



### THE MARSEILLE CENTER FOR MEDITERRANEAN INTEGRATION: AN INTERVIEW WITH WORLD BANK MAGHREB DIRECTOR MATS KARLSSON

**Can you give us a brief overview of the Marseille Center for Mediterranean Integration (CMI) - why was it established and what are the challenges that it will help overcome?**

In today's world, when you open a discussion on an issue of national development interest, you almost always come across a dimension that relates to managing integration. Development in one country, so to speak, is not easy. Put positively, joining forces together to deal with issues of inter-dependence will create a far stronger base for progress and global competitiveness. We absolutely need to create new instruments to back up national efforts by also supporting nations' ways of handling common issues and dealing with transboundary challenges ranging from environmental pollution, migration, conservation of marine resources, communication networks, and urban growth to name a few.

The Marseille Center for Mediterranean Integration tries to do exactly that, by providing a platform for communities of practice focused on development issues across the region to ask hard questions about themselves, find answers that will be actionable and in so doing, contribute to the prosperity of the region as a whole. By identifying critical knowledge gaps and developing policy guidelines, the Center will support leaders and other key stakeholders in the region to adopt evidence-based policy-making and jointly pursue common development goals.

Take, for example, youth employment. Why are so many young educated people finding it

so hard to get a job? There are many answers, on the labor demand side, on the labor market side, but also on the supply side. The quality of education and training is not adequate. But in discussing the quality of, say post-secondary schooling, it is clear that standards in today's world are set internationally. Imagine an Egyptian firm competing for contracts, needing to hire and prove to the client that they can do the job. It needs to show that its employees meet international standards, and so do the students applying for those jobs. In other words, a clear national development interest will only be achieved by working regionally, in this case, with the evolution of higher education quality. So, when MNSHD decided to decentralize a group of its staff to work on these kinds of issues in closer cooperation with our partners and countries, that was a critical move in the right direction.

The CMI has had a predecessor in Marseille, with an office that was set up several years ago. In short, the insight that development and integration are linked is not new - it has often been promoted over the past decades, but it has become more compelling over the past several years. Despite great efforts in the past and despite that fact that some useful activities took place, not least on the urban front, the link to operations, specifically MNA, never became solid enough. So at President Bob Zoellick's request, we asked ourselves some hard questions about our role, the functions we needed to perform, and our relations with our partners. That process led to a consultation process a year ago and the upshot was an attempt at something different - a multi-partner collaborative arrangement to promote

joint knowledge-sharing and learning for Mediterranean integration.

We consulted with the countries in the region as well as with many partners, and in the end, five southern partners, Egypt, Jordan, Lebanon, Morocco and Tunisia, joined French partners, the European Investment Bank (EIB), and the World Bank to form the Marseille Center for Mediterranean Integration. A simple MoU defines the collaboration, with the Bank providing the administrative platform, but the key was to get to a critical mass of engagement.

In short, we offered a platform for knowledge sharing. Instead of asking for a pot of money and becoming another layer in the cascade of funds, we asked our partners whether they could get added value from working out of a joint platform. There would be logistical savings, of course, but more importantly there could be strategic synergies. That is what we were and are aiming for.

#### **Who are the partners behind the CMI and what is the governance structure?**

Up front, several French partners and EIB decided that they would support the core financing, always the most difficult thing in establishing new institutional cooperation. Seeing the critical mass in place, President Zoellick put in \$4.5 million over three years. At the moment, we have secured enough to carry the core.

The programs, on the other hand, were not to be financed by some core fund, but would instead build on their own momentum. They are financed and governed by their own arrangements. What the Center tries to do is to offer the value added of the platform, a bit of start-up and synergy finance, but most of all, to become a place that is known to be interesting and creative – a network of joint learning.

I think that this is what caught the interest of the southern countries. Egypt, Jordan, Lebanon, Morocco and Tunisia have all agreed to join, and there is strong interest by others. All 'Mediterranean' countries, from Mauritania, to Syria, to the Balkans, and to the EU, stand to

gain. The idea was not to provide uni-directional technical assistance, but to provide a space for joint learning. It is not an aid facility, but a tool to manage forward thinking for a region, which is moving towards becoming even more inter-dependent than it is today.

