

12. Trade [113]

Commitment

“We are committed to support the integration of the Partnership Countries in the regional and global economy through increased trade and inward investment to the region.”

- Declaration of the G8 on the Arab Spring

Assessment

Country	Lack of Compliance	Work in Progress	Full Compliance
Canada			+1
France			+1
Germany		0	
Italy			+1
Japan		0	
Russia		0	
United Kingdom			+1
United States			+1
European Union			+1
Average Score		+0.67	

Background

As the Deauville Summit was taking place against the background of upheavals in the Arab world, the region and its issues were actively discussed at the summit resulting with the Declaration of the G8 on the Arab Spring.¹²⁹⁰ At the G8 Meeting of Foreign Ministers in Paris on 14-15 March 2011, the Foreign Ministers maintained “[w]ith a view to mutually-beneficial and harmonious co-development, G8 countries will work, individually and jointly in relevant forums, for the swift resumption of trade, and human and economic exchanges with the region. [...] They will further explore the issue with the international institutions and the regional development banks.”¹²⁹¹

The G8 was able to respond to the situation quite quickly, which was underlined by the British Foreign Minister William Hague, who said that the French presidency was “very energetic and also very responsive to what is happening in the world.”¹²⁹²

Consequently, the “Deauville Partnership” was launched in the presence of Prime Ministers of Egypt and Tunisia, and Secretary General of the Arab League at the Deauville Summit.¹²⁹³ G8 leaders indicated that they are ready and willing to extend the partnership to all the MENA (Middle East and North Africa) countries wishing to participate.¹²⁹⁴ Subsequently, at a meeting in

¹²⁹⁰ Declaration of the G8 on the Arab Spring, G8 Information Centre (Toronto) 27 May 2011. Date of Access: 22 December 2011. <http://www.g8.utoronto.ca/summit/2011deauville/2011-arabsprings-en.html>

¹²⁹¹ G8 Meeting of Foreign Ministers: Chair’s Summary, G8 Information Centre (Toronto) 15 March 2011. Date of Access: 22 December 2011. <http://www.g8.utoronto.ca/foreign/formin110315-en.html>

¹²⁹² Interview with Foreign Minister William Hague at the G8 Meeting of Foreign Ministers, French Presidency of the G20 (Paris) 15 March 2011. Date of Access: 22 December 2011. <http://www.g20-g8.com/g8-g20/english/photos-et-videos/videos/2011/march/william-hague-minister-of-foreign-affairs.1069.html>

¹²⁹³ Declaration of the G8 on the Arab Spring, G8 Information Centre (Toronto) 27 May 2011. Date of Access: 22 December 2011. <http://www.g8.utoronto.ca/summit/2011deauville/2011-arabsprings-en.html>

¹²⁹⁴ Declaration of the G8 on the Arab Spring, G8 Information Centre (Toronto) 27 May 2011. Date of Access: 22 December 2011. <http://www.g8.utoronto.ca/summit/2011deauville/2011-arabsprings-en.html>

Marseille in September 2011, the Deauville Partnership welcomed two new partners – Jordan and Morocco – while Libya participated as an observer.¹²⁹⁵ “In addition, Kuwait, Qatar, Saudi Arabia, Turkey, and United Arab Emirates joined the Partnership to support the region’s countries going through political and economic transformation. The partnership has also grown and now incorporates nine international and regional financial institutions, including the IMF.”¹²⁹⁶

Commitment Features

The G8 Declaration on the Arab Spring clearly states that the G8 countries will support, through bilateral and multilateral channels, “the efforts of MENA countries to bolster further trade and investment integration within the region, including through trade facilitation, reduction of tariff and non-tariff barriers, access to the service sector, the promotion of direct investments and regulatory convergence.”¹²⁹⁷ They will also offer improved mutual market access opportunities for countries undertaking reforms to open their economies and create competitive conditions.¹²⁹⁸ The Declaration further outlines concrete steps some of the G8 members are already taking, or will take, such as the EU initiatives through the expansion of its neighbourhood policy, the conclusion of agreements on accreditation and acceptance of industrial products, and the enhancement of the PanEuroMed system of cumulation of rules of origin; the US strategy of Trade and Investment Partnership Initiative in the region; Japan’s use of the Japan-Arab Economic Forum to promote trade and investment jointly with MENA countries; and Canada’s recent launch of bilateral Free Trade Agreement discussions with Morocco, as well as the Canada-Jordan Free Trade Agreement, which is awaiting parliamentary approval.

¹²⁹⁹ Furthermore, in a document entitled “The Deauville Partnership: Helping the Arab Countries in Their Transition to Free and Democratic Societies”, France made a series of pledges to increase investment to Egypt and Tunisia that target economic recovery.¹³⁰⁰

In view of this, full compliance requires Members to take action to increase trade and inward investment with the region. However, Members can receive partial scores for either taking action to increase trade or making investment in the region.

¹²⁹⁵ Deauville Partnership Broadens Support for Mideast, North Africa, International Monetary Fund (Washington D.C.) 10 September 2011. Date of Access: 22 December 2011.

<http://www.imf.org/external/pubs/ft/survey/so/2011/CAR091011A.htm>

¹²⁹⁶ Deauville Partnership Broadens Support for Mideast, North Africa, International Monetary Fund (Washington D.C.) 10 September 2011. Date of Access: 22 December 2011.

<http://www.imf.org/external/pubs/ft/survey/so/2011/CAR091011A.htm>

¹²⁹⁷ Declaration of the G8 on the Arab Spring, G8 Information Centre (Toronto) 27 May 2011. Date of Access: 22 December 2011. <http://www.g8.utoronto.ca/summit/2011deauville/2011-arabsprings-en.html>

¹²⁹⁸ Declaration of the G8 on the Arab Spring, G8 Information Centre (Toronto) 27 May 2011. Date of Access: 22 December 2011. <http://www.g8.utoronto.ca/summit/2011deauville/2011-arabsprings-en.html>

¹²⁹⁹ Declaration of the G8 on the Arab Spring, G8 Information Centre (Toronto) 27 May 2011. Date of Access: 22 December 2011. <http://www.g8.utoronto.ca/summit/2011deauville/2011-arabsprings-en.html>

¹³⁰⁰ The Deauville Partnership: Helping the Arab Countries in Their Transition to Free and Democratic Societies, G8 Information Centre (Toronto) 27 May 2011. Date of Access: 22 December 2011.

<http://www.g8.utoronto.ca/summit/2011deauville/2011-partnership-en.html>

Scoring Guidelines:

-1	Member has not taken action to increase trade AND has not made new investment in the region covered by the Deauville Partnership.
0	Member has made new trade initiatives OR investment in the region covered by the Deauville Partnership.
+1	Member has made new trade initiatives AND investment in the region covered by the Deauville Partnership.

Lead Analyst: Amina Abdullayeva

Canada: +1

Canada has fully complied with its commitment to increase trade and inward investment with the countries covered by the Deauville Partnership. .

In terms of investment, Canada signed an agreement with Kuwait on 26 September 2011 as part of the country's larger Foreign Investment Promotion and Protection Agreements (FIPA) initiative.¹³⁰¹ The FIPA program can be characterized as a "bilateral agreement aimed at protecting and promoting foreign investment through legally-binding rights and obligations".¹³⁰² Although Canada has been running the program since 1989, its most recent agreement with Kuwait is a reflection of the growing potential investment opportunities in the Middle East and the increased presence of Canada in Kuwait through investment in recent years.¹³⁰³ FIPAs "seek to ensure that foreign investors will not be treated worse than similarly situated domestic investors or other foreign investors; they will not have their investments expropriated without prompt and adequate compensation; and, in any case, they will not be subject to treatment lower than the minimum standard established in customary international law."¹³⁰⁴ However, Kuwait is not the group of countries the G8 pledge to assist through increased trade and investment.

On 15 November 2011, Minister of International Trade and Minister for the Asia-Pacific Gateway, Ed Fast, formally introduced legislation to implement free trade agreements with both Jordan and Panama.¹³⁰⁵ This forms part of the Government of Canada's larger Global Commerce Strategy.¹³⁰⁶ If passed, the Canada-Jordan Economic Growth and Prosperity Act will "eliminate

¹³⁰¹ Canada's Foreign Investment Promotion and Protection Agreements (FIPAs): Canada's FIPA Program Department of Foreign Affairs and International Trade.. (Ottawa) 7 January 2012. Date of Access: 7 January 2012. <http://www.international.gc.ca/trade-agreements-accords-commerciaux/agr-acc/fipa-apie/index.aspx?view=d>.

¹³⁰² Canada's Foreign Investment Promotion and Protection Agreements (FIPAs): Canada's FIPA Program Department of Foreign Affairs and International Trade.. (Ottawa) 7 January 2012. Date of Access: 7 January 2012. <http://www.international.gc.ca/trade-agreements-accords-commerciaux/agr-acc/fipa-apie/index.aspx?view=d>.

¹³⁰³ . Canada-Kuwait Foreign Investment Promotion and Protection Agreement. Office of the Prime Minister of Canada (Ottawa) , 26 September 2011. Date of Access: 7 January 2012 <http://www.pm.gc.ca/eng/media.asp?id=4367>.

¹³⁰⁴ Canada's Foreign Investment Promotion and Protection Agreements (FIPAs), Foreign Affairs and International Trade (Ottawa) 18 January 2012. Date of Access: 1 February 2012. <http://www.international.gc.ca/trade-agreements-accords-commerciaux/agr-acc/fipa-apie/index.aspx?view=d>.

¹³⁰⁵ Canada Introduces Legislation to Implement Free Trade Agreements with Jordan and Panama Department of Foreign Affairs and International Trade (Ottawa) 15 November 2011. Date of Access: 7 January 2012. http://www.international.gc.ca/media_commerce/comm/news-communiqués/2011/347.aspx?view=d.

¹³⁰⁶ . Seizing Global Advantage: A Global Commerce Strategy for Securing Canada's Growth and Prosperity Department of Foreign Affairs and International Trade (Ottawa) 23 November 2011. Date of

tariffs on the vast majority of Canadian exports to Jordan.”¹³⁰⁷ As J. Hugh O’Donnell, chairman of the Canadian-Arab Business Council has highlighted, the agreement forms part of a larger model for the Middle East as a whole: “This free trade agreement offers incredible potential for businesses to expand throughout the Arab peninsula with Jordan as its gateway”.¹³⁰⁸

On 27 January 2011, Prime Minister Stephen Harper announced that Canada would enter into free trade negotiations with Morocco, with the first round of negotiations occurring between 11 and 14 October 2011.¹³⁰⁹ This initiative also forms part of Canada’s greater economic mandate, the Global Commerce Strategy. The road leading to this agreement can be a reflection of the significant Canada-Morocco bilateral merchandise trade, and the expectation of 5 per cent growth of the Moroccan economy over the next year.¹³¹⁰ If an agreement is reached, it would be the first of its kind between Canada and an African state.¹³¹¹

Canada also has recently expanded its trade relationship with the United Arab Emirates. The two countries have signed an agreement which will increase beef imports from Canada into the UAE.¹³¹² Minister Fast suggested that such an agreement would “advance our bilateral commercial relations, and will help our overall efforts to build on our economic and trade ties with the Gulf Cooperation Council region as a whole”.¹³¹³ However, the UAE is not in the group of countries that the G8 countries pledged to assist through increased trade and inward investment.

Access: 7 January 2012. <http://www.international.gc.ca/commerce/strategy-strategie/index.aspx?lang=en&view=d>.

¹³⁰⁷ Canada Introduces Legislation to Implement Free Trade Agreements with Jordan and Panama Department of Foreign Affairs and International Trade (Ottawa) 15 November 2011. Date of Access: 7 January 2012. http://www.international.gc.ca/media_commerce/comm/news-communiqués/2011/347.aspx?view=d.

¹³⁰⁸ Canada Introduces Legislation to Implement Free Trade Agreements with Jordan and Panama Department of Foreign Affairs and International Trade (Ottawa) 15 November 2011. Date of Access: 7 January 2012. http://www.international.gc.ca/media_commerce/comm/news-communiqués/2011/347.aspx?view=d.

