).
- For the EIB, via the Euro-Mediterranean Investment and Partnership Facility Trust Fund (FTF).
- For the IMO from its Technical Co-operation or Multi-donor Trust Funds, channelled via the Integrated Technical Cooperation Programme (ITCP).

The pooling of funds will allow inviting the MPC to financially contribute to the activities of the MIF-M, therewith further increasing the financial resources available under the MIF-M instrument. A potential additional source of funding could be the European Bank for Reconstruction and Development (EBRD) that will extend its activities to include the southern and eastern Mediterranean region and will have in the medium term up to €2.5 billion a year that could be earmarked for investments across the region.

4.3 Operational objectives

4.3.1 Improving information management

The priority would be to assist MPC in setting-up a uniform system to deal with information in all domains of maritime transport, including but not limited to: consulting and academic reports, national and regional policy documents, information on institutional and regulatory frameworks, information on commercial activities, detailed information on maritime traffic, port activities, infrastructure developments, etc. The second objective could be to provide an integrated communication structure to exchange this information between all stakeholders and provide the necessary facilities to access this information.

The MIF-M activities thus should complement and link with the main integrated and regional efforts in data collection, management and dissemination, in particular but not necessary limited to the Integrated Maritime Data Environment (IMDatE) of EMSA, the Mediterranean Information System on Environment and Development (SIMEDD) of the Blue Plan and the Regional Activity Centre for Information and Communication (INFO-RAC) of MAP, each with its particular focus and priority.

The work of MIF-M in the field of information management in the MPC could also investigate ways and specify conditions to progressively establish a *regional Data and Information Centre for Mediterranean Maritime Cooperation* that manages a single Mediterranean maritime database

covering the key priorities for the Mediterranean, namely safety and security, environmental protection including pollution prevention and incident/accident management, and social conditions and expertise building to ensure commitment of all stakeholders to apply and obey to the previous priorities.

4.3.2 Improving regional cooperation

The creation of structured working relations and networks linking stakeholders in the Mediterranean coastal countries could increase regional cooperation. The focus should simultaneously address on the academic and professional domains and uphold a wider vision of sector clustering.

(a) The Academic Network

The creation of a Mediterranean Academic Network could be a first domain leading to short-term results. The network could in particular work on establishing an integrated approach to streamline and consolidate the activities of existing institutes to ensure uniformity of training. The network should build upon initiatives in the Arab world exist and could be a catalyst for the establishment of the proposed academic network. The existing initiatives include the

- Economic Research Forum for the Arab Countries, Iran and Turkey (ERF), dedicated to building strong research capacity in the region;
- Arab Academy for Science, Technology & Maritime Transport (AASTMT), endorsed in 1970 by the Arab League as a regional centre for maritime transport training; or
- Arab Society of Maritime and Commercial Law (ASCML), established in 2008 to participate in the development and uniformity of commercial and maritime law in the Arab World.

(b) Professional networks

Stimulating regional cooperation between professionals from the maritime sector is another domain for MIF-M support and could be developed under existing Arab platforms such as the

- Arab Maritime Organisation, a non-profit consulting organisation for all members in Arab world with regional offices in Belgium, North Africa and Middle East;
- Arab Marine Industries Association (AMIA), founded in 2000 to bring together the main players of the marine industry throughout the Arab world and to promote the activities of its members both regionally and internationally.
- Arab Labour Organisation (ALO) that helps all the member nations to promote working and living conditions of the Arab labour force, their development and training, protection and care, via all available means and methods.

The starting point of establishing professional networks should be the national and regional Chambers of Commerce and the professional organisations.

(c) Towards a Mediterranean Maritime Cluster

In a longer-term follow-up, MIF-M efforts could be redirected to initiatives that permit the structured working relations to grow towards actual “maritime clusters”, permitting to fully profit from synergies between Mediterranean Coastal States, both north and south of the Mediterranean Sea.

The “cluster” principle is one of the most efficient structures for more coordinated action and increased communication. The importance and value of clusters for the maritime sector has been made explicit by the in the Communication outlining the “Strategic goals and recommendations for the EU’s maritime transport policy until 2018” (COM(2009) 8 final; Brussels, 21.1.2009). the Commission confirms that maritime clusters are “... of key interest for the EU to achieve and maintain stable and predictable global competitive conditions for shipping and other maritime industries. ... The framework should allow positive measures to support greener shipping efforts, technological innovation as well as maritime careers and professional skills. The feasibility of a reinforced link between employment in the maritime clusters and aid should be examined.”

