

THE GLOBAL DIWAN'S

Newsletter

CONNECTING
EAST AND WEST
LEADERS



Nice, France

EDITORIAL

Blue and Green Challenges

Dear Friends,

From its very beginning in March 2020, the team of active founders and the Advisory Board had in mind to hold real and live events to better connect our members and partners.

The Global Diwan had the idea to hold a yearly forum in Nice to gather East and West leaders and prominent keynote speakers in their field. Indeed, meeting physically and exchanging ideas between people from Europe, Arab countries and neighboring continents has always been at the crux of our project. The Covid-19 pandemic and the resulting lockdowns forced us to cancel our initiative twice.

Our first annual Forum, on Blue and Green Security, will finally happen on September 9 in Nice, thanks to the support of Christian Estrosi and his devoted teams from the city and Nice Metropole.

We especially thank our sponsors that make such an event a reality: Egis, Saur,

JCDecaux, Jolt Capital, Xerys Invest, Arab News to mention the most supporting ones.

We will gather our Business Club the day before, on September 8 to welcome companies from the MENA region as well as local ones for a fruitful cross-fertilisation. More details in this Newsletter, where you will also find analyses on our usual topics of interest concerning the Euro-Arab shared issues, and in particular on the subjects of food security, environmental and water safety as well as tourism and infrastructures.

I, and the Global Diwan team, look forward to seeing you in Nice to make of this long awaited forum a cornerstone... It's more than ever time to connect!

Éric Schell 

Executive Chairman of
the Global Diwan

Our Advisory Board Meets Partners in Paris 2

The Blue and Green Security Forum's Programme 3

Introducing our partner: The Indian Business Club 6

Middle East — Between the State and the Market 7
by Alexandre Kateb

Morocco's Privileged Position as a Gateway to Africa 9
by Advintell

Climate Change and Scarcity of Water 12
by María Dolores Algora Weber

The Role of Investment Law in Protecting Food Security 14
by Mohamed Sadek

The Global Diwan Advisory Board and team meet partners in Paris



On 13 July, arriving from Kuwait City, [H.H Sheikha Intisar Al Sabah](#), co-Chair of our Advisory Board was welcomed by co-Chair [Maurice Gourdault-Montagne](#), [Eric Schell](#), Executive Chairman and [Karima Anbar](#), General Manager.

The Global Diwan team, the Advisory Board and our partners convened for the final preparation of the [Blue and Green Security Forum](#) set to take place in Nice on 9 September 2022.



We shared with our partners a presentation of the Blue and Green Security Forum's programme.

Among them were Valérie Bruell-Melchior, Minister Counsellor of the Embassy of Monaco in France, Sherifa Bukhadhour, Chargé d'Affaires of the embassy of Kuwait in France, [Abdelmalek Alaoui](#), CEO of [Guepard Group](#), [Eric Arnould](#), General Partner at [Jolt Capital](#), [Gérard Askinazi](#), President & CEO of [J5 co](#),

[Pascal Drouhaud](#), Communications Director and Head of Institutional Relationships of the Metropole Nice-Côte d'Azur, [Iman Hill](#), Executive Director of [IOGP](#), [Olivier Ossipoff](#), Chairman of [Xerys](#), Jean-Jacques Santini, Vice-President of the National Committee of French Foreign Trade Advisors, [Fikri Es Sbai](#), COO of [First Abu Dhabi Bank \(FAB\)](#) and [Karim Wissa](#), Managing Director of the [CCIFE - French Chamber of Commerce and Industry in Egypt](#).

THE GLOBAL DIWAN
BLUE AND GREEN SECURITY
FORUM
NICE • FRANCE

September 8th-9th, 2022 | Nice
Centre Universitaire Méditerranéen

Official Program

A unique opportunity of meeting and exchange around the key subjects of water and food security, infrastructures, energy and tourism.

We are pleased to unveil in this Newsletter the up-to-date programme of our Annual Forum in Nice.