¹³⁰⁹ Beginning of Free Trade Agreement Negotiations with Morocco Department of Foreign Affairs and International Trade (Ottawa) 21 October 2011. Date of Access: 7 January 2012. <http://www.international.gc.ca/trade-agreements-accords-commerciaux/agr-acc/morocco-maroc.aspx?lang=eng&view=d>.

¹³¹⁰ Canada Welcomes First Round of Free Trade Negotiations with Morocco, Department of Foreign Affairs and International Trade (Ottawa) 11 October 2011. Date of Access: 7 January 2012. http://www.international.gc.ca/media_commerce/comm/news-communiqués/2011/297.aspx?lang=eng&view=d.

¹³¹¹ Canada Welcomes First Round of Free Trade Negotiations with Morocco, Department of Foreign Affairs and International Trade (Ottawa) 11 October 2011. Date of Access: 7 January 2012. http://www.international.gc.ca/media_commerce/comm/news-communiqués/2011/297.aspx?lang=eng&view=d.

¹³¹² Canada’s Beef Shipments Set to Expand in UAE, Gulf News (Dubai) 22 December 2011. Date of Access: 7 January 2012. <http://gulfnews.com/business/economy/canada-s-beef-shipments-set-to-expand-in-uae-1.955169>.

¹³¹³ Canada’s Beef Shipments Set to Expand in UAE, Gulf News (Dubai) 22 December 2011. Date of Access: 7 January 2012. <http://gulfnews.com/business/economy/canada-s-beef-shipments-set-to-expand-in-uae-1.955169>.

Qatar has also become a region for new Canadian trade, investment, and interest. Canada agreed to participate in the Doha Trade Fair 2012, “one of the region’s prime trade shows.”¹³¹⁴ Ahmed Al Nuaimi, chairman of the Qatar Tourism Authority, highlighted the importance of the Fair, which brings foreign investment and interest into the region and has the potential to expand trade relationship between the region and elsewhere.¹³¹⁵ Canada’s participation in the fair is thus a reflection of its interest in increased trade and investment with the region.

From 28 to 30 January 2012, the Minister of International Trade, Ed Fast travelled to Libya on a trade mission to help Canadian companies re-engage with the country.¹³¹⁶ Fifteen Canadian companies accompanied the Minister.¹³¹⁷

On 11 and 12 April 2012, Canada attended a Deauville Partnership meeting under the Trade, Investment and Integration Pillar in Jordan where Canada and other participating reaffirmed their commitment to open investment fostering growth and development in the area covered by the partnership.¹³¹⁸

On 20 April 2012, finance ministers of the Deauville Partnership countries met in Washington D.C., where they praised the efforts underway and reaffirmed the principles of the partnership, such as increased trade and investment, transparency, and accountability.¹³¹⁹ They announced a new initiative for Egypt, Morocco, Tunisia, Jordan, and Libya to “regain access to capital markets to accelerate development and open the door to possible investment in the region.”¹³²⁰

On 25 April 2012, the Partnership countries met in Paris, where they agreed to participate in a conference on “Reviving Private Investment in the Deauville Partnership Countries: Investment Policies for Job Creation” that will be held in Cairo on 7 and 8 May 2012.¹³²¹ In regards to investment, through the Canadian International Development Agency (CIDA), Canada will

¹³¹⁴ Doha Trade Fair Opens Today, Gulf Times (Dubai) 31 December 2011. Date of Access: 7 January 2012. http://www.gulf-times.com/site/topics/article.asp?cu_no=2&item_no=478475&version=1&template_id=36&parent_id=16.

¹³¹⁵ Qatar’s Biggest Shopping Carnival to Open in January, Middle East North Africa Financial Network (Amman) 22 December 2011. Date of Access: 7 January 2012. http://www.menafn.com/qn_news_story_s.asp?StoryId=1093466176.

¹³¹⁶ Minister Fast Undertakes Trade Mission to Help Canadian Companies Get Back to Business in the New Libya, Department of Foreign Affairs and International Trade (Ottawa) 30 January 2012. Date of Access: 30 January 2012. http://www.international.gc.ca/media_commerce/comm/news-communicues/2012/01/30a.aspx?lang=eng&view=d.

¹³¹⁷ Minister Fast Undertakes Trade Mission to Help Canadian Companies Get Back to Business in the New Libya, Department of Foreign Affairs and International Trade (Ottawa) 30 January 2012. Date of Access: 30 January 2012. http://www.international.gc.ca/media_commerce/comm/news-communicues/2012/01/30a.aspx?lang=eng&view=d.

¹³¹⁸ Statement by the Deauville Partnership with Arab Countries in Transition on Open International Investment, G8 Information Centre (Toronto) 12 April 2012. Date of Access: 29 April 2012. <http://www.g8.utoronto.ca/foreign/formin120412-deauville.html>

¹³¹⁹ Deauville Partnership Finance Ministers’ Meeting Communiqué, Department of Finance Canada (Ottawa) 20 April 2012. Date of Access: 29 April 2012. <http://www.fin.gc.ca/n12/12-045-eng.asp>

¹³²⁰ Deauville Partnership Launches Initiative to Help Five Arab Countries, Including Morocco, to Access Capital Markets, Morocco World News (Fez) 22 April 2012. Date of Access: 29 April 2012. <http://morocoworldnews.com/2012/04/36125/deauville-partnership-launches-initiative-to-help-5-arab-countries-including-morocco-to-access-capital-markets-2/>.

¹³²¹ The Deauville Partnership with Arab Countries in Transition Chairman’s Summary of the Meeting on Governance on April 24, 2012, Paris, France, US Department of State (Washington D.C.) 25 April 2012. Date of Access: 29 April 2012. <http://www.state.gov/r/pa/prs/ps/2012/04/188471.htm>.

continue to support its Enhancing Trade Capacity (ETC) project through 2013.¹³²² The aim of the ETC is to “engage and develop the capacity of local trade development service providers, trade associations, [and] chambers of commerce” through a maximum CIDC contribution of CAD9,150,000 to be distributed evenly in Algeria, Jordan, Tunisia, Egypt and Morocco.¹³²³ However, no new investment has been made in the region in accordance with the Deauville Partnership.

Canada and Tunisia have started bilateral negotiations towards a Foreign Investment Promotion and Protection Agreement (FIPA).¹³²⁴ As Canada is the tenth-largest foreign investor in Tunisia, and second-largest in oil and gas sector, FIPA will further promote this already positive relationship.

To this end, Canada is awarded a score of +1 for making efforts to increase trade with the Partnership countries and making new investments in the region.

Analyst: Natasia Kalajdziovski

France: +1

France has fully complied with its commitment to support the integration of the Deauville Partnership countries in the global economy through both increased trade and inward investment.

On 29 September 2011, President Sarkozy visited Morocco to oversee the beginning of construction of a new high-speed rail link. The project will cost USD4 billion and is the outcome of an agreement struck between France and Morocco during Sarkozy’s 2007 visit to the North African country.¹³²⁵ Moroccan officials noted that the project would boost infrastructure and “further enhance economic relations between the two countries.”¹³²⁶ However, the agreement was signed outside of this compliance cycle and therefore, does not count towards compliance with France’s commitment to increase trade and investment with the Partnership Countries.

On 15 October 2011, French State Secretary for Foreign Trade announced that 80 French firms held meetings with leaders of the Libyan transitional government to negotiate trade deals.¹³²⁷ The Secretary also announced that, as part of the developing relations between the two countries, “France will open a trade office in the Libyan capital in January” 2012.¹³²⁸

¹³²² Project Profile for Enhancing Trade Capacity, Canadian International Development Agency (Ottawa) 10 November 2011. Date of Access: 27 April 2012. <http://www.acdi-cida.gc.ca/cidaweb%5Ccipo.nsf/projEn/Z020799001>.

¹³²³ Project Profile for Enhancing Trade Capacity, Canadian International Development Agency (Ottawa) 10 November 2011. Date of Access: 27 April 2012. <http://www.acdi-cida.gc.ca/cidaweb%5Ccipo.nsf/projEn/Z020799001>.

¹³²⁴ Canada-Tunisia Foreign Investment Promotion and Protection Agreement (FIPA) Negotiations, Foreign Affairs and International Trade Canada (Ottawa) 4 April 2012. Date of Access: 29 April 2012. <http://www.international.gc.ca/trade-agreements-accords-commerciaux/agr-acc/fipa-apie/tunisie-tunisie.aspx?view=d>

¹³²⁵ Nikolas Sarkozy Visits Morocco for TVG Rail-link Launch, BBC News (Morocco) 29 September 2011. Date of Access: 5 January 2011. <http://www.bbc.co.uk/news/world-europe-15103100>.

¹³²⁶ Nikolas Sarkozy Visits Morocco for TVG Rail-link Launch, BBC News (Morocco) 29 September 2011. Date of Access: 5 January 2011. <http://www.bbc.co.uk/news/world-europe-15103100>.

¹³²⁷ French Firms Travel to Libya Seeking Deals: Trade Minister, The Daily Star (Beirut) 15 October 2011. Date of Access: 5 January 2011. <http://www.dailystar.com.lb/Business/Middle-East/2011/Oct-15/151337-french-firms-travel-to-libya-seeking-deals-trade-minister.ashx#axzz1ihKrKJYo>.

¹³²⁸ French Firms Travel to Libya Seeking Deals: Trade Minister, The Daily Star (Beirut) 15 October 2011.

On 14 December 2011, the EU Foreign Affairs Council authorized the opening of trade negotiations with Egypt, Jordan, Morocco, and Tunisia.¹³²⁹ “This decision provides the European Commission with a mandate to start negotiations to establish deep and comprehensive free trade areas (DCFTAs).”¹³³⁰ The DCFTAs will address the removal of tariffs and other regulatory issues relevant to trade, including investment protection.¹³³¹ It should be noted that France pushed for the plan to negotiate a free trade agreement between the EU and the four countries.¹³³²

On 20 December 2011, State Secretary for Trade, Pierre Lellouche, visited Libya with a delegation of 100 medium and small enterprises “to meet the new Libyan government and to work towards the establishment of a special economic partnership between France and Libya.”¹³³³ The visit helped strengthen economic ties between the two countries, as it gave rise to new trade and investment.

The Deauville Partnership was essential in helping Egypt, Morocco, Jordan, and Tunisia gain membership of the European Bank for Reconstruction and Development (EBRD) in 2011.¹³³⁴ “The EBRD has the capacity to invest, in the medium term, up to EUR2.5 billion a year across the southern and eastern Mediterranean region.”¹³³⁵ This support will help with the implementation of economic and political reform in these four countries after the Arab Spring.

On 6 January 2012, French Foreign Minister Alain Juppe visited Tunisia with the purpose of strengthening economic relations with the Tunisian government.¹³³⁶ France and Tunisia held a

Date of Access: 5 January 2011. <http://www.dailystar.com.lb/Business/Middle-East/2011/Oct-15/151337-french-firms-travel-to-libya-seeking-deals-trade-minister.ashx#axzz1ihKrKJYo>.

¹³²⁹ EU agrees to start trade negotiations with Egypt, Jordan, Morocco and Tunisia, Europa (Brussels) 14 December 2011. Date of Access: 30 January 2012.

<http://europa.eu/rapid/pressReleasesAction.do?reference=IP/11/1545&format=HTML&aged=0&language=EN&guiLanguage=en>.

¹³³⁰ EU agrees to start trade negotiations with Egypt, Jordan, Morocco and Tunisia, Europa (Brussels) 14 December 2011. Date of Access: 30 January 2012.

<http://europa.eu/rapid/pressReleasesAction.do?reference=IP/11/1545&format=HTML&aged=0&language=EN&guiLanguage=en>.

¹³³¹ EU agrees to start trade negotiations with Egypt, Jordan, Morocco and Tunisia, Europa (Brussels) 14 December 2011. Date of Access: 30 January 2012.

<http://europa.eu/rapid/pressReleasesAction.do?reference=IP/11/1545&format=HTML&aged=0&language=EN&guiLanguage=en>.

¹³³² EU Ministers Back Free Trade Talks with Egypt, Jordan, Morocco, Tunisia, Bloomberg Global Law Watch (London) 29 September 2011. Date of Access: 2 May 2012.

<http://www.globallawwatch.com/2011/09/eu-ministers-back-free-trade-talks-with-egypt-jordan-morocco-tunisia/>.

