

## **Linking environmental protection and economic development in euro-Mediterranean countries**

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### **ABSTRACT**

This research paper aims at evaluating the realities of Euro-Mediterranean countries indirect, but, meaningful approach, that is, investigating the relationship between environmental protection actions and economic development in terms of Gross Domestic Product (GDP). Therefore, the researcher assumes that the more successful environmental protection actions the more DGP growth in Euro-Mediterranean countries.

This study is based on the analysis of published secondary data about economic and environmental situation of Euro-Mediterranean countries. The researcher is building up a linkage between these two major constructs to come up with a more comprehensive but precise understanding of the situation in these countries which is expected to be of a high value for politicians, economists, and other decision makers.

Keyword: Environment, Economy, Development, Mediterranean, Euro.

## **INTRODUCTION**

The Euro-Mediterranean Partnership now includes 39 members - 27 EU Member States and 12 Mediterranean Partners (Algeria, Egypt, Israel, Jordan, Lebanon, Morocco, Palestinian Authority, Syria, Tunisia, Turkey, Albania and Mauritania). Libya has observer status since 1999 (EC, 2010).

Effective environmental integration is essential for sustainable development and requires strong commitment at both national and regional levels and involvement from all departments and levels of government, from Parliaments and from civil society including the private sector.

The Mediterranean countries have a long history of co-operation in the field of the environment, considered to be a shared value of common interest. The Mediterranean environment is recognized by specialists as one of the richest and most vulnerable in the world, in particular regarding its biodiversity. The Mediterranean countries have continued their joint efforts for the protection of this shared environment at a multilateral level for more than 25 years, in spite of cultural, political, economic or technical differences.

The European Commission strategy for the region is outlined in a Commission Communication establishing an environmental strategy for the Mediterranean. The strategy's key aims are to: (EC, 2010)

- Reduce pollution levels across the region
- Promote sustainable use of the sea and its coastline
- Encourage neighboring countries to cooperate on environmental issues
- Assist partner countries in developing effective institutions and policies to protect the environment
- Involve NGOs and the public in environmental decisions affecting them.

Trade and environmental policies are linked in important ways. The right trade policies can help ensure that trade supports environmental goals and vice versa such as the fight against climate change. But trade policy also needs to reflect the potential effects of trade on the environment. Managing these challenges requires cooperation globally, between individual trading partners and between different government ministries.

Athens Declaration underlines that sustainable development in the Mediterranean region requires concrete action on the major themes of the WSSD, including:

- \_ promoting sustainable integrated water resources management and water efficiency plans to preserve scarce water resources in the region,
- \_ promoting access to energy services, renewable energy and energy conservation and efficiency,
- \_ promoting sustainable urban management in coastal areas, including through Local Agendas 21,
- \_ halting and reversing the decline of biodiversity in the Mediterranean region,

\_ addressing the causes of desertification and soil degradation in order to maintain and restore land. (2nd Euro-Mediterranean Ministerial Conference on the Environment, 2002). Therefore, environmental protection can be primarily achieved by economic development and changes which promote environmental and social objectives at the same time. In developing countries, which lack the necessary capital and infrastructure for the required changes, private foreign investment is considered to be very valuable instrument for the achievement of sustainable development goals.

This research paper aims at evaluating the realities of Euro-Mediterranean countries indirect, but, meaningful approach, that is, investigating the relationship between environmental protection actions and economic development in terms of Gross Domestic Product (GDP). Therefore, the researcher assumes that the more successful environmental protection actions the more DGP growth in Euro-Mediterranean countries.

## **1. RESEARCH QUESTIONS**

- What are the concrete actions made by Euro-Mediterranean countries to protect the environment?
- How do governments of Euro-Mediterranean countries prioritize investment in environmental protection?
- Is there appositive association between environmental protection actions and economic development in terms of GDP?

## **2. Research Methodology**

This study is based on the analysis of published secondary data about economic and environmental situation of Euro-Mediterranean countries. The researcher is building up a linkage between these two major constructs to come up with a more comprehensive but precise understanding of the situation in these countries which is expected to be of a high value for politicians, economists, and other decision makers.