DAY 1 - SEPTEMBER 8th, 2022

BUSINESS CLUB

3:00 PM - 6:00 PM

The Global Diwan Startup Pitch Contest:

In coordination with the Metropole de Nice & our partners

OPENING DINNER

8:00 PM - 11:00 PM

Offered by Ragni Group

Remarks by **Jean-Christophe Ragni**, General Manager & Export Director (France)

DAY 2 - SEPTEMBER 9th, 2022

OPENING PLENARY SESSION

9:00 AM - 10:30 AM

Opening Speeches:

- **H.E. Maurice Gourdault-Montagne**, Ambassadeur de France, Chairman of the Global Diwan Advisory Board
- **Christian Estrosi**, Mayor of Nice, President of Nice Côte d'Azur Metropole, Deputy President of the Provence-Alpes-Côte d'Azur Region
- **H.S.H. Prince Albert II of Monaco**
- **H.R.H. Princess Hala Khaled Al Saud**, Board Director of the Khaled bin Sultan Living Oceans Foundation and Founder of Burhan Almarifa
- Moderator : **Eric Schell**, Executive Chairman of the Global Diwan (France)

Introductory Roundtable: Blue and Green security: a Collective Responsibility

- Chair: **Anass Derraz**, Executive Director Middle East of SAUR (France)
- Moderator: **Alain Meyssonier**, President of Mediterranean Water Institute (France)

COFFEE BREAK

10:30 AM - 11:00 AM

THE GLOBAL DIWAN
BLUE AND GREEN SECURITY
FORUM
NICE • FRANCE

September 8th-9th, 2022 | Nice
Centre Universitaire Méditerranéen

Official Program

A unique opportunity of meeting and exchange around the key subjects of water and food security, infrastructures, energy and tourism.

We are pleased to unveil in this Newsletter the up-to-date programme of our Annual Forum in Nice.

HIGH LEVEL CONVERSATION

11:00 AM - 11:30 PM

- **H.E. Fahd Al Rasheed**, CEO of the Royal Commission for Riyadh City (Saudi Arabia) (TBC)
- Moderator: Senior Journalist from Arab News (Saudi Arabia)

ROUNDTABLE

11:30 AM - 12:00 AM

The Future of Arab Cities and Territories

- Chair: **Amr Allam**, CEO of the Holding Hassan Allam (Egypt)
- Moderator: **Soundous Boualam**, Chief Impact Officer at the Brussels Global Review (Belgium)

HIGH LEVEL CONVERSATION

12:00 AM - 12:30 PM

- A senior representative from the Kingdom of Saudi Arabia (TBC) (Saudi Arabia)
- Moderator: Senior Journalist from Arab News (Saudi Arabia)

LUNCH BREAK

12:30 PM - 2:00 PM

Offered by Arab News

ROUNDTABLE

2:00 PM - 2:50 PM

New Agricultural Models and Foodtech for Food Security

- Chair: **Rita Zniber**, CEO of Diana Holdings (Morocco)
- Moderator: **Abdelmalek Alaoui**, CEO at Guepard Group (Morocco)

HIGH LEVEL CONVERSATION

2:50 PM - 3:20 PM

- **Laurent Germain**, CEO of Egis (France)
- Moderator: Regional correspondent at Arab News (Kingdom of Saudi Arabia)

ROUNDTABLE

3:20 PM - 4:10 PM

Sustainable Tourism in 2030

- Chair: A senior representative from the Kingdom of Saudi Arabia (TBC) (Saudi Arabia)
- Moderator: **Hervé Novelli**, former Minister, member of the board of directors of La Compagnie du Ponant, president of the Higher Council for Wine Tourism (France)

COFFEE BREAK

4:10 PM - 4:30 PM

THE GLOBAL DIWAN
BLUE AND GREEN SECURITY
FORUM
NICE • FRANCE

September 8th-9th, 2022 | Nice
Centre Universitaire Méditerranéen

Official Program

A unique opportunity of meeting and exchange around the key subjects of water and food security, infrastructures, energy and tourism.

We are pleased to unveil in this Newsletter the up-to-date programme of our Annual Forum in Nice.

HIGH LEVEL CONVERSATION

4:30 PM - 5:00 PM

- **Toufik Hakkar**, CEO of Sonatrach (Algeria) (TBC)
- Moderator: **Alexandre Kateb**, Founder of The Multipolarity Report

ROUNDTABLE

5:00 PM - 5:50 PM

New Energy Models and Cleantech Sector

- Chair : **Najla Al Jamali**, CEO of OQ (Oman) (TBC)
- Moderation: **Matthias Fekl**, lawyer, former Minister (France)

CLOSING ROUNDTABLE

5:50 PM - 7:00 PM

Africa and Asia Pacific, a New Room for Euro-Arab Cooperation?