¹³³³ Top French Official Visits Libya for Trade Ties, Indo-Asian News Service (New Delhi) 21 December 2011. Date of Access: 5 January 2011. <http://in.news.yahoo.com/top-french-official-visits-libya-trade-ties-033818662.html>.

¹³³⁴ Jordan and Tunisia Become Members of the EBRD, by Anthony Williams, European Bank for Reconstruction and Development (London) 3 January 2012. Date of Access: 29 April 2012.

<http://www.ebrd.com/pages/news/press/2012/120103.shtml>.

¹³³⁵ Jordan and Tunisia Become Members of the EBRD, by Anthony Williams, European Bank for Reconstruction and Development (London) 3 January 2012. Date of Access: 29 April 2012.

<http://www.ebrd.com/pages/news/press/2012/120103.shtml>.

¹³³⁶ French Foreign Minister to Visit Tunisia on January 5th , Tunisia Live (Tunis) 4 January 2011. Date of Access: 6 January 2011. <http://www.tunisia-live.net/2012/01/04/allain-juppe-to-visit-tunisia-on-january-5th/>.

close relationship because of historical ties before the Tunisian revolution.¹³³⁷ This trip was an attempt to restore economic and political relations.

On 31 January, 2012 France disbursed EUR1.1 billion, which constitutes 40 per cent of the total sum of EUR2.7 billion earmarked toward aiding boost the economy of the region over the period of 2011-2013.¹³³⁸

On 28 March 2012, Moroccan Head of State, Abdelilah Benkirane, Cabinet ministers, and over 450 heads of various French and Moroccan businesses held a meeting in Rabat, titled “Growth and Investments: Prospects for Morocco in 2012.”¹³³⁹ The meeting was organised by the general confederation of Morocco’s enterprises (CGEM) and the movement of French enterprises (MEDEF International). The government representatives clarified investment regulations and the prospects of Franco-Moroccan economic partnership.

France took part in several meetings of the Partnership group over the last few months. On 11 and 12 April 2012, France attended a Deauville Partnership meeting under the Trade, Investment and Integration Pillar at the Dead Sea, co-hosted by the US and Jordan, where they reaffirmed their commitment to open investment fostering growth and development in the area covered by the partnership.¹³⁴⁰

On 20 April 2012, finance ministers of the Deauville Partnership countries met in Washington D.C., where they praised the efforts underway and reaffirmed the principles of the partnership, such as increased trade and investment, transparency, and accountability.¹³⁴¹ They announced a new initiative for Egypt, Morocco, Tunisia, Jordan, and Libya to “regain access to capital markets to accelerate development and open the door to possible investment in the region.”¹³⁴²

On 25 April 2012, the Partnership Countries met in Paris, where they agreed to participate in a conference on “Reviving Private Investment in the Deauville Partnership Countries: Investment Policies for Job Creation” that will be held in Cairo on 7 and 8 May 2012.¹³⁴³

¹³³⁷ French Foreign Minister to Visit Tunisia on January 5th , Tunisia Live (Tunis) 4 January 2011. Date of Access: 6 January 2011. <http://www.tunisia-live.net/2012/01/04/allain-juppe-to-visit-tunisia-on-january-5th/>.

¹³³⁸ G8 – Deauville Partnership, Embassy of France in Canada (Ottawa) 11-12 April 2012. Date of Access: 29 April 2012. <http://www.ambafrance-ca.org/article4541.html>.

¹³³⁹ Moroccan Government Open To French Investors For An Equitable, Sustainable Partnership - Moroccan Head Of Government, Government of the Kingdom of Morocco (Rabat) 28 March 2012. Date of Access: 29 April 2012. <http://www.maroc.ma/PortailInst/An/Actualites/Moroccan+Government+Open+To+French+Investors+For+An+Equitable+Sustainable+Partnership++Moroccan+Head.htm>.

¹³⁴⁰ Statement by the Deauville Partnership with Arab Countries in Transition on Open International Investment, G8 Information Centre (Toronto) 12 April 2012. Date of Access: 29 April 2012. <http://www.g8.utoronto.ca/foreign/formin120412-deauville.html>

¹³⁴¹ Deauville Partnership Finance Ministers’ Meeting Communiqué, Department of Finance Canada (Ottawa) 20 April 2012. Date of Access: 29 April 2012. <http://www.fin.gc.ca/n12/12-045-eng.asp>

¹³⁴² Deauville Partnership Launches Initiative to Help Five Arab Countries, Including Morocco, to Access Capital Markets, Morocco World News (Fez) 22 April 2012. Date of Access: 29 April 2012. <http://morocoworldnews.com/2012/04/36125/deauville-partnership-launches-initiative-to-help-5-arab-countries-including-morocco-to-access-capital-markets-2/>.

¹³⁴³ The Deauville Partnership with Arab Countries in Transition Chairman’s Summary of the Meeting on Governance on April 24, 2012, Paris, France, US Department of State (Washington D.C.) 25 April 2012. Date of Access: 29 April 2012. <http://www.state.gov/r/pa/prs/ps/2012/04/188471.htm>.

Thus, France has been awarded a score of +1 for making efforts to increase inward investment and trade with the Deauville Partnership countries.

Analyst: Amina Abdullayeva and Kwaku Boateng

Germany: 0

Germany has partially complied with its commitment to support the integration of the Deauville Partnership countries in the regional and global economy through increased trade and inward investment to the region.

On 12 August 2011, Germany and the European Union (EU) announced the launch of a micro-credit fund designed to support the economies of certain Middle East and North Africa (MENA) countries – including Tunisia.¹³⁴⁴ This Sanad Fund consists of a combined EUR30 million, EUR20 million of which, are provided by Germany.¹³⁴⁵ The purpose of the fund is to “...allow small businesses to access credit” in order to better the states commercial climate.¹³⁴⁶

On 12 August 2011, German Foreign Minister Guido Westerwelle announced that Germany would roll over EUR240 million of Egyptian debt into development aid.¹³⁴⁷ Although the investment was in large part granted for the purpose of improving the political climate and providing humanitarian aid, it would also benefit Egypt’s economy.

On 27 November 2011, Germany organized the first Tunisian-German Economic Forum.¹³⁴⁸ The event was aimed at demonstrating the “business climate, investment opportunities, and new measures implemented to support and promote foreign direct investment (FDI) in the country.”¹³⁴⁹ In attendance at the forum was Nouredine Zekri, Director-General of the Tunisian Foreign Investment Protection Agency (FIPA), who emphasized the healthy investment environment Tunisia offers to German companies.¹³⁵⁰

The Deauville Partnership was essential in helping Egypt, Morocco, Jordan, and Tunisia gain membership of the European Bank for Reconstruction and Development (EBRD) in 2011.¹³⁵¹

¹³⁴⁴ Crisis Response: SME Loans, SANAD Fund, 30 Million Euros To Arab Countries, Tunisia Live (Tunis) 12 August 2011. Date of Access: 14 January 2012. <http://www.tunisia-live.net/2011/08/12/crisis-sme-loans-sanad-fund-30-mln-euros-to-arab-countries/>.

¹³⁴⁵ Crisis Response: SME Loans, SANAD Fund, 30 Million Euros To Arab Countries, Tunisia Live (Tunis) 12 August 2011. Date of Access: 14 January 2012. www.tunisia-live.net/2011/08/12/crisis-sme-loans-sanad-fund-30-mln-euros-to-arab-countries/.

¹³⁴⁶ Crisis Response: SME Loans, SANAD Fund, 30 Million Euros To Arab Countries, Tunisia Live (Tunis) 12 August 2011. Date of Access: 14 January 2012. www.tunisia-live.net/2011/08/12/crisis-sme-loans-sanad-fund-30-mln-euros-to-arab-countries/.

¹³⁴⁷ Germany rolls over Egyptian debt into aid, The Local 12 August 2011. Date of Access: 14 January 2012. www.thelocal.de/politics/20110812-36929.html.

¹³⁴⁸ The First Tunisian-German Economic Forum to be Held November 27th-30th, Tunisia Live (Tunis) 19 November 2011. Date of Access: 14 January 2012. www.tunisia-live.net/2011/11/19/the-first-tunisian-german-economic-forum-to-be-held-from-27-to-30-november-2011/.

¹³⁴⁹ The First Tunisian-German Economic Forum to be Held November 27th-30th, Tunisia Live (Tunis) 19 November 2011. Date of Access: 14 January 2012. www.tunisia-live.net/2011/11/19/the-first-tunisian-german-economic-forum-to-be-held-from-27-to-30-november-2011/.

¹³⁵⁰ Tunisia, Germany Hold First Economic Forum, Tunisian News Agency (Tunis) 28 November 2011. Date of Access: 14 January 2012. www.tap.info.tn/en/en/economy/7607-tunisia-germany-hold-first-economic-forum.html

¹³⁵¹ Jordan and Tunisia Become Members of the EBRD, by Anthony Williams, European Bank for Reconstruction and Development (London) 3 January 2012. Date of Access: 29 April 2012. <http://www.ebrd.com/pages/news/press/2012/120103.shtml>.

“The EBRD has the capacity to invest, in the medium term, up to EUR2.5 billion a year across the southern and eastern Mediterranean region.”¹³⁵² This support will help with the implementation of economic and political reform in these four countries after the Arab Spring.

On 12 January 2012, the German ambassador in Tunisia, Horst-Wolfram Kerll, announced that Germany was cancelling Tunisia’s debt totaling EUR60 million, on the condition that this capital would be used “to launch investment initiatives that will benefit Tunisian economy” at the discretion of the Tunisian government.¹³⁵³ The announcement came after German Foreign Minister, Guido Westerwelle, visited Tunisia on 8 January 2012, where he stated that Germany would be allocating EUR32 million in foreign aid to Tunisia – but he did not specify the time frame.¹³⁵⁴ In addition, Germany is expected to contribute 25 per cent of the total aid that Tunisia will receive from the European delegation – in other words, approximately EUR400 million.¹³⁵⁵

Germany-Egypt Renewable Energy Conference took place in Cairo on 26 February 2012.¹³⁵⁶ Organized by the German-Arab Chamber for Industry and Commerce (GACIC), it aimed to increase investment opportunities in Egypt.

On 12 April 2012, Egyptian Minister of Industry and Foreign Trade Mahmoud Eissa met with German Minister of State for Economics, Transport and Labor in the Federal State of Saxony Oliver Lierch.¹³⁵⁷ Both ministers agreed to increase mutual trade and cooperation. However, to date, German has not taken action to increase trade with Egypt.

Germany took part in several meetings of the Partnership group over the last few months. On 11 and 12 April 2012, Germany attended a Deauville Partnership meeting under the Trade, Investment and Integration Pillar at the Dead Sea, co-hosted by the US and Jordan, where they reaffirmed their commitment to open investment fostering growth and development in the area covered by the partnership.¹³⁵⁸

On 20 April 2012, finance ministers of the Deauville Partnership countries met in Washington D.C., where they praised the efforts underway and reaffirmed the principles of the partnership,

¹³⁵² Jordan and Tunisia Become Members of the EBRD, by Anthony Williams, European Bank for Reconstruction and Development (London) 3 January 2012. Date of Access: 29 April 2012.

<http://www.ebrd.com/pages/news/press/2012/120103.shtml>.

¹³⁵³ Germany Cancels Tunisia’s 60 Million Euro Debt, by HanenKeskes, Tunisia Live (Tunis) 12 January 2012. Date of Access: 29 April 2012. <http://www.tunisia-live.net/2012/01/12/germany-cancels-tunisias-60-million-euro-debt/>.

¹³⁵⁴ Germany Cancels Tunisia’s 60 Million Euro Debt, by HanenKeskes, Tunisia Live (Tunis) 12 January 2012. Date of Access: 29 April 2012. <http://www.tunisia-live.net/2012/01/12/germany-cancels-tunisias-60-million-euro-debt/>.

¹³⁵⁵ Germany Cancels Tunisia’s 60 Million Euro Debt, by HanenKeskes, Tunisia Live (Tunis) 12 January 2012. Date of Access: 29 April 2012. <http://www.tunisia-live.net/2012/01/12/germany-cancels-tunisias-60-million-euro-debt/>.