Establishing clusters in the Mediterranean region is clearly an interesting approach and MIF-M could support efforts to determine in detail the appropriate strategy, structures and actions that integrate in

the maritime clusters simultaneously EU objectives for the region and local / regional needs and ambitions. It is clear that the clustering concept needs strong private sector participation and one of the objectives of MIF-M could be to provide assistance in setting up structural frameworks for maritime clusters based upon equal public private participation.

4.3.3 Addressing the need for efficient communication

A specific role could be foreseen for the MIF-M in developing a common framework for dissemination and information campaigns. IMF-M could provide standards and guidelines for national and international and provide funds to develop integrated and regionally coordinated campaigns to raise awareness regarding employment opportunities in the maritime sector.

4.3.4 Supporting cross-border investments and regional infrastructure developments

The FEMIP Trust Fund and ENI generally cover infrastructure investments and UfM is actively working in the identification of cross border projects and projects of regional interest. The MIF-M could in the first place participate in regional and cross-border initiatives such as the Maritime highway « Suez-Gibraltar » or the development of the integrated VTMS network to monitor and guide maritime traffic, but could also develop new regional initiatives such as the development of Mediterranean Motorways of the Seas, cross-border sea rescue, emergency response services and facilities, or the integration of Port Community Systems (PCS) in Mediterranean ports and linking these systems with systems operating in European ports.

The financing of cross border and regional infrastructure is an area where the MIF-M could be very active and in time play a leading role in creating synergies between stakeholders and investors. The guiding principle in the MIF-M approach should be the level to which proposed projects and investments stimulate and promote integrated cross-border actions and developments.

5 Final conclusions

The IMP argues that the challenges affecting the Mediterranean Sea call for integrated responses, rooted in improved maritime governance. The main challenge is the ever-increasing demands for the many natural resources of the Mediterranean Sea and its intense economic exploitation, putting major pressures on the marine environment. The IMP proposes the necessary crosscutting governance perspective and tools to minimise impacts and optimise efficiency and outputs.

The Feasibility Study confirms the urgent need for an integrated approach as proposed in the IMP. It advocates in the first place for an improved cooperation between international stakeholders, in the first place the EC, EIB, and IMO as key players in the Mediterranean. At the same time, the Feasibility Study also recommends the three institutions to actively work towards increased cooperation of MPC in regional initiatives and in recognised and representative international organisations where their presence is low at best and frequently inexistent.

The Feasibility Study therefore emphasises the need for urgent action to improve information, communication, coordination, and cooperation (ICCC) identified as essential for improving regional integration on maritime issues, and thereby meeting the capacity-building and investment needs.

The Feasibility Study replies to a range of questions from the Terms of Reference and formulates recommendations and strategies to improve the situation, summarised in Annex 2.