- Chair: **Badr Jafaar** CEO of Crescent Entreprises, founder of the Pearl Initiative (United Arab Emirates) (TBC)
- **Hindou Oumarou Ibrahim**, President, Association for Indigenous Women and Peoples of Chad (AFPAT) (Chad)
- **Leila Belkhiria Jaber**, Peace Nobel Prize, CEO & co-founder of Stelfair Tunisia, President of the National Chamber of Women Business Leaders at UTICA, Expert in Women's Entrepreneurship (Tunisia)
- **Dr. Koichiro Matsuura**, former UNESCO Director-General (Japan)
- **Fatma Shahin**, Chairwoman of the Union of Municipalities of Turkey, Mayor of Gaziantep, former Minister (Turkey)
- **François-Aissa Touazi**, Senior Managing Director at Ardian, President of CAPmena (France)
- Moderator : **Faisal J. Abbas**, Editor in chief at Arab News, member of the editorial board of Al Arabiya News Channel (Saudi Arabia)

GALA DINNER

8:30 PM - 11:00 PM

- Closing remarks by **H.H. Sheikha Intisar Al Sabah**, Chairwoman of the Global Diwan Advisory Board
- Moderator : **Karima Anbar**, Managing Director of The Global Diwan (France)

Introducing our partner:

The Indian Business Club

THE INDIAN BUSINESS CLUB – PARIS OPENS THE DOORS TO NEW INTERACTIONS, CONNECTION AND BUSINESS OPPORTUNITIES BY GATHERING COMPANIES, ENTREPRENEURS, INSTITUTIONS AND ACADEMICS FROM FRANCE AND INDIA.

We are pleased to introduce our partner The Indian Business Club in Paris. Founded in November 2020, its purpose is to serve the French-Indian Business community.

In execution of their goals, the Indian Business Club cooperates with various national and international states, public and private organisations.

They have the ambition of becoming a forum for cooperation and discussion on the issues of economy, international exchange as well as for interchange of economic, scientific, academic and legislative information.

Their guiding objectives are:

- Stimulate communication and knowledge exchange between the local and international community;
- Provide a platform for international business exchange;
- Encourage open and robust debate on issues related to international business in France & India;
- Promote better understanding and appreciation of the full potential of international trade and investment between France and India;
- Improve business-to-business contacts between

France and India;

- Provide members with a medium for an exchange of experience and a forum for the discussion of problems of mutual interest;
- Seek, by concerted action, to identify and address the barriers and obstacles which may interfere with the development of businesses;
- Create networking opportunities for business professionals in their respective communities;
- Encourage international business management on a high ethical plane.



Contact: hello@indianbusinessclub.org

Website: www.indianbusinessclub.org

Between the State and the Market: combining top-down agendas with bottom-up initiatives in the Middle East

By Alexandre Kateb 



The Gate - main building of Dubai International Financial center 

Economic liberalisation has been underway for decades in the GCC and in the broader MENA region. However, this should not obliterate an enduring reality. States will continue to play a defining role in the economies of the region. This is not a distinctive characteristic of the Middle East. Indeed, from Norway to China, Brazil, Russia and Singapore, there are many variations of a “hybrid capitalism” that combines the State and the Market. In Singapore for example, the emergence of a form of “state capitalism”, through the role played by Sovereign wealth funds like

Temasek, has gone hand in hand with the development of a thriving private sector.

This is all the more true for the Middle East where government-owned enterprises represent between 20% and 40% of employment and value added. In Saudi Arabia for example, the state owns one third of the stock market’s capitalisation through the Public Investment Fund (PIF) and a host of other vehicles. With few exceptions, the largest publicly traded Saudi companies are all majority state-owned and/or state-controlled. This

includes the likes of Saudi Telecom, the National Commercial Bank and - last but not least -, Saudi Aramco, which was floated in 2020.