¹³⁵⁶ Egypt-Germany Renewable Energy Conference to Take Place Sunday, Oilfield Conference (Aberdeen) 24 February 2012. Date of Access: 29 April 2012. <http://www.oilfieldconference.com/2012/event-news/egypt-german-renewable-energy-conference-to-take-place-sunday/>.

¹³⁵⁷ Egypt: Country, Germany Seek Boost Joint Economic Cooperation, All Africa News Portal (Cape Town) 13 April 2012. Date of Access: 29 April 2012. <http://allafrica.com/stories/201204160229.html>.

¹³⁵⁸ Statement by the Deauville Partnership with Arab Countries in Transition on Open International Investment, G8 Information Centre (Toronto) 12 April 2012. Date of Access: 29 April 2012. <http://www.g8.utoronto.ca/foreign/formin120412-deauville.html>

such as increased trade and investment, transparency, and accountability.¹³⁵⁹ They announced a new initiative for Egypt, Morocco, Tunisia, Jordan, and Libya to “regain access to capital markets to accelerate development and open the door to possible investment in the region.”¹³⁶⁰

On 25 April 2012, the Partnership countries met in Paris, where they agreed to participate in a conference on “Reviving Private Investment in the Deauville Partnership Countries: Investment Policies for Job Creation” that will be held in Cairo on 7 and 8 May 2012.¹³⁶¹

German businesses in Tunisia are commended for returning to the country with bold activities that “mobilise local qualified labour and contribute to a better integration of the German-Tunisian productive system, open to joining up with local competitiveness clusters.”¹³⁶²

Therefore, Germany is assigned a score of 0 for pursuing innovative business strategies in the region and making investments, but failing to undertake trade initiatives.

Analyst: Amina Abdullayeva and Nikola Jankovic

Italy: +1

Italy has fully complied with its commitment to increase trade and inward investment with the region covered by the Deauville Partnership.

On 19 July 2011, Italian Minister of Foreign Affairs Franco Frattini visited Algeria to sign a EUR10 million debt conversion agreement.¹³⁶³ Frattini “noted the importance of Italy’s bilateral relationship with Algeria”, as Algeria is Italy’s primary supplier of natural gas, as well as its second largest trading partner.¹³⁶⁴

On 20 September 2011, the Iraqi-Italian Economic Forum was opened in Erbil, Iraq.¹³⁶⁵ Antonio Powlety, the deputy chairman of the Italian Chambers of Commerce, stated that Italy “[wishes] to work in the fields of construction, building, and health” with Iraq, which he considers to be “a good place for investment activity [for] Italian companies.”¹³⁶⁶ Following this address, an

¹³⁵⁹ Deauville Partnership Finance Ministers’ Meeting Communiqué, Department of Finance Canada (Ottawa) 20 April 2012. Date of Access: 29 April 2012. <http://www.fin.gc.ca/n12/12-045-eng.asp>

¹³⁶⁰ Deauville Partnership Launches Initiative to Help Five Arab Countries, Including Morocco, to Access Capital Markets, Morocco World News (Fez) 22 April 2012. Date of Access: 29 April 2012. <http://morocoworldnews.com/2012/04/36125/deauville-partnership-launches-initiative-to-help-5-arab-countries-including-morocco-to-access-capital-markets-2/>.

¹³⁶¹ The Deauville Partnership with Arab Countries in Transition Chairman’s Summary of the Meeting on Governance on April 24, 2012, Paris, France, US Department of State (Washington D.C.) 25 April 2012. Date of Access: 29 April 2012. <http://www.state.gov/r/pa/prs/ps/2012/04/188471.htm>.

¹³⁶² In Tunisia, German Businesses are Making a Show of Confidence, Commerce International Magazine (Paris) 5 March 2012. Date of Access: 29 April 2012. <http://www.actu-cci.com/en/Territories/Africa-Middle-East/In-Tunisia-German-businesses-are-making-a-show-of-confidence>.

¹³⁶³ Good Relations Between Italy and Algeria, Yalla Finance (London) 18 July 2011. Date of Access: 8 January 2012. <http://yallafinance.com/2011/07/18/good-relations-between-italy-and-algeria/>.

¹³⁶⁴ Good Relations Between Italy and Algeria, Yalla Finance (London) 18 July 2011. Date of Access: 8 January 2012. <http://yallafinance.com/2011/07/18/good-relations-between-italy-and-algeria/>.

¹³⁶⁵ Iraqi-Italian Economic Forum Opens in Erbil, Iraq Businessnews (Leeds) 20 September 2011. Date of Access: 8 January 2012. <http://www.iraq-businessnews.com/2011/09/20/iraqi-italian-economic-forum-opens-in-erbil/>.

¹³⁶⁶ Iraqi-Italian Economic Forum Opens in Erbil, Iraq Businessnews (Leeds) 20 September 2011. Date of Access: 8 January 2012. <http://www.iraq-businessnews.com/2011/09/20/iraqi-italian-economic-forum-opens-in-erbil/>.

announcement was made on 16 December 2011 that an Italian company will be allocated 600 acres of land in Erbil for olive production.¹³⁶⁷

On January 6, 2012, Italian Foreign Minister Giulio Terzi stated in Tunisia that Italy was “ready to collaborate in all strategic sectors such as energy, transport, tourism and development of small and midsize enterprises.”¹³⁶⁸ EUR90 million have been allocated to facilitate development, with EUR17.5 million being a donation.¹³⁶⁹

The Deauville Partnership was essential in helping Egypt, Morocco, Jordan, and Tunisia gain membership of the European Bank for Reconstruction and Development (EBRD) in 2011.¹³⁷⁰ “The EBRD has the capacity to invest, in the medium term, up to €2.5 billion a year across the southern and eastern Mediterranean region.”¹³⁷¹ This support will help with the implementation of economic and political reform in these four countries after the Arab Spring.

On 20 February 2012, Italian foreign minister Giulio Terzi affirmed the need to increase trade with Morocco.¹³⁷² The Foreign Minister invited Moroccan Foreign Minister Saad-Eddine El Othmani to visit Italy to plan bi-national agreements.

Italy spent EUR10 million on construction of eight rural roads in Morocco, the last of which was unveiled on 31 March 2012.¹³⁷³ These roads brought a significant number of people out of isolation providing them with better economic opportunities.

Italy took part in several meetings of the Partnership group over the last few months. On 11 and 12 April 2012, Italy attended a Deauville Partnership meeting under the Trade, Investment and Integration Pillar where they reaffirmed their commitment to open investment fostering growth and development in the area covered by the partnership.¹³⁷⁴

¹³⁶⁷ Ministry To Establish Olive Processing Factory in Kurdistan, AK News (Iraq) 16 January 2011. Date of Access: 8 January 2012. <http://www.aknews.com/en/aknews/2/278543/>.

¹³⁶⁸ Lebanon: Italy Still a Leader Along The Road to Peace and Development, Italian Ministry of Foreign Affairs (Rome) 4 January 2012. Date of Access: 8 January 2012. http://www.esteri.it/MAE/EN/Sala_Stampa/ArchivioNotizie/Approfondimenti/2012/01/20120104_cooperazione_Libano.htm.

¹³⁶⁹ Mediterranean: Italy’s Role – Terzi, Missions in Key Arab Spring Countries, Italian Ministry of Foreign Affairs (Rome) 9 January 2012. Date of Access: 10 January 2012. http://www.esteri.it/MAE/EN/Sala_Stampa/ArchivioNotizie/Approfondimenti/2012/01/20120109_Mediterraneo_ruolo_Italia.htm.

¹³⁷⁰ Jordan and Tunisia Become Members of the EBRD, by Anthony Williams, European Bank for Reconstruction and Development (London) 3 January 2012. Date of Access: 29 April 2012. <http://www.ebrd.com/pages/news/press/2012/120103.shtml>.

¹³⁷¹ Jordan and Tunisia Become Members of the EBRD, by Anthony Williams, European Bank for Reconstruction and Development (London) 3 January 2012. Date of Access: 29 April 2012. <http://www.ebrd.com/pages/news/press/2012/120103.shtml>.

¹³⁷² Italy, Morocco may boost trade by shows, Minister Says, Bloomberg (New York) 20 February 2012. Date of Access 29 April 2012. <http://www.bloomberg.com/news/2012-02-21/italy-morocco-may-boost-trade-by-shows-minister-says-correct-.html>.

¹³⁷³ Cooperation: New Rural Roads in Morocco, Ministry of Foreign Affairs of Italy (Rome) 19 April 2012. Date of Access: 29 April 2012. http://www.esteri.it/MAE/IT/Sala_Stampa/ArchivioNotizie/Approfondimenti/2012/04/20120419_Cooperazione_Marocco.htm.

¹³⁷⁴ Statement by the Deauville Partnership with Arab Countries in Transition on Open International Investment, G8 Information Centre (Toronto) 12 April 2012. Date of Access: 29 April 2012. <http://www.g8.utoronto.ca/foreign/formin120412-deauville.html>

On 20 April 2012, finance ministers of the Deauville Partnership countries met in Washington D.C., where they praised the efforts underway and reaffirmed the principles of the partnership, such as increased trade and investment, transparency, and accountability.¹³⁷⁵ They announced a new initiative for Egypt, Morocco, Tunisia, Jordan, and Libya to “regain access to capital markets to accelerate development and open the door to possible investment in the region.”¹³⁷⁶

On 25 April 2012, the Partnership countries met in Paris, where they agreed to participate in a conference on “Reviving Private Investment in the Deauville Partnership Countries: Investment Policies for Job Creation” in Cairo on 7 and 8 May 2012.¹³⁷⁷

On 23 April 2012, the Egyptian-Italian Friendship and Cooperation Society affirmed that they are actively pursuing trading initiatives between the two regions.¹³⁷⁸ Former Italian Ambassador to Cairo, Antonio Badini, stated: “We will spare no efforts to enhance the quality of business between Egypt and Italy.”

To this end, Italy has been awarded a score for +1 for increasing investment in the region covered by the Deauville Partnership, and for affirming the need to increase cooperation. That score holds despite the fact that no new trade initiatives have been ratified at this time, because current trade has increased and Italy has taken concrete steps for trade negotiations with the countries of the region.

Analyst: Navid-Michael Amiraslani

Japan: 0

Japan has partially complied with its commitment to undertake new trade initiatives and make investment in the countries covered by the Deauville Partnership.

On 20 September 2011, at the Deauville Foreign Affairs’ Ministers Meeting, Japan and the other G8 countries reaffirmed their commitment “to advance and complement our respective bilateral and multilateral initiatives in this regard, including removing barriers to trade and investment.”¹³⁷⁹ At the meeting it was noted that Japan would promote trade and investment with the MENA countries, particularly through the Japan-Arab Economic Forum.¹³⁸⁰

¹³⁷⁵ Deauville Partnership Finance Ministers’ Meeting Communiqué, Department of Finance Canada (Ottawa) 20 April 2012. Date of Access: 29 April 2012. <http://www.fin.gc.ca/n12/12-045-eng.asp>

¹³⁷⁶ Deauville Partnership Launches Initiative to Help Five Arab Countries, Including Morocco, to Access Capital Markets, Morocco World News (Fez) 22 April 2012. Date of Access: 29 April 2012. <http://moroccoworldnews.com/2012/04/36125/deauville-partnership-launches-initiative-to-help-5-arab-countries-including-morocco-to-access-capital-markets-2/>.

¹³⁷⁷ The Deauville Partnership with Arab Countries in Transition Chairman’s Summary of the Meeting on Governance on April 24, 2012, Paris, France, US Department of State (Washington D.C.) 25 April 2012. Date of Access: 29 April 2012. <http://www.state.gov/r/pa/prs/ps/2012/04/188471.htm>.

¹³⁷⁸ Bikyamas: Egypt and Italy sign trade deal, Egypt Business Directory (Cairo) 23 April 2012. Date of Access: 29 April 2012. Egypt Business Directory. <http://www.egypt-business.com/Web/details/1217-xg-Egypt-and-Italy-sign-trade-deal/4948>.

¹³⁷⁹ Deauville Partnership Foreign Affairs Ministers’ Meeting, French Presidency of the G8 (Paris) 20 September 2011. Date of Access: 31 January 2012. <http://www.g20-g8.com/g8-g20/g8/english/for-the-press/news-releases/deauville-partnership-foreign-affairs-ministers.1478.html>.