A.1 Potential intervention areas

Intervention area	Specifications of possible intervention
Infrastructure investments	
Terminal development	<p>Many MPC have terminal investments in the pipeline, most but not all planned via concession agreements that transfer the financial burden to the private sector. Intervention opportunities are reducing but remain for example in:</p> <ul style="list-style-type: none"> • Morocco plans a new container terminal in the old port of Safi • Tunisia plans a container terminal at Radès port; • Egypt foresees new terminals Alexandria & Dekhila Ports, • Israeli port of Haifa plans the relocation and rehabilitation of the bulk cargo terminal.
Port development	<p>Morocco, Algeria, Tunisia, and Jordan foresee the construction of new ports.</p> <ul style="list-style-type: none"> • Morocco targets the realisation of Tanger-Med II, Nador-West Med, and Safi. Government postponed in 2010 the development of Nador-West but maintains the investment for a new port in Safi, scheduled to be operational in 2014. • Algeria plans the construction of a new deep-sea port of international dimensions, capable of receiving the largest container ships in a zone between the west of Algiers and the East of Ténès. In April 2012, the Ministry of Transport announced the start of a location study as first step in the development program. Objective of the study is to identify the optimal location of the new deep-sea port. • Tunisia continues to pursue the development of the new port Enfidha. • Jordan has started the studies related to the “New Port of Aqaba Development” to replace the existing port of Aqaba.
Hinterland logistics	<p>Integrated maritime logistics is a second domain of interest in the MPC.</p> <ul style="list-style-type: none"> • Syria developed in 2010 its integrated transport plan to link its transport infrastructure into international transport networks with a particular role for its ports. • Morocco, Algeria, Lebanon and Jordan invest in linking the commercial ports with inland terminals as key component of the transport system development policies. • Egyptian Government recently approved the development of an Intermodal Transport Corridor (ITC) linking Alexandria Port with a planned intermodal terminal in 6th of October City near Cairo. The EIB is preparing a technical assistance program to assess the feasibility of the proposed intermodal terminal.
Marine tourism	<p>Morocco, Algeria, Jordan and Tunisia have important plans to attract maritime tourism to the country.</p> <ul style="list-style-type: none"> • The Moroccan Government earmarked the old port of Tangiers to become a leading yachting marina and cruise destination in the Mediterranean. Construction started in 2011 for a total investment of 6.2 billion dirham. “Tangier port development & conversion society”, a limited company with a capital of 600 million dirham is the developer for the project. A similar project is the marina and coastline development in Casablanca between the commercial port and the Mosque Hassan II. Casablanca Marina is under development on a total area of 468,000 m² by the “Compagnie Générale Immobilière” (CGI) in partnership with the Jordanian Group Mawared, is project executioner. • The construction of the new deep-sea port in Algeria allows the reconversion of the old port of Algiers into a leisure port along a similar pattern as Tangiers. The reconversion plans for the port of Algiers are only in the beginning stages of conception and any implementation depends upon the construction of the planned new deep-sea port. • Jordan follows the same approach as Algeria and Morocco and foresees the transformation of old commercial port infrastructure into high-profile tourism facilities. Once the Works for the New Port of Aqaba completed and port operations transferred to the new port, the lands of the current main port will be handed over to Al Maabar Jordan Investments Company, a subsidiary of Al Maabar International Investments, itself a joint venture company formed by Abu Dhabi’s largest real estate developers Mubadala, Aldar Properties, Sorouh Real Estate, Reem Investments, Reem International and Al Qudra Holding. The lands will be integrated in the Marsa Zayed development, a \$10 billion mega mixed-use development in Aqaba over 3.2 Km², including 2 Km of waterfront. • Tunisia also acknowledges the value of cruise lines and marine tourism and foresees the construction of a new cruise-ship terminal at the port of Goulette-Radès. The planned investment involves the attribution of a concession to a private partner, preferably an association between a Tunisian partner operating in the shipping sector and an experienced foreign strategic partner.

Shipyards	<p>Most shipyards are privatised and in several MPC although investments could be considered in several countries to improve the quality of operations. Availability of modern shipyards with sufficient capacity will reduce maintenance and repair costs for commercial vessels and at the same time increase employment opportunities. Algeria and Tunisia are two MPC where well-defined opportunities exist.</p> <ul style="list-style-type: none"> • Algerian Entreprise Nationale de Réparation Navale (Erenav) is currently subject of a major restructuring program after several unsuccessful privatisation attempts while the establishment of the Oran Shipyard under concession agreement remains unsuccessful in spite of the existence of a private partner. • Tunisian authorities launched in 2007-2008 a feasibility study for the development of a “shipyard city” but the initiative remains unachieved and no notable progress was achieved in the dossier.
Fishing industry	<p>While there are some opportunities to develop interesting projects in countries where the fishing industry still represents a notable economic activity (Morocco, Algeria, etc.), most other countries see the traditional fishing sector declining to the brink of extinction.</p> <p>Several MPC have replaced the traditional fishing sector with aquaculture projects, making this a more attractive area of investments, considering that this sector still needs investments to become commercially viable and competitive on the international market.</p>
Technology	<p>Development and integration of Port Community Systems is a priority for most MPC. The level of progress between the various partner countries varies and the needs consequently differ between MPC. Israel and Tunisia hav fully operational PCS and are now looking to link their systems with European ports. Algeria has terminated the studies and tests relative to PCS but has not started concrete deployment of the planned system.</p> <p>Most other MPC have progressed in different degrees in the feasibility and technical studies to install PCS but have not yet achieved the stage where a concrete introduction of such systems is contemplated.</p>
Safety, and environment	
Environment	<p>Environmental protection at sea and in ports is an area where an urgent need for technical assistance and financial support exists and this need will grow rapidly in light of ongoing political and technical evolutions.</p> <p>MPC need now in the first place reception facilities for ship waste in accordance with the MARPOL Convention 73/78 for the prevention of pollution by ships.</p>
Safety	<p>MPC are in need capital investments for modern safety equipment such as deep-sea rescue and surveillance vessels.</p> <p>Development of national AIS systems and integration of AIS systems and development of regional communication a coordination systems</p> <p>The UfMS currently evaluates, the “Completion of VTS / VTMS systems”. To successfully implement The Mediterranean maritime highway, appropriate surveillance equipment and systems needs to operate in all coastal states of the Mediterranean.</p>
Social and training	
Information	<p>Knowledge on is relatively low because information is not available, a problem that is not exclusively for the MPC but is also frequently highlighted in employment studies in the EC. Technical assistance needs in the first place to focus knowhow on the real situation with a comprehensive study on the social conditions and employment situation investigated in detail for each of the MPC.</p>
Employment	<p>Stimulating employment in the maritime sector will be difficult as opportunities as seafarers are less important than might be expected. Other areas such as marine tourism and new and emerging activities related to the sea are domains where opportunities are much higher.</p> <p>But before concrete action is possible, information is imperative.</p>
Training	<p>Training of candidates in the MPC is not (or no longer) a major issue to increase employment opportunities.</p> <p>However, with the new rules becoming mandatory, attention should be paid to the way the MPC transpose these and ensure their facilities and programs meet the new requirements.</p> <p>Technical and financial assistance might be considered to avoid that the old gap is recreated by these new requirements and it is ensured that they are implemented as soon as possible and in accordance with the obligations.</p>