Among others, the experiences of Norway and Singapore show that the ownership of capital is less meaningful than the quality of governance. This lesson was well understood in the United Arab Emirates. Following the example of Singapore, the Emirates reorganised their portfolios of state-owned companies by transferring them to newly created sovereign

“

The banking and financial systems can also play a key role in realising this alignment between the public and private sectors. Over the last half-century, the Arab countries moved from state-dominated to much more diverse financial and banking sectors.

investment funds like Mubadala in Abu Dhabi. In order to bring an additional layer of stability, this governance model is supported by cross-ownership between different companies – much like in Japan.

In Saudi Arabia, Crown Prince Mohammed bin Salman sought to emulate this experience by rejuvenating the Public Investment Fund (PIF) which was created in 1971. Under Vision 2030, the PIF became one of the main drivers of the Kingdom's ambitious economic modernisation strategy. The implementation of this strategy was entrusted to Yasir Al-Rumayyan, a former investment banker who is a representative of a new generation of Saudi technocrats and business leaders. Overall, the rationale for the long-term

involvement of the state in the region's economies is consistent with the need to diversify them away from their dependence on the oil rent, to achieve full employment and to increase the productivity of the local labor force. However, this involves aligning incentives between top down agendas and private sector, through a modernisation of the latter. In this regard, the Hawkamah Institute (Hawkamah means governance in Arabic), was created in Dubai to fill the gap in corporate governance. As a result of this effort, family-led businesses established in the region are now increasingly separating capital ownership from management duties. The use of arbitration and mediation procedures is also spreading across the region. After promulgating a new law on commercial arbitration, as part of Vision 2030, the Saudi government inaugurated a Center of expertise dedicated to this practice, building on a rich historical heritage. Indeed, extra-judiciary forms of dispute resolution have been practiced for thousands of years by the tribal societies and merchant guilds of the Arabian Peninsula.

The banking and financial systems can also play a key role in realising this alignment between the public and private sectors. Over the last half-century, the Arab countries moved from state-dominated to much more diverse financial and banking sectors. Four out of five adults now have a bank account in the GCC. Through contracts like Ijara - Islamic leasing - Istisna - forward sales contract and Sukuks – financial obligations - Islamic finance helped develop the range and sophistication of available financial services offered in the region, while expanding the pool of investors from which governments

and companies can tap to finance their projects.

The historical reluctance of banks in the region to finance SMEs (small and medium enterprises) reflects the structure of these economies, dominated by SOEs (state-owned enterprises) and a small number of family groups. In Saudi Arabia, they accounted for 40% of total employment but less than 5% of the total outstanding banking loans in the early 2000s. In response to that, the government launched the “Kafala” credit guarantee program which now covers half of all the loans disbursed to SMEs. The new Bankruptcy Law promulgated in 2018, as part of Vision 2030, is intended to serve as a catalyst for making finance more accessible to SMEs, by speeding up resolution processes.

Capital markets are also increasingly channeling funds to SMEs. This vision is embodied in the creation of the Dubai International Financial Center (DIFC), which established itself as the leading gateway to the MENA region and beyond. As part of Vision 2030, Saudi Arabia also opened its capital markets to international investors. Alongside the Tadawul stock exchange, a second market called Nomu (growth, in Arabic) was created to support the development of start-ups and family businesses. Disruptive technologies like the Blockchain are also changing the landscape. In Manama, Dubai, Abu Dhabi and Riyadh, monetary authorities introduced regulatory sandboxes to attract world-class players in this technology. Through these initiatives, local and foreign investors can now tap into the potential of a vast region extending from Asia to Africa.



FOCUS ON

Morocco

ECONOMIC PERSPECTIVES

Between three worlds: Morocco's privileged position as a gateway to Africa

By Advintell 

The port of Tanger Med located on the Strait of Gibraltar in northern Morocco is the largest port in Africa

As recently as 2020, Morocco finally normalised its diplomatic relations with Israel, opening itself to the vast innovation capabilities of its tech companies. In the same opening momentum, the country rejoined the African Union, applied for an ECOWAS (Economic Community of West African States) membership, and pledged a participation in the Development Bank for Central African States. Willing to diversify its economy and expand its trade relations with its southern neighbours, Morocco can rely on its very advantageous position: EU's main trading partner in the region, cultural and linguistic proximity with North and Sub-Saharan Africa, and deepening financial ties with Gulf countries. If played properly, the game of setting itself as a gateway to Africa for international investments could prove very beneficial for Morocco. Does the Alawi Kingdom have what it takes to appear as a legitimate stepping stone to the South ?