¹³⁸⁰ Deauville Partnership Foreign Affairs Ministers’ Meeting, French Presidency of the G8 (Paris) 20 September 2011. Date of Access: 31 January 2012. <http://www.g20-g8.com/g8-g20/g8/english/for-the-press/news-releases/deauville-partnership-foreign-affairs-ministers.1478.html>.

On 22 November 2011, the Japanese Prime Minister, Yoshihiko Noda held a meeting with the Prime Minister of the Republic of Iraq, Nouri Kamil al-Maliki, where he commended Iraq's progress in the democratization process, expressing his expectation that Iraq will develop into a stabilizing force in the Middle East.¹³⁸¹ Prime Minister Noda stated that he expected Japanese companies to join the Iraqi market and help contribute to the reconstruction of Iraq.¹³⁸² The two Prime Ministers expressed their goal of developing bilateral cooperation within the energy sector and encouraged cooperation regarding the Garraf oil field, the Naziriyah old field, and the Baghdad oil field.¹³⁸³ Finally, Prime Minister Noda asserted that Japan would provide approximately USD50 million to Iraq through a new official development assistance (ODA) loan directed at rebuilding infrastructure, improving health, and relating to telecommunications and oil refineries.¹³⁸⁴

On 3 October 2011, Japanese Minister of Foreign Affairs Koichiro Gemba, the Japanese Minister of Economy, Trade and Industry Yukio Edano, and the Deputy Premier of the State of Qatar, Abdulla Bin Hamad Al-Attiyah released a joint statement on strengthening relations between Japan and Qatar.¹³⁸⁵ Both sides confirmed the decision made at the Japan-Gulf Cooperation Council (GCC) Foreign Ministers Meeting, where they agreed to resume negotiations on a free trade agreement between Japan and the GCC countries, involving trade in goods and services.¹³⁸⁶ Both sides emphasized their intention to develop a better business environment between Japan and Qatar and the importance of the private sector in engaging in joint research.¹³⁸⁷ Qatar welcomed the involvement of Japanese companies in the Qatar Science and Technology Park.¹³⁸⁸ However, these developments do not increase trade with Egypt, Tunisia, Jordan, Morocco, and Libya and therefore, do not count towards compliance for this commitment.

¹³⁸¹ Meeting Between Prime Minister Noda and Prime Minister al-Maliki of Iraq, Prime Minister of Japan and His Cabinet (Tokyo) 22 November 2011. Date of Access: 28 December 2011.

http://www.kantei.go.jp/foreign/noda/statement/201111/22iraq2_e.html.

¹³⁸² Meeting Between Prime Minister Noda and Prime Minister al-Maliki of Iraq, Prime Minister of Japan and His Cabinet (Tokyo) 22 November 2011. Date of Access: 28 December 2011.

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¹³⁸⁵ Joint Statement by Koichiro Gemba, Yukio Edano and Abdulla Bin Hamad Al-Attiyah on Strengthening the Bilateral Economic Relations between Japan and Qatar (Tokyo) 4 October 2011. Date of Access: December 6 2012.

http://www.mofa.go.jp/region/middle_e/qatar/joint1110.html.

¹³⁸⁶ Joint Statement by Koichiro Gemba, Yukio Edano and Abdulla Bin Hamad Al-Attiyah on Strengthening the Bilateral Economic Relations between Japan and Qatar (Tokyo) 4 October 2011. Date of Access: December 6 2012.

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¹³⁸⁷ Joint Statement by Koichiro Gemba, Yukio Edano and Abdulla Bin Hamad Al-Attiyah on Strengthening the Bilateral Economic Relations between Japan and Qatar (Tokyo) 4 October 2011. Date of Access: December 6 2012. http://www.mofa.go.jp/region/middle_e/qatar/joint1110.html.

¹³⁸⁸ Joint Statement by Koichiro Gemba, Yukio Edano and Abdulla Bin Hamad Al-Attiyah on Strengthening the Bilateral Economic Relations between Japan and Qatar (Tokyo) 4 October 2011. Date of Access: December 6 2012. http://www.mofa.go.jp/region/middle_e/qatar/joint1110.html.

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On 17 February 2012, Japan International Cooperation Agency (JICA) signed its first Official Development Assistance (ODA) Loan agreement with Tunisia since the 2011 revolution.¹³⁹¹ The loan is worth JPY15 billion (USD187 million) and is given to Société Tunisie Autoroutes (STA) to assist with the Gabes-Medenine Trans-Maghrebin Corridor Construction Project, which is a road connecting Cairo and Agadir, passing through Algeria, Egypt, Libya, Morocco and Tunisia.¹³⁹² Clearly, such a project will play an important role in fostering regional trade and development.

On 22 March 2012, President of JICA, Mrs. Sadako Ogata, signed an ODA Loan agreement with Egypt, investing JPY32.7 billion (USD400 million) into the “Greater Cairo Metro Line No.4 Phase 1 Project”.¹³⁹³ This project is expected to “contribute to economic development of the country.”¹³⁹⁴

On 11 April 2012, Prime Minister Noda had a meeting with H.M. Hamad bin Isa Al-Khalifa, King of Bahrain, in Japan, where Prime Minister Noda expressed his expectation that the “Japan-Bahrain Economic and Cooperation Association would further strengthen the economic relations between the two countries.”¹³⁹⁵

Japan took part in several meetings of the Partnership group over the last few months. On 11 and 12 April 2012, Japan attended a Deauville Partnership meeting under the Trade, Investment and Integration Pillar at the Dead Sea, co-hosted by the US and Jordan, where they reaffirmed their commitment to open investment fostering growth and development in the area covered by the partnership.¹³⁹⁶

¹³⁸⁹ Jordan and Tunisia Become Members of the EBRD, by Anthony Williams, European Bank for Reconstruction and Development (London) 3 January 2012. Date of Access: 29 April 2012. <http://www.ebrd.com/pages/news/press/2012/120103.shtml>.

¹³⁹⁰ Jordan and Tunisia Become Members of the EBRD, by Anthony Williams, European Bank for Reconstruction and Development (London) 3 January 2012. Date of Access: 29 April 2012. <http://www.ebrd.com/pages/news/press/2012/120103.shtml>.

¹³⁹¹ Signing of Japanese ODA Loan with the Republic of Tunisia, Japan International Cooperation Agency (Tokyo) 17 February 2012. Date of Access: <http://www.jica.go.jp/english/news/press/2011/120217.html>.

¹³⁹² Signing of Japanese ODA Loan with the Republic of Tunisia, Japan International Cooperation Agency (Tokyo) 17 February 2012. Date of Access: <http://www.jica.go.jp/english/news/press/2011/120217.html>.

¹³⁹³ JICA President Mrs. Sadako Ogata Visits Egypt and Tunisia, Japan International Cooperation Agency (Tokyo) 30 March 2012. Date of Access: 29 April 2012. http://www.jica.go.jp/english/news/field/2011/20120330_01.html.

¹³⁹⁴ JICA President Mrs. Sadako Ogata Visits Egypt and Tunisia, Japan International Cooperation Agency (Tokyo) 30 March 2012. Date of Access: 29 April 2012. http://www.jica.go.jp/english/news/field/2011/20120330_01.html.

¹³⁹⁵ Meeting between Prime Minister Noda and H.M. Hamad bin Isa Al-Khalifa, King of the Kingdom of Bahrain, Prime Minister of Japan and His Cabinet (Tokyo) 11 April 2012. Date of Access: 27 April 2012. http://www.kantei.go.jp/foreign/noda/diplomatic/201204/11bahrain_e.html.

¹³⁹⁶ Statement by the Deauville Partnership with Arab Countries in Transition on Open International Investment, G8 Information Centre (Toronto) 12 April 2012. Date of Access: 29 April 2012. <http://www.g8.utoronto.ca/foreign/formin120412-deauville.html>

On 20 April 2012, finance ministers of the Deauville Partnership countries met in Washington D.C., where they praised the efforts underway and reaffirmed the principles of the partnership, such as increased trade and investment, transparency, and accountability.¹³⁹⁷ They announced a new initiative for Egypt, Morocco, Tunisia, Jordan, and Libya to “regain access to capital markets to accelerate development and open the door to possible investment in the region.”¹³⁹⁸

On 25 April 2012, the Partnership countries met in Paris, where they agreed to participate in a conference on “Reviving Private Investment in the Deauville Partnership Countries: Investment Policies for Job Creation” in Cairo on 7 and 8 May 2012.¹³⁹⁹

Thus, Japan is awarded a score of 0 for its efforts to increase inward investment with the Deauville Partnership countries, but failing to undertake new trade initiatives.

Analyst: Louise Willard

Russia: 0

Russia has partially complied with its commitment to increase trade and inward investment to the region covered by the Deauville Partnership.

Russian authorities support the development of trade cooperation with the Deauville Partnership states.

On 20 September 2011, Russian Deputy Foreign Minister, Sergey Ryabkov reaffirmed Russia’s intention to participate both in the political and economic components of the Deauville Partnership, based on the Cooperation Agreement with the League of Arab States as well as on the mechanisms of bilateral cooperation with interested states.¹⁴⁰⁰

On 28 December 2011, talks between Russian Foreign Minister Sergey Lavrov and Egyptian Foreign Minister Mohamed Kamel Amr were held in Moscow. The Ministers committed to continue cooperation in trade, economic and humanitarian areas. In addition, they highlighted the importance of the renewal of Russian supplies of grain to Egypt, the volume of which has been steadily increasing after lifting Russian grain export ban from 1 July 2011.¹⁴⁰¹

¹³⁹⁷ Deauville Partnership Finance Ministers’ Meeting Communiqué, Department of Finance Canada (Ottawa) 20 April 2012. Date of Access: 29 April 2012. <http://www.fin.gc.ca/n12/12-045-eng.asp>

¹³⁹⁸ Deauville Partnership Launches Initiative to Help Five Arab Countries, Including Morocco, to Access Capital Markets, Morocco World News (Fez) 22 April 2012. Date of Access: 29 April 2012. <http://moroccoworldnews.com/2012/04/36125/deauville-partnership-launches-initiative-to-help-5-arab-countries-including-morocco-to-access-capital-markets-2/>.

¹³⁹⁹ The Deauville Partnership with Arab Countries in Transition Chairman’s Summary of the Meeting on Governance on April 24, 2012, Paris, France, US Department of State (Washington D.C.) 25 April 2012. Date of Access: 29 April 2012. <http://www.state.gov/r/pa/prs/ps/2012/04/188471.htm>.

¹⁴⁰⁰ Meeting of Representatives from Deauville Partnership Member Countries, Russian Ministry of Foreign Affairs (Moscow) 21 September 2011. Date of Access: 14 February 2012. http://www.mid.ru/bdomp/brp_4.nsf/e78a48070f128a7b43256999005bcbb3/a88feafe9474a4e7c325791300262167!OpenDocument.

¹⁴⁰¹ Talks between Russian Foreign Minister Sergey Lavrov and Egyptian Foreign Minister Mohamed Kamel Amr, Russian Ministry of Foreign Affairs (Moscow) 2 December 2011. Date of Access: 14 February 2012. http://www.mid.ru/bdomp/brp_4.nsf/e78a48070f128a7b43256999005bcbb3/0eb95039746c795d442579750033c11d!OpenDocument.

On 29 November 2011, Deputy Minister of Foreign Affairs of the Russian Federation Mikhail Bogdanov began his visit to Tunisia. In a conversation with Trade and Tourism Minister and co-chairman of the Russian-Tunisian Intergovernmental Commission on Trade, Economic, Scientific and Technological Cooperation Mehi Houas, Mikhail Bogdanov reaffirmed Russia's readiness to provide assistance to post-revolutionary Tunisia to address socioeconomic problems bilaterally and in the framework of the Deauville Partnership.¹⁴⁰² Additionally, Mikhail Bogdanov reasserted Russian support to Tunisia on the bilateral level, by further enhancing bilateral co-operation, notably in the area of investment.¹⁴⁰³

On 18 April 2012, Russian Foreign Minister noted after the meeting with his Moroccan colleague Saad-Eddine El Othmani that both countries had agreed on using the potential of bilateral relations through «the tools of the Intergovernmental Committee on Trade and Scientific and Technical Cooperation of the Russian-Moroccan and Russian-Arab business councils».¹⁴⁰⁴

Russia has provided investment to the Deauville Partnership states.

