



## **DECLARATION OF THE 9th SUMMIT OF THE SOUTHERN COUNTRIES OF THE EUROPEAN UNION**

**Alicante, 9.12.2022**

We, the Heads of State and Government of Croatia, Cyprus, France, Greece, Malta, Portugal, Slovenia and Spain, and the Deputy Prime Minister of Italy met on 9 December in Alicante, for the 9<sup>th</sup> Summit of the Southern countries of the EU (MED-9).

We met in a context marked by the Russian war of aggression against Ukraine, at a time when we have yet to overcome the impact of the Covid-19 pandemic. In response to these crises, the EU has shown that it is up to the task of addressing them with effectiveness, unity and solidarity. We reiterate our determination to continue to provide strong support for Ukraine's overall economic, military, social and financial resilience, including humanitarian aid. Fostering European integration and strengthening European sovereignty is more crucial than ever. We, the Southern countries of the EU, aim at promoting European responses to the major challenges ahead of us.

### **Economic and social consequences of the war in Europe**

The pandemic and the war of aggression against Ukraine have dramatically shown the risks of asymmetric dependencies in strategic sectors. We have discussed the economic and social impact of vulnerabilities in our economies, recognizing the need to address the direct impact on our citizens' lives of rising prices, especially for energy, and disruptions in supply chains.

At a time of great economic uncertainty, the implementation of the Recovery and Resilience Plans is critical to boost investments, create jobs, and accelerate the green and digital transitions. The investments financed under the Next Generation EU should be carried out in an effective way, fully aligned with sustained long term growth.

We have agreed to promote an ambitious, future-oriented European industrial policy, which aims at reinforcing European strategic autonomy and competitiveness while preserving an open economy. This is paramount to reduce our dependencies in strategic areas, to tackle vulnerabilities of critical supply chains, especially regarding critical raw materials, primary goods and technologies, and to secure a level playing field in global markets, including through an ambitious and robust trade policy and improving our state aid framework. We will work towards a European approach to challenges such as the United States Inflation Reduction Act. We will explore possibilities to respond to and prevent downside effects of protectionist measures by third countries and will ensure that WTO rules are respected by all.

We discussed the effects of this war on our energy systems and its impact on European citizens and businesses. In this context, it is essential to continue to work together and ensure EU coordination to mitigate the effects of the rise in energy prices, and to build on European energy sovereignty by achieving independence from Russian fossil fuels.

In this context, we defend measures to mitigate the economic and social cost of the cut of supply of Russian gas. We agreed on the importance of achieving greater European solidarity on electricity and gas, including through common purchasing, storage and

strengthening energy interconnections, in order to optimize the diversification of suppliers and energy sources, thus allowing a better response to supply disruptions as well as to the energy transition. In this regard, we welcome the recent Commission Communication on “Energy Emergency, preparing, purchasing and protecting the EU together”.

Support to households, SMEs and key sectors must be granted in order to protect them from the inflationary crisis resulting from the war. In this regard, we highlight the importance of maintaining a level playing field and the integrity of the Single Market. Therefore, we consider that national measures should be complemented by EU level mechanisms, also taking into account the need to preserve Europe’s global competitiveness.

We support measures aiming at reducing energy demand, considering national specificities, industry needs and consumers in situations of energy poverty, which will facilitate a reduction of energy prices. We also consider it is essential to adopt measures that will ensure liquidity and limit price volatility, and to accelerate an in-depth, future-proof reform of the current design of the electricity market and its decoupling from that of natural gas, to minimise the impact of gas prices on electricity prices as a matter of urgency. Recalling the October 2022 European Council conclusions, we call for swiftly putting in place a market-based gas price cap in a temporary and effective manner, that guarantees prevention of excessive energy prices and also industrial competitiveness and security of supply.

In addition, by swiftly implementing joint purchases of gas, we will leverage our buying power to bring prices down. These goals must be achieved swiftly, preserving the level playing field.

We will accelerate the decarbonisation of our economies by continuing to promote the development of renewable energy, with the aim of achieving a climate-neutral EU by 2050.

We restated our joint commitment to fight global food insecurity, by promoting means of increasing the supply of food and fertilizers to third countries, including in the EU Southern Neighbourhood.