Dissemination	<p>The accent in the social domain and concerning maritime training should now redirect towards comprehensive dissemination and sector image building campaigns.</p> <p>These campaigns should have a dual objective:</p> <ul style="list-style-type: none"> • informing candidates about the wide range of career opportunities and • informing the market about the availability, the quality, and the advantages of candidates in the MPC
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A.2 *Responding to key questions*

Key Question	Conclusions
Social aspects and training	
How to enhance the status of seafaring careers (attractiveness of the profession)	<p>Several activities can be considered including</p> <ul style="list-style-type: none"> • Integration and rationalisation of training facilities and academies, linking in particular with EU and International counterparts • Regional guidelines for awareness creation • National campaigns to attract candidates • International campaigns to inform about improvements in MPC
How to stimulate the implementation in the Mediterranean basin of the social legislation and improve working conditions	<p>This is a problem that surpasses the boundaries of the maritime sector and is a social problem in all MPC. This situation is also influenced, generally in a negative manner, by increasing competition and the globalisation of markets where increasing pressures on working conditions emerge to reduce operational costs. The situation is further aggravated by some Flag states that are more lenient than others in the applications of ILO/IMO rules and of the MLC.</p>
Correct implementation of the Maritime Labour Convention and take into account achievements under the SafeMed project	<p>The Mediterranean MoU could be used to ensure the full application of the MLC,2006 and of ILO legislation on vessels calling MPC ports. The Mediterranean MoU, similar to the Paris MoU, permits the inspection of working conditions on board in accordance with section 2 of the Mediterranean MoU that includes the Merchant Shipping (Minimum Standards) Convention, 1976 and requests each Authority to apply the instructions of the ILO publication "Inspection of Labour Conditions on board Ship: Guidelines for procedure".</p> <p>In a later stage, the integration of the Mediterranean MoU in Equasis and the improved cooperation with the Paris MoU should be pursued.</p>
Status of qualifications of seafarers	<p>SafeMed and other projects have contributed to the notable improvement in the status of qualifications of seafarers in the MPC.</p> <p>All MPC are included in the IMO 'White List' (MSC.1/Circ.1163/Rev.7).</p>
Feasibility of a Mediterranean network of maritime academies	<p>A Mediterranean network of maritime academies could be actively pursued. It is recommended to use already existing regional initiatives / academic networks, in particular the Arab Academy for Science, Technology & Maritime Transport (AASTMT) and the Arab Society of Maritime and Commercial Law (ASCML).</p>
Status of recognition procedure of third countries handled by the European Commission regarding, in particular, the STCW Convention and EU Directive 2008/ 106 on the minimum level of training of seafarers	<p>Based upon EMSA inspections, Algeria, Morocco, Tunisia and Israel have all been recognised by the EC and Egypt is expected to be recognised soon while the case for Jordan is under evaluation. There has not been any request yet from Syria and Lebanon for EU recognition.</p>
Maritime surveillance & safety	
Status of surveillance systems	<p>Important progress was made in the installation of surveillance systems with most of the MPC operating or developing VTS systems.</p> <p>Most systems remain however for local use and it is recommended to orient technical and financial assistance towards the integration of existing systems.</p>
Status of reception facilities	<p>SafeMed investigations demonstrated the continued lack in the MPC ports of reception facilities for different ship wastes. The situation, however, differs between partner countries. IMO's GISIS lists 4 MPC countries that together provide 87 port facilities their respective ports. These countries are Egypt, Israel, Morocco and Tunisia.</p>