On 9 February 2012, Russian Federal Service for Military-Technical Cooperation Deputy Director Vyacheslav Dzirkaln and Moroccan Ambassador to Russia Abdelkader Lesheheb signed a bilateral agreement aimed at improving military-technical cooperation between the two states.¹⁴⁰⁵

On 16 February 2012, an agreement between the Russian state-owned company Gazprom and Italian energy company Eni was signed in the presence of Russian President Dmitry Medvedev and Italian Prime Minister Silvio Berlusconi. In accordance with the document, Gazprom will acquire 50 per cent of Eni's stake in the oil consortium working in Libya at Elephant oilfield. Gazprom's investments in the project will amount to USD163 million.¹⁴⁰⁶

Russia has taken actions to increase investment to the region of the Deauville Partnership but failed to take concrete measures to support the expansion of bilateral trade with the Partnership countries. Thus, it receives a score of 0.

Analyst: Andrey Shelepov

¹⁴⁰² Deputy Foreign Minister Mikhail Bogdanov's Meetings in Tunisia, Russian Ministry of Foreign Affairs (Moscow) 2 December 2011. Date of Access: 14 February 2012.

http://www.mid.ru/bdomp/brp_4.nsf/e78a48070f128a7b43256999005bcbb3/4120f1e1e7fd6baf4425795d00399c1c!OpenDocument.

¹⁴⁰³ Interim FM Receives Russian Deputy FM, Ministry of Foreign Affairs of Tunisia (Tunis) 1 December 2011. Date of Access: 14 February 2012. http://www.atunisie-mt.org/3/62/63.html?tx_ttnews%5Btt_news%5D=3935&cHash=4e09833464af827b98226ef978b6aef2.

¹⁴⁰⁴ Speech and Answers of S.V. Lavrov, Minister of Foreign Affairs of Russia, to Questions of Mass Media during Joint Press Conference on Results of Negotiations with S. El-Othmani, Minister of Foreign Affairs and Cooperation of Kingdom of Morocco, Moscow, 18 April 2012, Russian Ministry of Foreign Affairs 18 April 2012. 28 December 2011. Date of Access: 28 April 2012.

http://www.mid.ru/brp_4.nsf/0/378C44F10B2ED240442579EC002A7B09.

¹⁴⁰⁵ Press release On Russian-Moroccan Agreement for military-technical cooperation, Federal Service for Military-Technical Cooperation of Russia 10 February 2012. Date of Access: 28 April 2012.

<http://www.fsvts.gov.ru/materialsf/A13FA61469BD9651442579CF0023DF39.html>

¹⁴⁰⁶ Gazprom acquires a stake in Libya's Elephant oil project from Eni, Gazprom 16 February 2011. Date of Access: 17 February 2012. <http://www.gazprom.com/press/news/2011/february/article109011/>.

United Kingdom: +1

The United Kingdom has fully complied with its commitment to support the integration of the Partnership Countries in the regional and global economy through increased trade and inward investment with the countries.

The UK is supporting young entrepreneurs in Jordan within the framework of the Arab Partnership, whereby six waves of entrepreneurial training will be offered to Jordanian youth aged 15 to 24 in order to alleviate youth unemployment in the country.¹⁴⁰⁷ All of the participants “will be supported with training, funding, and a mentorship network in an effort to accelerate the transformation of their business ideas into sustainable start-ups.”¹⁴⁰⁸

On 30 September 2011, the Arab-British Chamber of Commerce (ABCC) held a roundtable hosted jointly by ABCC Chairman, Sir Roger Tomkys and Secretary General and CEO, Dr. Afnan Al-Shuaiby.¹⁴⁰⁹ The purpose of the meeting was to discuss potential British investment in Tunisia and opportunities for “providing British expertise to help develop industries in Tunisia.”¹⁴¹⁰ Efforts continued in January 2012 while the Head of the Africa Department at the UK Trade and Investment (UKTI), Carolyn Akers visited Tunisia to explore further scope for British companies in Tunisia with the aim of “supporting the Tunisian economy, which has witnessed -1.85 growth in GDP for 2011”.¹⁴¹¹

On 11 October 2011, UK-Libyan trade was announced to resume at prewar levels whereby contracts signed with the previous government would be honoured if there was no corruption involved.¹⁴¹² “The Export Credits Guarantee Department (ECGD), the official export credit agency, has also resumed cover for British exports to Libya.”¹⁴¹³

On 17 October 2011, Foreign Secretary William Hague arrived in Rabat where he launched the Arab Partnership with Morocco, which will promote ties between the two states, including

¹⁴⁰⁷ Case Study: UK Supports Young Entrepreneurs in Jordan, Foreign and Commonwealth Office (London) 15 December 2011. Date of Access: 15 January 2012. <http://www.fco.gov.uk/en/global-issues/mena/uk-arab-partnership/young-entrepreneurs>.

¹⁴⁰⁸ Case Study: UK Supports Young Entrepreneurs in Jordan, Foreign and Commonwealth Office (London) 15 December 2011. Date of Access: 15 January 2012. <http://www.fco.gov.uk/en/global-issues/mena/uk-arab-partnership/young-entrepreneurs>.

¹⁴⁰⁹ Roundtable on Investing in Tunisia, Arab-British Chamber of Commerce (London) 30 September 2011. Date of Access: 31 January 2012. http://www.abcc.org.uk/abcc_photo_gallery/roundtable_on_investing_in_tunisia.cfm.

¹⁴¹⁰ Roundtable on Investing in Tunisia, Arab-British Chamber of Commerce (London) 30 September 2011. Date of Access: 31 January 2012. http://www.abcc.org.uk/abcc_photo_gallery/roundtable_on_investing_in_tunisia.cfm.

¹⁴¹¹ UKTI Seeks to Attract British Investors to Tunisia, Tunisia-Live.Net (Tunis) 21 January 2012. Date of Access: 31 January 2012. <http://www.tunisia-live.net/2012/01/21/the-ukti-works-on-attracting-british-investors-to-tunisia/>.

¹⁴¹² UK Resumes Trade with Libya, Arab-British Chamber of Commerce (London) 11 October 2011. Date of Access: 31 January 2012. http://www.abcc.org.uk/in_the_media/in_the_press.cfm?cit_id=3626&FaAreal=customWidgets.content_view_1&usecache=false&cta_tax_id=1.

¹⁴¹³ UK Resumes Trade with Libya, Arab-British Chamber of Commerce (London) 11 October 2011. Date of Access: 31 January 2012. http://www.abcc.org.uk/in_the_media/in_the_press.cfm?cit_id=3626&FaAreal=customWidgets.content_view_1&usecache=false&cta_tax_id=1.

economic relations.¹⁴¹⁴ Through the Arab Partnership, the UK leverages “funding and support through multilaterals, in particular the G8 and the EU, to provide a strengthened offer of support to the region.”¹⁴¹⁵

On 26 September 2011, the UK’s Minister for Trade and Investment, Lord Green, met with the leaders of Libya’s National Transitional Council (NTC) in Tripoli.¹⁴¹⁶ The discussions revolved around the role that the UK would play in helping to rebuild Libya’s economy and infrastructure through trade and investment. In the wake of the event, Lord Green stated that “getting the Libyan economy up and running again is a crucial factor in achieving political progress and stability.”¹⁴¹⁷ The Minister was accompanied by a high level business delegation, including senior representatives from AMEC, Arup, British Petroleum, Shell, Mott MacDonald, and Serco.¹⁴¹⁸

On 14 December 2011, at a UK Trade and Investment sponsored conference in London, Lord Green spoke on the advantages of commercial investment in Libya. The audience was comprised of representatives from leading UK-based businesses.¹⁴¹⁹ UK Trade and Investment has identified seven areas where UK business can help in the rebuilding of Libya including airports, education and skills, infrastructure, oil and gas, healthcare, financial and professional services, ICT, and civil security.¹⁴²⁰

UK’s Arab Partnership initiative, launched on 8 February 2011, has a four-year budget of GBP110 million, destined for projects under three broad categories including being economic growth, development, and employment.¹⁴²¹ GBP70 million is for economic initiatives, while GBP40 million will go towards political reform.¹⁴²² The Arab Partnership is supporting around 50 projects in 10 countries including Egypt, Jordan, Tunisia, Morocco, Algeria, Iraq, Lebanon, Oman, Libya, and Kuwait.¹⁴²³ The latest funding cycle began on 1 April 2012.¹⁴²⁴

¹⁴¹⁴ British Foreign Secretary William Hague Visits Morocco, British Embassy in Morocco (Rabat) 17 October 2011. Date of Access: 15 January 2012.

http://ukinmorocco.fco.gov.uk/en/news/Ministerial_visits/FS_Visit/FS_Visits_Morocco.

¹⁴¹⁵ Arab Partnership, UK Foreign and Commonwealth Office (London). Date of Access: January 29 2012. <http://www.fco.gov.uk/en/global-issues/mena/uk-arab-partnership/>.

¹⁴¹⁶ Minister for Trade and Investment visits Tripoli to discuss the UK’s role in rebuilding Libya, British Embassy Tunis 26 September 2011. Date of Access: 13 January 2011. ukintunisia.fco.gov.uk/en/news/?view=News&id=661124682.

¹⁴¹⁷ Minister for Trade and Investment visits Tripoli to discuss the UK’s role in rebuilding Libya, British Embassy Tunis 26 September 2011. Date of Access: 13 January 2011. ukintunisia.fco.gov.uk/en/news/?view=News&id=661124682.

¹⁴¹⁸ Minister for Trade and Investment visits Tripoli to discuss the UK’s role in rebuilding Libya, British Embassy Tunis 26 September 2011. Date of Access: 13 January 2011. ukintunisia.fco.gov.uk/en/news/?view=News&id=661124682.

¹⁴¹⁹ Lord Green - British business needs to be active and persistent in Libya, UK Trade & Investment 16 December 2011. Date of Access: 13 January 2012. www.ukti.gov.uk/uktihome/aboutukti/pressRelease/234400.html.

¹⁴²⁰ Lord Green - British business needs to be active and persistent in Libya, UK Trade & Investment 16 December 2011. Date of Access: 13 January 2012. www.ukti.gov.uk/uktihome/aboutukti/pressRelease/234400.html.

¹⁴²¹ Arab Partnership, Foreign and Commonwealth Office (London) Date of Access: 30 April 2012.

<http://www.fco.gov.uk/en/global-issues/mena/uk-arab-partnership/>.

¹⁴²² Arab Partnership, Department For International Development (London) Date of Access: 30 April 2012. <http://www.dfid.gov.uk/Work-with-us/Funding-opportunities/partnerships/Arab-Partnership/>.

¹⁴²³ Ten Things to Know About the Arab Partnership, Foreign and Commonwealth Office (London) Date of Access: 30 April 2012. <http://www.fco.gov.uk/en/global-issues/mena/uk-arab-partnership/011-ten-facts-arab-partnership/>.

UK has several projects aimed at developing the economy of the Deauville Partnership target countries. For example, in Tunisia, the UK is funding a pilot project to support social entrepreneurship: a two-year project – from 2012 to 2014 – with a budget of GBP400, 000, of which GP48000 has been spent to date.¹⁴²⁵ Another project by the UK Department for International Development targets inclusive growth and accountability in Egypt.¹⁴²⁶ It is also scheduled for the period of 2012-2014, with a budget of GBP700, 000 – of which GBP100, 000 has already been spent.¹⁴²⁷

On 11 and 12 April 2012, the UK attended a Deauville Partnership meeting under the Trade, Investment and Integration Pillar at the Dead Sea, co-hosted by the US and Jordan, where the UK and other participating countries reaffirmed their commitment to open investment fostering growth and development in the area covered by the partnership.¹⁴²⁸

On 20 April 2012, finance ministers of the Deauville Partnership countries met in Washington D.C., where they praised the efforts underway and reaffirmed the principles of the partnership, such as increased trade and investment, transparency, and accountability.¹⁴²⁹ They announced a new initiative for Egypt, Morocco, Tunisia, Jordan, and Libya to “regain access to capital markets to accelerate development and open the door to possible investment in the region.”¹⁴³⁰

On 25 April 2012, the Partnership countries met in Paris, where they agreed to participate in a conference on “Reviving Private Investment in the Deauville Partnership Countries: Investment Policies for Job Creation” in Cairo on 7-8 May 2012.¹⁴³¹

Thus, the UK has been awarded a score of +1 for its commitment to support the economic integration of the Deauville Partnership Countries through investment and increase in trade with the Partnership Countries.