Rising inflation is also a major factor of uncertainty for our public finances. While we will keep our efforts to cushion and mitigate its short-term impact through targeted and effective measures, this deserves our full attention and underlines the need to continue making progress on this key discussion for the medium term.

In this context, we are confident that the European Central Bank’s monetary policy stance will take the need for sustained growth into account.

### **Economic Governance**

The success of the European response to the pandemic highlights the great benefits derived from fiscal coordination between Member States and the added value of the EU's instruments to face common challenges. This united and joint approach must be maintained in dealing with the challenges arising from the war of aggression against Ukraine.

At a time of greater uncertainty, reaching a consensus on the design of a renewed economic governance framework suitable for current and future challenges is of utmost importance to provide confidence in the resilience of the Euro area. In this sense, we

welcome as an interesting basis for discussion the recent Commission's Communication about "Building an economic governance framework fit for the challenges ahead".

We must make concrete progress, in line with the key principles put forward by the Commission for a reformed and effective EU economic governance framework, namely differentiation and Member State ownership. The EU fiscal rules should be aimed at preserving sound public finances, strengthening sustainable growth and promoting greater public and private investment in the coming years, including through European instruments, particularly in the green and digital transitions and other sectors key to European sovereignty, as well as guaranteeing adequate, realistic, gradual and sustainable debt reduction strategies for each Member State.

Bearing in mind the diverse economic situation in Member States, the new fiscal rules should be simpler, investment-friendly and based on national ownership, in order to reinforce fiscal sustainability in a more efficient and effective way, within the remits of a common shared and solid European framework.

The new economic governance framework should take into account the lessons learned from our joint response to the COVID-19 crisis, in particular the creation of SURE and the Next Generation EU instrument, including its governance model. We will endeavour to find a consensus on substance on the governance review.

We consider that the EU could benefit from setting up a permanent macroeconomic stabilization instrument to appropriately respond to crises, drawing inspiration from the positive experience of SURE, which was very successful in helping Member States to absorb the economic shock caused by the COVID pandemic.

Our prosperity, stability and resilience also depends on our capacity to promote competitiveness, productivity and anticipate future challenges. It is urgent to unlock the productive and investment potential of the Union. A common instrument, focused on investment and on convergence, building on the experience of the Recovery and Resilience Facility, could help us address our common goals to achieve the green and digital transition.

### **Environment in the Mediterranean**

The severe drought and wildfires during the summer of 2022 have highlighted the extreme vulnerability of the Southern EU region to the impacts of climate change. In dealing with natural disasters caused by the climate change, European solidarity, through the "rescEU" mechanism, has been of the utmost importance. Building on the "Athens Declaration on climate change and the environment in the Mediterranean" (2021), since challenges related to natural disasters are often transboundary, we agree to continue working together in a coordinated manner to protect our ecosystems, combat desertification, strengthen the implementation of adaptation actions and reinforce our civil protection systems, also through initiatives related to the exchange of experts, lessons learned, best practices, resources and expertise. Five key lines are of the utmost importance:

Firstly, the protection and conservation of marine environment. We support all appropriate measures to prevent, reduce, combat and eliminate pollution, particularly plastic marine pollution, in the Mediterranean Sea, including through source-to-sea approach. We acknowledge the essential role of the Marine Strategy Framework Directive (MSFD) and of the Maritime Spatial Planning Directive (MSP) in preserving, restoring, and sustainably and equitably managing the Mediterranean, as well as the role

of the Integrated Maritime Policy as a key element for coordination of European policies for the development of a sustainable and biodiversity-friendly Blue Economy. We will also promote common goals at the regional level, under the framework of the Barcelona Convention for the Protection of the Marine Environment and the Coastal Region of the Mediterranean.

Secondly, sustainable management of water resources. We will continue to work towards improved Integrated Water Resources Management, that integrates conventional water resources with non-conventional ones (desalination and reuse), water use efficiency and circular approaches in water management, the promotion of nature-based solutions and restoration of aquatic ecosystems: rivers, lakes, and wetlands.

Thirdly, the protection and conservation of forests. We will pay particular attention to the resilience of forest ecosystems thanks to closer-to-nature forestry and to the management of non-timber forest products and ecosystem services to curb abandonment of forest lands and the increasing risk of rural fires. To this end, we will continue promoting solutions at the European level.