We have a Strategic Council to offer such perspective. It is co-chaired by Abdelhamid Triki, State Secretary in the Tunisian Ministry for Development and International Cooperation, and Philippe de Fontaine Vive, Vice President of the EIB. Its twelve members are people with integrity and vision.<sup>1</sup>

Formally, the CMI is guided by an Annual Meeting, chaired by our Vice President, Shamshad Akhtar. In the interim, an oversight committee of representatives of the founding members meets as needed under my chairmanship, to ensure that we work along agreed lines.

#### **What are some of the concrete achievements of the CMI to date?**

We launched the CMI on October 9, 2009, so to talk about achievements would be a bit presumptuous. But we do have all the elements of the Center up and running. We have staff, budget and all the needed green lights. So now it's all about delivery. Partners have defined five areas: Urban and Spatial; Environment and Water; Transport and Logistics; Skills Employment and Labor Mobility also with a focus on youth; and the

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Knowledge Economy, Innovation and Technology.

First out in terms of events in December 2009 was the universities and governance conference, organized by the Skills Employment and Labor Mobility cluster (See accompanying Quick Note #19). It will be followed in March 2010 by an event that will review our research on Labor Mobility.

But even before that we have had other activities. In June 2009, for example, we were part of the 5<sup>th</sup> Urban Research Symposium titled "*Cities and Climate Change: Responding to an Urgent Agenda*," even as we were just beginning to formally exist. We hosted several consultations on the Urban and Spatial programs to assess the needs and to list the strategic priorities that should be explored in a region where the urbanization rate will be as high as 70 percent by 2015. We presented the WDR 2009 on Economic Geography. We listened to views as MNA prepares its own report on spatial development. The issue of sustainability inherent in the urban and spatial development sector and its link to the environment is one of the most pressing that needs to be addressed in the region. The integrated approach and the regional dimension promoted by the Center are clearly steps in the right direction.

Also, on the theme of sustainable development, is the follow-up to the Mediterranean Environmental Technical Assistance Program (METAP), which many of you are familiar with. The Secretariat of 'Sustainable Med' is located in Marseille, driving the governance and knowledge components of this large GEF-financed, MNA-administered program. Ultimately, we are talking about billions of dollars of private and public investment in water and environment management. The potential is enormous if we get the thinking right.

Another exciting theme is the one related to Knowledge Economy, Innovation and Technology. The Knowledge Economy offers Mediterranean countries the possibility of a

fundamentally new growth regime based on knowledge, which requires the development of multi-sector development strategies focused on education, innovation, information and communication technologies (ICTs), and the overall economic and business climate. The conference held in Tunis in December 2009, at the initiative of ISESCO, and with the support of the World Bank, underlined the tremendous interest voiced by the Southern countries in response to the development challenges of the next twenty years.

**Where do you see the Center for Mediterranean Integration five years from now and what would be some of the success indicators?**

We have given ourselves three years to show that we are useful. I am sure that we will succeed. The dynamics that we have touched are really encouraging.

So five years from now, I see the Center with substantive programs that concretely contribute to greater convergence in the Mediterranean region. Perhaps we will have lost a program, but then again, we may have also gained new programs as development challenges evolve.

The objective is really a focus on critical learning. Imagine reaching the new generation of decision-makers and stakeholders in the region getting to core issues, and jointly seeking responses. That is what the Organization for Economic Co-operation and Development (OECD) did for its members for example. We are much more modest but, for example, should the Union for the Mediterranean get off the ground and start moving forward, collaboration and integration will increase immeasurably. At the same time, if the Arab Maghreb Union wants to move ahead, we can respond to that as well. We are simply a collaborative framework.

For the Bank, to be clear, this is another tool, another platform, only this time, in partnership with organizations and countries around the Mediterranean. We hope that the membership of the five southern partner countries will give

a real sense of joint ownership. We hope that the participation from all sides will provide the essential dynamic that is critical for the success of this endeavor. We hope that the way in which we have offered operational programs a platform will focus on genuine added value, not the seeking of yet another pot of development funding but a true platform for joint learning and knowledge sharing focused on Mediterranean integration.

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