FOCUS ON

Morocco

Morocco as a safe stepping stone.

Much like how Hong Kong asserted itself as a gateway to mainland China in the 1970s, Morocco can also serve as a stepping stone for companies willing to invest in Africa. However, such a role requires two key factors, instrumental in fostering a thriving and attractive business environment: a stable economy and a fruitful political apparatus.

For the past three decades, Morocco has pursued a growth model based on local

“

Over the course of 30 years, Morocco rose to prominence as the fifth wealthiest country in Africa. Its economy is diverse, indicative of a modern and liberal development.

demand fulfillment, as well as an export reliance on European Union countries. Lower wages than its trans-Mediterranean counterparts and rising productivity levels attracted legacy European manufacturers to establish production joint-ventures in the kingdom. Development of labor-intensive medium technology industries proved instrumental in anchoring Morocco's place as one the wealthiest country in North Africa. This path, so far successful, has propelled its inhabitants' standards of living with an eradication of extreme poverty, a 50% increase in HDI since 1990 and a doubling of its GDP per capita. With an export-driven growth model based on labor-intensive

“

The Alawi country has stood the test of the Arab Springs, affirming itself as one the most stable regime in the region. Anchored by three centuries of direct lineage, King Mohammed VI is still considered by most of its population as a legitimate leader.

medium productivity output, a country is able to quickly lift itself out of poverty, offering a much cheaper alternative to High-Income Countries willing to import medium-to- low-tech products.

Over the course of 30 years, Morocco rose to prominence as the fifth wealthiest country in Africa. Its economy is diverse, indicative of a modern and liberal development. With an agricultural industry only accounting for 12% of the overall GDP, the country is no longer the agrarian economy it once was. The tertiary industry now accounts for over half of the GDP, with high-value specialisations like real estate and insurance. It still is one of the most stable and sustainable economy in the region. Since 1996, inflation levels have remained in a very respectable margin of 0.5% to 2.7%, with only two spikes above 3.2% (2006 and 2008). In 2016, Morocco's inflation rate was 1.53%, whereas Algeria's reached a staggering 6.4%. In fact, for the past five years, its two closest economic peers (Algeria and

Tunisia) always suffered inflation rates three to five times greater than Morocco.

Furthermore, the Alawi country has stood the test of the Arab Springs, affirming itself as one the most stable regime in the region. Anchored by three centuries of direct lineage, King Mohammed VI is still considered by most of its population as a legitimate leader, an instrumental factor in Morocco's stability. Although incomplete, the country's shift towards a more democratic system is among the most integrated in the MENA region. In the “Arab Barometer” of 2019, Morocco was ranked fourth when it came to general freedom.

Morocco's privileged position with all parties.

Some economists argue that Morocco's location and cultural heritage make the country perfectly suited for the role of stepping stone towards Africa. Linguistic and political proximity with North and Sub-Saharan Africa, diplomatic ties with Gulf countries and Israel, and strong economic bonds with the European Union would, theoretically, play for Morocco's prominent role of Gateway to the South.

Ties with the European Union are deep and fruitful. The EU is Morocco's main trade partners, accounting for more than 64% of the Kingdom's exports and 51% of imports. But the reliance goes both ways: among the Southern Neighborhood (EU term for all countries bordering the southern side of Mediterranean Sea up to Syria), Morocco accounted for 25% of trades in 2019. Going forward, both parties expect to further deepen their ties. In February 2021, the EU adopted the “New Agenda for the Mediterranean, Renewed Partnership with the Southern Neighborhood”.

The initiative identified areas of shared interests with Morocco, like ecologic transitions, green



FOCUS ON

Morocco

investments, digital innovation as well as sustainable development. Morocco's trade and political links with Sub-Saharan Africa is ever-rising. Morocco's triumphant return among the African Union, an institution it had left in 1984, marked a new era for the kingdom: that of a diplomatic shift and geopolitical expansion towards the south.