	No information is provided on the other MPC and cross-checking with information provided in the Country profiles suggests that these other countries do not offer adequate reception facilities.
Status of international cooperation	<p>International cooperation in the Mediterranean region is improving and integrated efforts of regional structures such as the UfM and regional projects such as SafeMed contribute to further enhancing the cooperation.</p> <p>In spite of notable progress, the gap in cooperation between north and south remains large and the participation of MPC in many international organisations and regional initiatives is far below what could be achieved.</p> <p>International organisations increasingly develop cross-cutting policies, for example the Integrated Maritime Policy and although these initiatives cover the entire Mediterranean region, commitment and concrete participation of MPC in the implementation remains weak.</p> <p>The political platforms are in place to facilitate regional cooperation and stimulate the north-south dialogue in the Mediterranean basin. It is recommended to also start a particular effort to establish practical platforms to improve professional and academic cooperation in the region. Particular attention should be paid here to efficiently linking stakeholders in the north and the south, a link at least as important as between the different MPC.</p>
Identified gaps and assessed needs	<p>The most important gaps can be found at the level of concrete implementation of initiatives in different MPC where the scale and scope of success substantially differs.</p> <p>As a whole and as common perception, the most important gap affecting all initiatives and policies is in information, generally outdated and not accurate. It is strongly recommended to focus attention on improving the ICCC, namely information, communication, coordination, and cooperation. Improvement here are necessary at all levels, between north and south, between regional stakeholders and MPC, and between MPC.</p>
Investment in maritime infrastructure	
Terminal development and financing structures	<p>Commercialisation of terminal activities is fully implemented in the MPC and free and fair competition generally exists in all markets although there are different levels to which markets are liberalised.</p> <p>Most terminal developments in the MPC are implemented via concessions with the private sector or with public budgets. Public companies remain active in most partner countries but the role of the private sector is rapidly growing.</p>
Other investment developments and financing structures	<p>Several MPC plan the development of major port infrastructure, inland logistics centres and comprehensive maritime tourism facilities. These developments are commonly pursued using proper funds (Algeria, Jordan) but the participation of the private sector is not excluded. In Morocco for example, many of the investments follow the successful approach applied for Tanger-Med, using public funds to establish the development company and invite the private sector to invest in specific components of the project.</p>
Status of financial participation of the private sector	<p>The participation of the private sector is important and continues to grow at rapid pace. The only domain where reluctance remains is in the development of port infrastructure where not all MPC have accepted the private sector as full partner. The situation differs strongly between MPC and even more between sub-sectors. The private sector participation is strong in only few partner countries such as Morocco and Egypt. Other countries are either reluctant to a strong involvement of the private sector and prefer public companies (Algeria, Jordan, Syria) or have not yet embarked in a comprehensive privatisation program but demonstrate the clear intention to do so (Israel, Tunisia, Lebanon).</p>
Experience and attraction capacity of MPC for private investments	<p>Most countries have experience in private sector investments and have the regulatory and institutional framework in place.</p> <p>The level of attraction between MPC differs, not on the basis of the standing legislation or institutions, but more because of the overall economic climate and investments opportunities. These are more pronounced in Morocco or Egypt than in Algeria, Lebanon, or Syria. Israel, Jordan and Tunisia have a dual approach, where on the one hand the participation of the private sector is advocated but the scale and scope of private initiatives remains limited and public companies continue to dominate the market.</p> <p>The effects of the Arab Spring will certainly affect the interest of private investors to invest in certain Mediterranean partner countries.</p>
Hindrances to increase the participation of the private sector	<p>Political reluctance (Algeria) or conflicting opinions (Lebanon, Jordan, Israel)</p> <p>Lack of expertise (Lebanon) and learning process ongoing (Tunisia, Jordan, Israel)</p> <p>Continued dominant role of public companies (Jordan, Israel, Tunisia)</p> <p>Slow reduction of the controlling role of public companies (Morocco, Egypt)</p>

Available financial resources and key investment objectives in the MPC

Action Plans and Investment Strategies in the MPC suggest the availability of important financial resources to conduct major infrastructure investments. The concrete execution of several important programs in Morocco, Algeria, or Jordan shows that several countries have important own resources to pursue their objectives.

The key investment objectives in all MPC remain the development of transport infrastructure with ports and terminals far in front of any other investment priority. Investing in efficiency is rapidly increasing with as high priority the development of port community systems and to a lesser extent the integration of ports in national transport systems via improved links with the hinterland and the development of inland logistics centres.

Safety and security are also areas where investments are allocated under growing pressure to align with international obligations.

FEMIP for the Mediterranean



Facility for Euro-Mediterranean Investment and Partnership



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