Fourthly, the protection of biodiversity. We will jointly work towards the adoption of an ambitious global framework in the second part of the COP 15 on Biodiversity, which takes into consideration the role of the Mediterranean managed biodiversity ecosystems. We underline as well the importance of implementing the commitments and actions of the EU Biodiversity Strategy for 2030 to put biodiversity on the path to recovery by 2030.

Fifthly, the accelerated development and implementation of adaptation actions and plans that take into account the specific vulnerabilities of the region, including specifically droughts, wildfires, and heat waves.

We also recognize social, economic and environmental sustainability as a key objective of a green and digital fair transition. We believe that the Circular Economy and the Fit for 55 package are paramount instruments in the fight against climate change and desertification, as well as in the process of achieving an open strategic autonomy.

We reiterate our full commitment to the Paris Agreement and the Glasgow Pact as demonstrated by the EU at the 2022 United Nations Climate Change Conference (COP27) in Sharm El Sheikh. We will continue to explore options in order to increase solidarity towards developing countries that are particularly vulnerable to the adverse effects of climate change. Even though we made substantial progress at COP and G20 on the Just Energy Transition partnerships with South Africa and Indonesia, we regret the lack of further commitment from major emitters to increase their ambition, phase out from coal, and accelerate emission reductions to reach a 1.5°C compatible pathway. We call for a global emissions peak by 2025 and a global commitment to phase down fossil fuels at COP28 which will be held in Dubai in 2023.

### **Southern Neighbourhood**

The Southern countries of the EU assume a special responsibility in fostering the EU Southern Neighbourhood and increasing its visibility and assertiveness. We express our commitment to further developing its architecture as well as to promoting the fulfilment of the New Agenda for the Mediterranean and its adaptation to the new geopolitical circumstances, as a precious tool to reach higher standards and seek tangible results across the board in both shores. This new Agenda must have the necessary means and resources for its effective implementation through the Economic and Investment Plan for the Southern neighbours, particularly when it comes to the Neighbourhood,

Development and International Cooperation Instrument (NDICI). In order to achieve an inclusive and equal partnership, we need to focus on areas where both the EU and our Southern Neighbours have clear common needs and interests, in line with the respective Partnership Priorities.

We will be paying special attention to solving the current food and energy crises applying common solutions for the benefit of our citizens, in line with the results of the Southern Neighbourhood Ministerial meeting held back to back with the VII UfM Regional Forum of Ministers of Foreign Affairs in Barcelona on 24 November.

We also need to continue to invest on Africa. Our destinies are linked. We will contribute to the strengthening of our partnerships, by suggesting further initiatives in line with the actions agreed during the EU-AU Summit.

With regard to migration, it is important to continue to take into account the vision of the Mediterranean countries within the New Pact on Migration and Asylum. This approach should be primarily based on two balanced elements. In the internal dimension, a fair balance, in line with the EU treaties, should be achieved between solidarity and fair sharing of responsibility as guiding principle of the EU policies, building swiftly on the important progress reached during the French and Czech Presidencies. In the external dimension, following the path of the last three Mediterranean presidencies of the Council, efforts should aim at reinforcing the dialogue on migratory issues with our partners and strengthening a preventive and operational cooperation through comprehensive, tailored-made and mutually beneficial partnerships, ensuring ownership by all parties, making coordinated use of all available EU and Member States' instruments and policies, including the securing of adequate funding and enhancing our partners' capacity to combat human trafficking and irregular migration. We underline the need to develop sustainable legal pathways for migration. We welcome the presentation by the Commission of the Action Plan for the Central Mediterranean and the Action Plan for the Western Balkans, and call for their swift implementation.

### **Peace, Security and Stability in the Mediterranean**

We call on our partners in the Maghreb to resume the path to greater regional cooperation and integration. This would allow them to face together the multi-faceted social, economic and environmental challenges, as well as to seize opportunities, including those offered by the European Neighbourhood Policy. In this regard, we encourage our partners to reduce ongoing tensions, and to continue to work jointly with us to create the conditions for shared stability and prosperity for all the peoples in our region.