The kingdom economic politics have recently sought to increase trade with some of its historical partners in Africa. In 2017, it announced its intention to join the ECOWAS (Economic Community of West African States). Five years later and its application seems well on its way; according to Sidie Mohamed Tunis, the institution's President of the Parliament of the Economic Community, ECOWAS members "are very positive (...)", adding that "[the Community will work for] Morocco to become a full member of ECOWAS, because we firmly believe that this is the best thing for all of us". Willing to embed itself in its southern neighbours economic future, Morocco also signed a pledge to take part in the financing of the Development Bank of the Central African States.

As a third axis of development, Morocco recently opened itself to diplomatic relations with Israel, both countries signing a normalisation agreement in 2020. Although this opening hasn't yet developed to its full potential, synergies are promising. Combining the kingdom's closeness to Africa with Israel's tech companies' willingness to expand beyond

the domestic market can make for fruitful trade prospects. Furthermore, existing links with Gulf countries, mainly the United Arab Emirates, are deeper than ever. In 2021, the UAE was Morocco's second largest investor after France.

“

With a safe and stable economic growth, a potent local consumer market and a tertiary-based GDP, Morocco can act as a stepping stone for foreign companies willing to invest and expand towards Africa.

In the last decade, its FDIs reached 15 billion dollars in strategic and innovative sectors, such as logistics, renewable energy and shipping. An MoU was even recently signed between the Federation of Morocco's Employers and UAE Federation of Chambers of Commerce and Industry, pledging for the reactivation of the Business Council between both parties. Interestingly enough, Emirati Economy Minister Abdulla Bin Touq Al Marri stated that a trilateral deal including Israel could take place in the foreseeable future. An

economic tie deepening which seems accompanied by diplomatic cooperation, as proved by the participation of the three parties in the Negev Summit of 2022 in Israel.

With a safe and stable economic growth, a potent local consumer market and a tertiary-based GDP, Morocco can act as a stepping stone for foreign companies willing to invest and expand towards Africa. Such a strategy is further supported by the kingdom's recent actions to fully embed itself in trade relations with French-speaking and Western African countries.

Furthermore, existing – and ever deepening – ties with the EU can only make the country more suited to better redirect FDIs further south. Although not having borne fruits yet, cooperations with Israel's tech sector could prove extremely promising, if supported by the already large amount of UAE FDIs. Between three worlds, at the center of interests for the European Union, North and Sub-Saharan Africa and Gulf countries with Israel, Morocco's position makes it perfectly suited for the role of Gateway to the South.

WATER SECURITY

Climate Change And Scarcity Of Water: A Human Security Vision Beyond Environmental Factors in the Mediterranean Region

By María Dolores Algora Weber 



Dried out lake Padulu Tortu on the island of Corsica 

Climate change has exacerbated existing environmental problems in the Mediterranean Basin that are caused by the combination of changes in land use, increasing pollution and declining biodiversity. The Mediterranean region warms 20% faster than the rest of the

world. It is one of the hot spots of this global crisis and some of its impact affect this region harder than other parts of the world. Among the world first 17 countries that lead the Global Climate Risk Index, 12 are in the Middle East and North Africa, but others such as Spain, Italy and Greece

have seen their risk increase rapidly in recent years.

The Mediterranean region is one of the most water scarce region and it is becoming a major concern. In just two decades, 250 million people will suffer

“

The Mediterranean region is one of the most water scarce region and it is becoming a major concern. In just two decades, 250 million people will suffer water poverty

from water poverty in the area due to droughts. Population growth, increasing needs for food production, socio-economic development and climate change represent pressures on water resources.

Policies for the sustainable development of Mediterranean countries are urgently needed to mitigate these risks and consider adaptation options, particularly for the most vulnerable southern Mediterranean societies. Some current water management strategies will not be useful in the future. It is essential to address this challenge with new approaches to face water management around 2040. In this sense, how can joint cooperation in the Mediterranean region contribute?

Not only are environmental factors fundamental, but also social and economic factors are key drivers of inequality in the adaptive capacity across the region. These factors must be taken into consideration in order to establish the possible relevant adaptation strategies.

Will citizens become more aware and come together around clean water topics? Will conflicts erupt because of water scarcity?

Will megacities and global corporations take a more prominent role in water provision? How does digitalisation impact the clean water value chain? What about regulation?

On the other hand, these factors are associated with others related to human security and food security. Human mobility has always been a prominent feature of the Mediterranean geographic area, but now, movements of refugees and migrants are also influenced by environmental changes, particularly those caused by water scarcity.