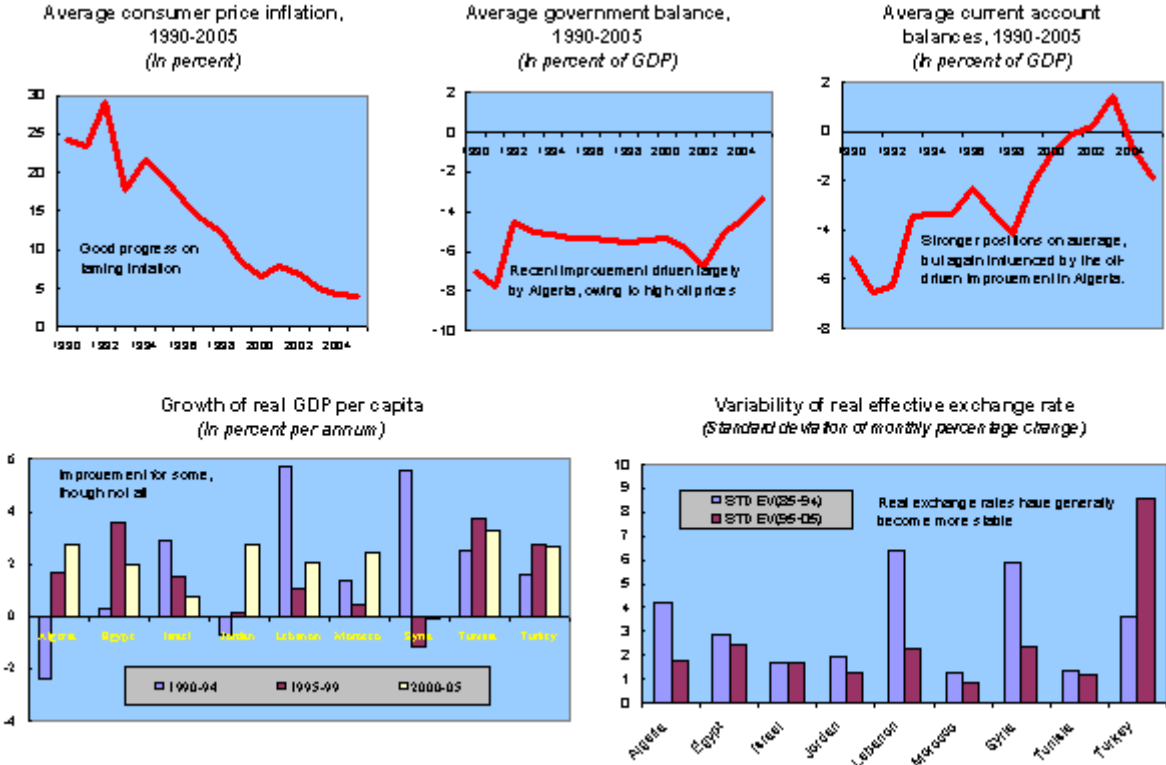
## **3. Significance of the study**

A close look at some economical data prevail the degree of difference that exist among Euro-Mediterranean countries, for example data available about Algeria indicate that EU imports from Algeria consist notably of energy (98.4%), amounting to €16.9 billion and, for a 1.1%, of chemicals. In 2009 main EU exports to Algeria consist of machinery (28.9%), in particular non electrical machinery (16.5%), and transport equipment (13.2%) that together represent more than 40% of total EU exports to Algeria, followed by agricultural products (14.1%), iron and steel (13%) and chemicals (11.7%).

And EU goods exports to Lebanon 2008: €3.9billion . EU goods imports from Lebanon 2008: €0.36 billion. In 2008 the main EU exports to Lebanon consisted of machinery (22%) and transport equipment (11,7%), chemicals (13%) and energy products (21,2%). EU imports from Lebanon consisted mainly from manufactured products (66%, including machinery (13%) and chemicals (15%)) as well as agricultural products (15%). EU good exports to PA 2006: €39 million . EU goods imports from PA 2006: €13 million.

In 2006 imports from West Bank and Gaza into the EU were very low, at about €13 million, mainly consisting of vegetable products (44.8% of total), textiles and textile articles (24.1%), articles of stone, plaster and cement (8.9%), animal or vegetable fats and oils (5.9%). But at the same time Macroeconomic stability has improved in most Euro-Mediterranean countries. As can be seen from *Chart 2*, the evolution of inflation, fiscal balances, current account balances, real per capita GDP growth, and real effective exchange rate variability all show the positive developments. While it is debatable whether or not these improvements resulted to any significant degree from the EMP, they increased the chances of the partner countries reaping greater benefits from the partnership (Nsouli, 2006).

**Chart 2. Macroeconomic developments in the Euro-Mediterranean countries**



Sources: IMF World Economic Outlook and Information Notice System.

## 5. Reference List

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