Analyst: Amina Abdullayeva and Nikola Jankovic

¹⁴²⁴ Arab Partnership, Foreign and Commonwealth Office (London) Date of Access: 30 April 2012.

<http://www.fco.gov.uk/en/global-issues/mena/uk-arab-partnership/>.

¹⁴²⁵ Arab Partnership Economic Facility (APEF) - Support to the African Development Bank (AfDB) to Pilot Social Entrepreneurship in Tunisia, UK Department For International Development (London) Date of Access: 30 April 2012. <http://projects.dfid.gov.uk/project.aspx?Project=203055>.

¹⁴²⁶ Arab Partnership Economic Facility (APEF) - Support to Egyptian Integrated Development Network (ENID), UK Department For International Development (London) Date of Access: 30 April 2012. <http://projects.dfid.gov.uk/project.aspx?Project=203168>.

¹⁴²⁷ Arab Partnership Economic Facility (APEF) - Support to Egyptian Integrated Development Network (ENID), UK Department For International Development (London) Date of Access: 30 April 2012. <http://projects.dfid.gov.uk/project.aspx?Project=203168>.

¹⁴²⁸ Statement by the Deauville Partnership with Arab Countries in Transition on Open International Investment, G8 Information Centre (Toronto) 12 April 2012. Date of Access: 29 April 2012. <http://www.g8.utoronto.ca/foreign/formin120412-deauville.html>.

¹⁴²⁹ Deauville Partnership Finance Ministers’ Meeting Communiqué, Department of Finance Canada (Ottawa) 20 April 2012. Date of Access: 29 April 2012. <http://www.fin.gc.ca/n12/12-045-eng.asp>.

¹⁴³⁰ Deauville Partnership Launches Initiative to Help Five Arab Countries, Including Morocco, to Access Capital Markets, Morocco World News (Fez) 22 April 2012. Date of Access: 29 April 2012. <http://morocoworldnews.com/2012/04/36125/deauville-partnership-launches-initiative-to-help-5-arab-countries-including-morocco-to-access-capital-markets-2/>.

¹⁴³¹ The Deauville Partnership with Arab Countries in Transition Chairman’s Summary of the Meeting on Governance on April 24, 2012, Paris, France, US Department of State (Washington D.C.) 25 April 2012. Date of Access: 29 April 2012. <http://www.state.gov/r/pa/prs/ps/2012/04/188471.htm>.

United States: +1

The United States has fully complied with its commitment to support the integration of the Deauville Partnership countries in the regional and global economy through increased trade and inward investment to the region.

On 19 May 2011, United States President Barack Obama introduced a comprehensive Trade and Investment Partnership Initiative in the Middle East and North Africa.¹⁴³² This initiative called on both the US and the EU “to facilitate more trade within the region.”¹⁴³³ On 25 September 2011, in response to the initiative, the Assistant United States Trade Representative for Europe and the Middle East, Daniel Mullaney and Assistant United States Trade Representative for Services and Investment, Christine Bliss led a US delegation in talks with the Government of Tunisia.¹⁴³⁴ The discussions focused on the re-launch of the 2002 Trade and Investment Framework Agreement (TIFA) and as a result, the US and Tunisian delegations established working groups to “carry forward the work of the newly re-launched TIFA”.¹⁴³⁵

On 23 October 2011, Deputy United States Trade Representative Miriam Sapiro and Egyptian Minister of Industry and Trade Mahmoud Eisa met to discuss trade mechanisms for expanding the trade and investment relationship between their respective states.¹⁴³⁶ The discussed topics included the reduction of regulatory barriers between the two states, support for small-and-medium-sized exporters, methods to establish a welcoming environment for investment, and deepening ties between the American and Egyptian private sectors¹⁴³⁷. In a press release following the meeting, Trade Representative Sapiro, said that the goal of the US government is “to overcome obstacles to increased trade and investment and to pursue actions to improve regional economic integration.”¹⁴³⁸

On 3 November 2011, the US Agency for International Development (USAID) and HSBC Bank Egypt announced a new partnership that will offer the Egyptian Small and Medium Enterprise

¹⁴³² Obama Urges Egypt’s Ruler to Lift State of Emergency, Stresses Need for Free Polls, Al Arabiya News (Dubai) 25 October 2011. Date of Access: 2 January 2012.

<http://www.alarabiya.net/articles/2011/10/25/173567.html>

¹⁴³³ Obama Urges Egypt’s Ruler to Lift State of Emergency, Stresses Need for Free Polls, Al Arabiya News (Dubai) 25 October 2011. Date of Access: 2 January 2012.

<http://www.alarabiya.net/articles/2011/10/25/173567.html>

¹⁴³⁴ United States and Tunisia Re-Launch Bilateral Trade and Investment Talks in Support of Tunisia’s Democratic Transition, Office of the United States Trade Representative (Washington D.C.) 5 October 2011. Date of Access: 2 January 2012. <http://www.ustr.gov/about-us/press-office/press-releases/2011/october/united-states-and-tunisia-re-launch-bilateral-trade>

¹⁴³⁵ Tunisia, United States Re-launch Trade Talks, Department of State (Washington D.C.) 5 October 2011. Date of Access: 2 January 2012.

<http://iipdigital.usembassy.gov/st/english/article/2011/10/20111005163200tegridb0.576347.html>

¹⁴³⁶ United States and Egypt Advance Bilateral Trade and Investment Talks in Support of Egypt’s Democratic Transition, Office of the United States Trade Representative (Washington D.C.) 24 October 2011. Date of Access 2 January 2012. <http://www.ustr.gov/about-us/press-office/press-releases/2011/october/united-states-and-egypt-advance-bilateral-trade-an>

¹⁴³⁷ United States and Egypt Advance Bilateral Trade and Investment Talks in Support of Egypt’s Democratic Transition, Office of the United States Trade Representative (Washington D.C.) 24 October 2011. Date of Access 2 January 2012. <http://www.ustr.gov/about-us/press-office/press-releases/2011/october/united-states-and-egypt-advance-bilateral-trade-an>

¹⁴³⁸ Obama Urges Egypt’s Ruler to Lift State of Emergency, Stresses Need for Free Polls, Al Arabiya News (Dubai) 25 October 2011. Date of Access: 2 January 2012.

<http://www.alarabiya.net/articles/2011/10/25/173567.html>

(SME) sector approximately USD34 million financial assistance.¹⁴³⁹ This new partnership will be part of a nine-year program that address lack of finance for SMEs in Egypt, job creation, and the removal of obstacles to economic growth.

The Deauville Partnership was essential in helping Egypt, Morocco, Jordan, and Tunisia gain membership of the European Bank for Reconstruction and Development (EBRD) in 2011.¹⁴⁴⁰ “The EBRD has the capacity to invest, in the medium term, up to €2.5 billion a year across the southern and eastern Mediterranean region.”¹⁴⁴¹ This support will help with the implementation of economic and political reform in these four countries after the Arab Spring.

In March 2012, the US Middle East Partnership Initiative (MEPI) launched an opportunity for the Support For Private Sector Development in the MENA Region, targeting specifically Algeria, Bahrain, Egypt, Jordan, Kuwait, Lebanon, Libya, Morocco, Oman, Qatar, Saudi Arabia, Tunisia, UAE, and Yemen.¹⁴⁴² Its aim is “to support organizations promoting sustainable economic growth for entrepreneurs and small- and medium-sized enterprises; provide assistance to growing numbers of the unemployed, marginalized, and disenfranchised persons; and support those individuals and organizations advocating a more liberal and transparent economy in the Middle East and North Africa.”¹⁴⁴³

The US Embassy in Egypt announced in a press release on 12 March 2012 that the United States Agency for International Development (USAID), the Midwest Universities Consortium for International Activities (MUCIA) and MAKRO Egypt – an Egyptian wholesale store – were coming together under the auspices of a broader USAID program to increase the income of 10,000 small-scale Egyptian farmers.¹⁴⁴⁴ They will do this by “strengthening farmer capacity to produce high-value products for export to international markets and improving the distribution of better quality food to the domestic market.”

On 29 March 2012, Hillary Clinton announced that pending Congressional approval, the US was preparing to provide a USD100 million cash transfer to Tunisia that will relieve the debt owed by the Tunisian government to the World Bank, allowing it instead to focus on programs “accelerating economic growth and job creation.”¹⁴⁴⁵ Ms. Clinton added that US was also in negotiations with Tunisia vis-à-vis a sum of USD30 million “to open up access to several

¹⁴³⁹ USAID Partners with HSBC Bank Egypt to Develop Small and Medium Enterprises and Increase Employment Opportunities, Embassy of the United States in Cairo (Cairo) 3 November 2011. Date of Access: 23 January 2012. <http://egypt.usembassy.gov/pr110311a.html>.

¹⁴⁴⁰ Jordan and Tunisia Become Members of the EBRD, by Anthony Williams, European Bank for Reconstruction and Development (London) 3 January 2012. Date of Access: 29 April 2012. <http://www.ebrd.com/pages/news/press/2012/120103.shtml>.

¹⁴⁴¹ Jordan and Tunisia Become Members of the EBRD, by Anthony Williams, European Bank for Reconstruction and Development (London) 3 January 2012. Date of Access: 29 April 2012. <http://www.ebrd.com/pages/news/press/2012/120103.shtml>.

¹⁴⁴² MEPI Support for Private Sector Development, US Embassy in Tunisia (Tunis) 21 March 2012. Date of Access: 29 April 2012. <http://tunisia.usembassy.gov/mepi-support-for-private-sector-development.html>.

¹⁴⁴³ MEPI Support for Private Sector Development, US Embassy in Tunisia (Tunis) 21 March 2012. Date of Access: 29 April 2012. <http://tunisia.usembassy.gov/mepi-support-for-private-sector-development.html>.

¹⁴⁴⁴ US and MAKRO Egypt Partner to Increase Incomes for 10,000 Farmers by Improving Good Safety and Quality, US Embassy in Egypt (Cairo) 12 March 2012. Date of Access: 29 April 2012. <http://egypt.usembassy.gov/pr031212.html>.

¹⁴⁴⁵ Assistance to Tunisia, Us Department of State (Washington D.C.) 29 March 2012. Date of Access: 29 April 2012. <http://www.state.gov/secretary/rm/2012/03/187078.htm>.

hundred million dollars in new financing from international capital markets for the Tunisian government.”¹⁴⁴⁶

US took part in several meetings of the Partnership group over the last few months. On 11 and 12 April 2012, the US, together with Jordan, co-hosted a Deauville Partnership meeting under the Trade, Investment and Integration Pillar at the Dead Sea, where they reaffirmed their commitment to open investment fostering growth and development in the area covered by the partnership.¹⁴⁴⁷ In the course of this meeting, the governments of Egypt, Jordan, Morocco, Tunisia and the United States recognized their special interest in boosting mutual economic relations and agreed to build upon existing obligations and initiatives, focusing initially “on investment, trade facilitation, support for small and medium-sized enterprises (SMEs), and good regulatory practices and transparency.”¹⁴⁴⁸

On 20 April 2012, finance ministers of the Deauville Partnership countries met in Washington D.C., where they praised the efforts underway and reaffirmed the principles of the partnership, such as increased trade and investment, transparency, and accountability.¹⁴⁴⁹ They announced a new initiative for Egypt, Morocco, Tunisia, Jordan, and Libya to “regain access to capital markets to accelerate development and open the door to possible investment in the region.”¹⁴⁵⁰

On 25 April 2012, the Partnership countries met in Paris, where they agreed to participate in a conference on “Reviving Private Investment in the Deauville Partnership Countries: Investment Policies for Job Creation” in Cairo on 7 and 8 May 2012.¹⁴⁵¹

Thus, the US has been awarded a score of +1 for its commitment to support the economic integration of the Deauville Partnership countries in the region and the global economy through increased trade and investment.