The migrant crisis has become a fact of life for governments and societies throughout the Mediterranean. So, the questions are how water conflicts can be resolved? How water can be seen as a vehicle for change between states, and future directions that can be taken in transboundary water conflict research? In the same way, it is increasingly clear that effective and sustainable solutions to the major challenges will require a greater understanding and consideration of the linkages and inter-dependencies between sectors such as water, energy and food. The

“

It is essential to address this challenge with new approaches to face water management around 2040. In this sense, how can joint cooperation in the Mediterranean region contribute?

COVID- 19 pandemic and the Russian invasion of Ukraine have prompted all these questions around the world on water supply and sanitation, and this is especially the case in the Mediterranean region.

But, as the General Secretary of United Nations Kofi Annan said, “the water problems of our world need not be only a cause of tension; they can also be a catalyst for cooperation. If we work together, a secure and sustainable water future can be ours”.

And finally, climate-resilient water management emphasises solutions linked to another aspect as equally crucial as the role of women and youth population. The former, because in many countries they have traditionally been responsible for water management, as well as the sole educators of the family, and the second one, because they will be the protagonists of the future, although the decisions made in the present will be essential for them. Both groups bring together the ability to raise awareness and training in values that contribute to a responsible use of water in the face of inevitable climate change.

FOOD AND WATER SECURITY

The role of investment law in protecting food security: A Euro-MENA perspective

By Mohamed Sadek 



Landscape with olive trees, Tunisia 

The global and regional context marked by climatic, demographic, and food challenges, calls for an in-depth legal reflection on the place of national and international investment law in the face of growing food insecurity in the world. This insecurity questions the balancing role of States in Europe and in the MENA region in terms of setting up incentive rules to encourage investment and binding rules for responsible investment. These two regions of the world are - to different degrees - concerned by the issue of food security.

In any case, the objective is to achieve a certain degree of security which the Rome Declaration describes as the situation in which “human beings have, at all times, physical and economic access to sufficient, safe and nutritious food to meet their dietary needs and food preferences for an active and healthy life”.

National legal approaches

At the national level, and by virtue of the rule of permanent sovereignty of States

over natural resources resulting from a Resolution of the General Assembly of the United Nations adopted in 1962, the principle is that the State has complete freedom to establish in its national legislation rules allowing it to welcome investments on its soil or to prohibit them. It is also free to require special approval for certain investments.

National laws are expected to provide guarantees to protect people’s land rights, livelihoods and food security against the

risks that investments may pose . This could include caps on permitted land transactions or partnership obligations with local land rights holders.

In some very rare cases, a basic political statement that rejects an investment operation deemed to threaten a country's food security could be enough to block the operation. This was the case in January 2021, when the French Minister of Economy spoke out against the proposed merger between the Canadian group Couche-Tard and Carrefour. The latter was judged by the minister as being an

“

National laws are expected to provide guarantees to protect people's land rights, livelihoods and food security against the risks that investments may pose

essential link to the food security of the French population.

In addition to this position whose nature and legal scope are not precise, the limit of any national and even regional legal approach to food security is the cross-border nature of the problems encountered by governments. Moreover, national approaches diverge according to the imperatives of each State and each region. In this respect, MENA countries are more exposed to the risks of food insecurity than European countries. United Nations agencies estimate that in this region 55 million people out of a population of 456 million are undernourished . In 2020, the MENA region represented 20% of the world's population in a situation of serious food insecurity. This situation is even more alarming when one considers that the member countries of the Gulf Cooperation Council import 90% of their food needs. Also, reports estimate that the

amount of water available per capita will decrease by half by 2050 .

Despite these observations, a nuance is required. Indeed, food security depends, from a logistical point of view, on the supply capacity of the States. At this level, there are two strategies: the first is to create sustainable conditions for local production, while the second is to ensure control of production flows, regardless of their origin and distance . Thus, it is quite possible for a state to produce only a small percentage of the food consumed locally, but to ensure its food security through an efficient procurement strategy. Like the Gulf countries, Singapore produces only 10% of its food consumption, but the country is ranked 19th in the world in food security, thanks to its resilient food strategy in the face of supply disruptions. Efforts in the MENA region should focus on building a supply strategy. Also, the legal approach to responsible investment requires some development. Legislation in the MENA region remains specific to each state in the absence of any regional harmonisation. So far, there has been no joint reflection either in the Maghreb or in the Gulf countries with a view to establishing a common legal policy on responsible foreign investment.