We acknowledge and value the unique and essential role played by the Union for the Mediterranean (UfM) in achieving the goals of our Mediterranean agenda. We recognize its capacity to generate political consensus on our cooperation priorities and to develop proposals for concrete sectoral action. We also deem that the role of the UfM as an instrument to promote peace, security and stability in the region should be enhanced. Through the UfM, we should also attempt to further strengthen economic cooperation, investment and sustainable growth, thus paving the way towards long-term stability.

Recalling the June 2022 and previous European Council conclusions, we underline the EU's strategic interest in a stable and secure environment in the Eastern Mediterranean, and, in this respect, reiterate our deep concern about repeated unilateral actions and provocative statements by Turkey. Solutions to outstanding issues should be addressed by peaceful means and in full respect of international law, including the United Nations

Convention on the Law of the Sea (UNCLOS). The sovereignty and territorial integrity of all EU Member States should be preserved and their sovereign rights be respected. De-escalation of tensions, respect of international law and promotion of good-neighbourly relations in a sustainable way, putting an end to unacceptable recent hostile remarks, are essential for regional stability and cooperation, including in the field of energy. In this regard, we note that the East Mediterranean Gas Forum (EMGF) serves as a platform of positive regional cooperation.

We reiterate our strong commitment to a viable comprehensive settlement of the Cyprus issue on the basis of a bicomunal, bizonal federation with political equality, as set out in the relevant UNSC Resolutions, which are binding on all, and in line with the EU acquis, values and principles. Therefore, proposals for a two-state solution are unacceptable. Efforts to resume negotiations should not be undermined by illegal and provocative behaviour in the maritime zones and on the territory of Cyprus. We strongly condemn Turkish illegal actions in the fenced-off area of Varosha, which run contrary to Resolutions 550(1984) and 789(1992), and call for their reversal in line with the UNSC Presidential Statement of 23 July 2021 and the Declaration of the High Representative on behalf of the European Union of 27 July 2021.

The broader Mediterranean region can benefit from a new dynamic of political dialogue and enhanced cooperation. The agreement on marine delimitation lines between Israel and Lebanon, constitutes a prime example of peacefully resolving differences via dialogue and it is expected to contribute to the creation of conditions of stability and security in the Eastern Mediterranean region. Cooperation on this scale remind us it is necessary to call for the swift reactivation of a political horizon for the Middle East Peace Process and the implementation of the two-state solution.

Bearing in mind the deep and multi-faceted crisis that Lebanon is facing, we call for the presidential election to take place in a timely manner.

We reaffirm our common commitment to the unity, stability, sovereignty and prosperity of Libya, and we fully support the United Nations in its efforts to facilitate a Libyan-led political solution.

### **Future of Europe**

We commend the process that led to specific proposals and recommendations following the Conference on the Future of Europe. We are committed to work in the Council and with other EU institutions to respond constructively to the proposals. We stress the importance of the continuation of dialogue with European citizens, who should remain at the centre of the European project.

We recognize the strategic impact of strengthening the Schengen Area for the safeguard of free movement, which is one of the main achievements of the EU, and for EU's overall resilience. We welcome Croatia's entry into the Schengen Area.

Enlargement of the European Union must be part of our common future, not only in order to complete the process of European integration but also to strengthen its security and its geopolitical weight. Ukraine, which is paying a heavy price for its defence of democratic values and its European aspirations, deserves, as well as Moldova and Georgia, all our assistance on this path. We continue to fully support the EU accession of our Western Balkan partners when they fulfil all the relevant criteria. We welcome recent steps taken in that direction and encourage necessary reforms in the region to

allow for further progress based on individual merits. We look forward to a decision regarding the candidate status of Bosnia and Herzegovina.

### **MED-9 as a consultation group**

From the first meeting of its leaders in September 2016, in Athens, the Group of the Southern countries of the EU has expanded to the current number of nine members, consolidating its role as a forum for informal dialogue promoting European integration. The Southern EU countries aim at consolidating the group as a driving force of common constructive ideas within the Union. Regular Summits of the Southern countries of the EU prior to the October European Council as well as ministerial meetings in other formats, such as Ministers of Foreign Affairs, Energy, Environment, Digital or Civil Protection, will contribute to that aim.

The next Summit of the Southern countries of the EU will take place in Malta.