Analyst: Amina Abdullayeva and Nikola Jankovic

European Union: +1

The European Union has fully complied with the commitment to support the integration of the Deauville Partnership countries into regional and global economy through increased trade and inward investment.

¹⁴⁴⁶ Assistance to Tunisia, US Department of State (Washington D.C.) 29 March 2012. Date of Access: 29 April 2012. <http://www.state.gov/secretary/rm/2012/03/187078.htm>.

¹⁴⁴⁷ Statement by the Deauville Partnership with Arab Countries in Transition on Open International Investment, G8 Information Centre (Toronto) 12 April 2012. Date of Access: 29 April 2012. <http://www.g8.utoronto.ca/foreign/formin120412-deauville.html>.

¹⁴⁴⁸ Agreed Summary: Initial Meeting on Building a New Trade and Investment Partnership, US Department of State (Washington D.C.) 12 April 2012. Date of Access: 29 April 2012. <http://www.state.gov/e/eb/rls/othr/2012/182458.htm>.

¹⁴⁴⁹ Deauville Partnership Finance Ministers’ Meeting Communiqué, Department of Finance Canada (Ottawa) 20 April 2012. Date of Access: 29 April 2012. <http://www.fin.gc.ca/n12/12-045-eng.asp>.

¹⁴⁵⁰ Deauville Partnership Launches Initiative to Help Five Arab Countries, Including Morocco, to Access Capital Markets, Morocco World News (Fez) 22 April 2012. Date of Access: 29 April 2012. <http://morocoworldnews.com/2012/04/36125/deauville-partnership-launches-initiative-to-help-5-arab-countries-including-morocco-to-access-capital-markets-2/>.

¹⁴⁵¹ The Deauville Partnership with Arab Countries in Transition Chairman’s Summary of the Meeting on Governance on April 24, 2012, Paris, France, US Department of State (Washington D.C.) 25 April 2012. Date of Access: 29 April 2012. <http://www.state.gov/r/pa/prs/ps/2012/04/188471.htm>.

The EU has taken a range of measures toward compliance with this commitment, including “the acceleration of on-going trade negotiations, the rapid revision of Pan-Euro-Mediterranean preferential rules of origin, measures to enhance investment and the offer by the EU to launch discussions on Deep and Comprehensive Free Trade Agreements, which will aim at...progressively integrating the economy of the Southern neighbours with the EU single market in areas of mutual interest.”¹⁴⁵²

The initial Deauville Partnership commitment to the region was USD20 billion from multilateral development banks, of which 25 per cent was coming from the European Investment Bank.¹⁴⁵³ That pledge later grew to USD38 billion for the period between 2011 and 2013, as the partnership was enlarged to include more international organisations and new countries.¹⁴⁵⁴

On 12 July 2011, vice-president of the EIB announced a EUR140 million loan promoting economic development and employment in Tunisia.¹⁴⁵⁵ In the first four months since the Deauville Summit, two loans totalling EUR300 million have been signed with Tunisia.¹⁴⁵⁶ “Job creation is our top priority,” said the EIB Vice-President, Philippe de Fontaine Vive.¹⁴⁵⁷ This investment is provided for the phosphates industry in Tunisia.¹⁴⁵⁸

On 27 July 2011, the European Bank for Reconstruction and Development (EBRD) Board of Directors announced that the Bank would be extending its geographic mandate to include the region covered by the Deauville Partnership in order to be able to implement economic development programs there.¹⁴⁵⁹

¹⁴⁵² Deauville Partnership Foreign Affairs Ministers’ Meeting Communiqué, French Ministry of Foreign and European Affairs (Paris) 20 September 2011. Date of Access: 17 January 2012. <http://www.diplomatie.gouv.fr/en/IMG/pdf/ONU-2.pdf>.

¹⁴⁵³ G8 Summit in Deauville: Joint Statement by EU Council President Van Rompuy and EU Commission President Barroso, European Union at the United Nations (New York) 27 May 2011. Date of Access: 17 January 2012. http://europa-eu-un.org/articles/fr/article_11102_fr.htm.

¹⁴⁵⁴ Deauville Partnership Finance Ministers’ Meeting, Department of Finance (Ottawa) 10 September 2011. Date of Access: 17 January 2012. <http://www.fin.gc.ca/n11/11-077-eng.asp>.

¹⁴⁵⁵ Deauville Partnership and Tunisia: New EUR140 Million Commitment in Support of Economic and Social Development, European Investment Bank (Luxemburg) 12 July 2011. Date of Access: 17 January 2012. <http://www.eib.org/about/press/2011/2011-108-partenariat-de-deauville-et-tunisie-un-nouvel-engagement-140-millions-deuros-en-faveur-du-developpement-economique-et-social.htm>.

¹⁴⁵⁶ Deauville Partnership and Tunisia: New EUR140 Million Commitment in Support of Economic and Social Development, European Investment Bank (Luxemburg) 12 July 2011. Date of Access: 17 January 2012. <http://www.eib.org/about/press/2011/2011-108-partenariat-de-deauville-et-tunisie-un-nouvel-engagement-140-millions-deuros-en-faveur-du-developpement-economique-et-social.htm>.

¹⁴⁵⁷ Deauville Partnership and Tunisia: New EUR140 Million Commitment in Support of Economic and Social Development, European Investment Bank (Luxemburg) 12 July 2011. Date of Access: 17 January 2012. <http://www.eib.org/about/press/2011/2011-108-partenariat-de-deauville-et-tunisie-un-nouvel-engagement-140-millions-deuros-en-faveur-du-developpement-economique-et-social.htm>.

¹⁴⁵⁸ Deauville Partnership and Tunisia: New EUR140 Million Commitment in Support of Economic and Social Development, European Investment Bank (Luxemburg) 12 July 2011. Date of Access: 17 January 2012. <http://www.eib.org/about/press/2011/2011-108-partenariat-de-deauville-et-tunisie-un-nouvel-engagement-140-millions-deuros-en-faveur-du-developpement-economique-et-social.htm>.

¹⁴⁵⁹ Deauville Partnership Finance Ministers’ Meeting, Department of Finance (Ottawa) 10 September 2011. Date of Access: 17 January 2012. <http://www.fin.gc.ca/n11/11-077-eng.asp>.

On 14 December 2011, the EU Foreign Affairs Council authorized the opening of trade negotiations with Egypt, Jordan, Morocco, and Tunisia.¹⁴⁶⁰ “This decision provides the European Commission with a mandate to start negotiations to establish deep and comprehensive free trade areas (DCFTAs).”¹⁴⁶¹ The DCFTAs will address the removal of tariffs and other regulatory issues relevant to trade, including investment protection.¹⁴⁶²

By the end of 2011, Egypt, Morocco, Jordan, and Tunisia gained membership in the European Bank for Reconstruction and Development (EBRD) in 2011.¹⁴⁶³ “The EBRD has the capacity to invest, in the medium term, up to €2.5 billion a year across the southern and eastern Mediterranean region.”¹⁴⁶⁴ This support will help with the implementation of economic and political reform in these four countries after the Arab Spring.

On 9 February 2012, European Investment Bank (EIB) allocated EUR31.5 million towards construction of a low-cost vehicle manufacturing plant in Melloussa free economic zone, 30 km from port of Tangiers.¹⁴⁶⁵

On 22 February 2012, (EIB) signed off EUR5 million toward Jordan Capital For growth Fund.¹⁴⁶⁶ Another relevant project, the EIB has under appraisal the construction of roads in Morocco to open up disadvantaged areas to more trade and economic development. The project is entitled “ADM IX” and will cost around EUR500 million, if approved.¹⁴⁶⁷

On 11 and 12 April 2012, EU attended a Deauville Partnership meeting under the Trade, Investment and Integration Pillar at the Dead Sea, co-hosted by the US and Jordan, the EU and participating countries reaffirmed their commitment to open investment fostering growth and development in the area covered by the partnership.¹⁴⁶⁸

¹⁴⁶⁰ EU agrees to start trade negotiations with Egypt, Jordan, Morocco and Tunisia, Europa (Brussels) 14 December 2011. Date of Access: 30 January 2012. <http://europa.eu/rapid/pressReleasesAction.do?reference=IP/11/1545&format=HTML&aged=0&language=EN&guiLanguage=en>.

¹⁴⁶¹ EU agrees to start trade negotiations with Egypt, Jordan, Morocco and Tunisia, Europa (Brussels) 14 December 2011. Date of Access: 30 January 2012. <http://europa.eu/rapid/pressReleasesAction.do?reference=IP/11/1545&format=HTML&aged=0&language=EN&guiLanguage=en>.

¹⁴⁶² EU agrees to start trade negotiations with Egypt, Jordan, Morocco and Tunisia, Europa (Brussels) 14 December 2011. Date of Access: 30 January 2012. <http://europa.eu/rapid/pressReleasesAction.do?reference=IP/11/1545&format=HTML&aged=0&language=EN&guiLanguage=en>.

¹⁴⁶³ Jordan and Tunisia Become Members of the EBRD, by Anthony Williams, European Bank for Reconstruction and Development (London) 3 January 2012. Date of Access: 29 April 2012. <http://www.ebrd.com/pages/news/press/2012/120103.shtml>.

¹⁴⁶⁴ Jordan and Tunisia Become Members of the EBRD, by Anthony Williams, European Bank for Reconstruction and Development (London) 3 January 2012. Date of Access: 29 April 2012. <http://www.ebrd.com/pages/news/press/2012/120103.shtml>.

¹⁴⁶⁵ Renault-Tanger Financement Intermedie, European Investment Bank (Luxembourg) 9 February 2012. Date of Access: 29 April 2012. <http://www.eib.org/projects/loans/2009/20090278.htm>.

¹⁴⁶⁶ Jordan Capital For Growth Fund, European Investment Bank (Luxembourg) 22 February 2012. Date of Access: 29 April 2012. <http://www.eib.org/projects/loans/2009/20090744.htm>.

¹⁴⁶⁷ ADM IX, European Investment Bank (Luxembourg) 25 January 2012. Date of Access: 29 April 2012. <http://www.eib.org/projects/pipeline/2011/20110388.htm>.

¹⁴⁶⁸ Statement by the Deauville Partnership with Arab Countries in Transition on Open International Investment, G8 Information Centre (Toronto) 12 April 2012. Date of Access: 29 April 2012. <http://www.g8.utoronto.ca/foreign/formin120412-deauville.html>.

On 20 April 2012, finance ministers of the Deauville Partnership countries met in Washington D.C., where they praised the efforts underway and reaffirmed the principles of the partnership, such as increased trade and investment, transparency, and accountability.¹⁴⁶⁹ They announced a new initiative for Egypt, Morocco, Tunisia, Jordan, and Libya to “regain access to capital markets to accelerate development and open the door to possible investment in the region.”¹⁴⁷⁰

On 25 April 2012, the Partnership countries met in Paris, where they agreed to participate in a conference on “Reviving Private Investment in the Deauville Partnership Countries: Investment Policies for Job Creation” in Cairo on 7 and 8 May 2012.¹⁴⁷¹

To this end, the EU has been in full compliance with its commitment to help the Partnership Countries develop economically through trade and investment measures in the region. For these efforts it is awarded a score of +1.

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¹⁴⁶⁹ Deauville Partnership Finance Ministers’ Meeting Communiqué, Department of Finance Canada (Ottawa) 20 April 2012. Date of Access: 29 April 2012. <http://www.fin.gc.ca/n12/12-045-eng.asp>.

¹⁴⁷⁰ Deauville Partnership Launches Initiative to Help Five Arab Countries, Including Morocco, to Access Capital Markets, Morocco World News (Fez) 22 April 2012. Date of Access: 29 April 2012. <http://moroccoworldnews.com/2012/04/36125/deauville-partnership-launches-initiative-to-help-5-arab-countries-including-morocco-to-access-capital-markets-2/>.

¹⁴⁷¹ The Deauville Partnership with Arab Countries in Transition Chairman’s Summary of the Meeting on Governance on April 24, 2012, Paris, France, US Department of State (Washington D.C.) 25 April 2012. Date of Access: 29 April 2012. <http://www.state.gov/r/pa/prs/ps/2012/04/188471.htm>.