Food security should be a matter for all states. In this respect, local approaches seem insufficient as long as international investment law does not play a role in harmonising the rules for a responsible investment and in guaranteeing global food security.

The international legal approach

In addition to international legislation on the responsibility of multinationals in certain investments, texts on the specific area of food security from the Committee on World Food Security (CFS) exist and are recognised by the European Union.

For instance, the United Nations has called on States to ensure responsible national governance of land tenure. To this end, the Food and Agriculture Organisation of the United Nations (FAO) has published "Voluntary Guidelines" on land tenure governance. These guidelines emphasise the critical importance of land "for the

realisation of human rights, food security, poverty eradication, sustainable livelihoods, social stability, housing security, rural development as well as economic and social growth. These guidelines recommend a strong inclusion of local populations, notably through their prior consultation.

Principles for responsible investment in agriculture that respect rights, livelihoods and resources exist at the level of the international institutions such as World Bank, UNCTAD, IFAD, and FAO. In addition, the G8 has established a Land Transparency Initiative which aims to bring greater transparency to land transactions. Although they play a governing role, there is no hierarchy between these different vehicles and the texts they may produce. The investor who intends to

“

So far, there has been no joint reflection either in the Maghreb or in the Gulf countries with a view to establishing a common legal policy on responsible foreign investment.

implement a responsible project has no indicator of compliance with international commitments. The question of the legitimacy of these texts arises then.

In fact, every year in Europe, land with a surface area of more than 800 km² is swallowed up by urban expansion and transport infrastructures . Playing a strategic role in Europe's food security, agricultural land is under pressure from non-agricultural uses and from a growing demand for food. In addition to this, some investments tend to appropriate European agricultural land in a more or less transparent way.

All these factors constitute an undeniable

“

there are two strategies: the first is to create sustainable conditions for local production, while the second is to ensure control of production flows, regardless of their origin and distance

threat to food security in Europe. For instance, reports show that since 2004, foreign investors have acquired the right to farm or control approximately 68,000 hectares in Bulgaria, 8,000 hectares in Lithuania and 84,000 hectares in Romania. These acquisitions represent respectively a share of total arable land of 1.3 percent in Bulgaria, 2.3 percent in Lithuania and 0.4 percent in Romania. The situation is not much different in other Central and Eastern European countries.

In order to curb this type of acquisition, legal control mechanisms exist at the European level to protect populations from food insecurity while encouraging investment. The most recent of these mechanisms is Regulation (EU) 2019/452

of the European Parliament and the Council of the European Union establishing a framework for screening foreign direct investment in the Union, which entered into force on October 11, 2020. The latter states in Article 4 that “in determining whether a foreign direct investment is likely to affect security or public order, Member States and the Commission may take into account its potential effects on, inter alia, the supply of essential inputs, including energy or raw materials, and food security.”

Another phenomenon threatening food security in Europe is the degree of concentration of agricultural land in the hands of a few agricultural and non-agricultural companies and the risks this entails. Therefore, the Parliament calls on

the European Commission “to develop and present a list of clear and comprehensible criteria” that would “allow Member States to clearly determine which soil market regulation measures are permitted” under EU law.

The profusion of economic, political and financial initiatives in the field of responsible investment and food security does not allow today to reach a common legal framework of responsibility either at the national nor at the international level. In any case, these are soft law instruments with no power of constraint either for the States that adopt them nor for the investors who refer to them.

CALL FOR papers

For more details
contact@theglobaldiwan.org

Besides being a business club, intellectual work and curiosity – the gate to understanding other cultures – hold a distinct place in our Diwan. We welcome people from different horizons and nothing interests us more than to have contributors sharing their insightful and challenging views in our columns.

Please do not hesitate to get in contact with us if you wish to share your work with our audience.



THE GLOBAL
DIWAN

CONNECTING EAST-WEST
LEADERS

Editor-in-chief

Vincent Tabourdeau 

Publication Director

Éric Schell 

contact@theglobaldiwan.org

www.theglobaldiwan.org