CIDOB Policy Brief

MEDITERRANEAN TRENDS AND URBAN CHALLENGES

Input paper prepared by CIDOB (The Barcelona Centre for International Affairs) in view of the MEDCITIES Annual Conference

MedCities is a network of Mediterranean cities created in Barcelona in November 1991 at the initiative of the Mediterranean Environmental Technical Assistance Programme (METAP). Its main goals are to promote sustainable development, to reinforce the role of local administrations in the adoption and implementation of sustainable local development policies, to develop citizens' awareness and involvement in the sustainable development of their towns and cities and to get under way and develop policies for direct cooperation and partnership between partners and with other associations. This input paper outlines 10 major trends in the Mediterranean that will have a strong impact in urban contexts and for local governments. Although local governments may not be able to reverse these trends, they shall have the means to mitigate adverse impacts or profit from new opportunities. Thus, each of the trends outlined in this paper translates into specific challenges that cities from both rims of the Mediterranean are likely to face in the coming decade and that could provide a fertile ground for joint action and cooperation programs among them and with regional and international organisations.

1. A crowded and increasingly urban region:

Trends: In 25 years (from 2000 to 2025) the Mediterranean population will increase by almost 100 million, according to the United Nations Environmental Programme. More than 90% of this population growth will come from Middle Eastern and North African countries. These demographic trends will intensify socio-economic challenges in Europe (aging population) and the Southern and Eastern Mediterranean countries (job creation, water scarcity). The Mediterranean will not only be a more crowded region, but also a more urban one. This trend will be more acute in Southern and Eastern Mediterranean countries as their urban population is growing by four million

people every year. As a result, in 2025 the urbanisation rate will be of 74.4%, surpassing the ratio of most European countries. In that context, major cities have emerged as a new strategic place: not only have the cities acquired the capacity to become the main site for capital transactions, but they have become the place for new types of political operations and for a whole range of "new" cultural operations.

Urban population in the Mediterranean countries

Source: GRID-Arendal; State of the Mediterranean Marine and Coastal Environment, 2013

Challenges: Mediterranean cities will have to adapt to different demographic realities. For some cities the priority will be providing adequate services and dignified living standards to an aging population. For others, the priority will be the accommodation of this population growth, urban traffic and mobility, housing needs and the re-scaling of different public services (from waste management and public transport to cultural infrastructures). For those cities that are expecting a significant population increase, there will be an acute need for forward-looking urban planning.
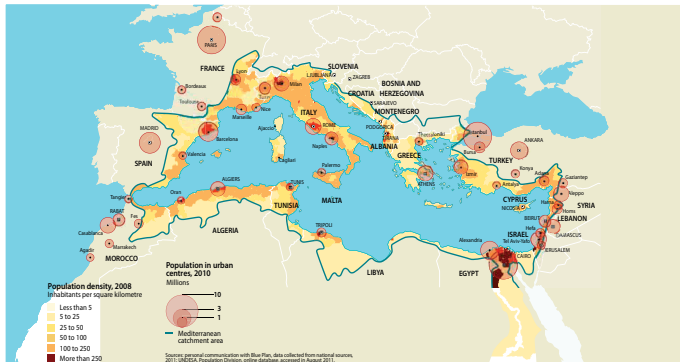
Population density and urban centres in the Mediterranean basin

Source: GRID-Arendal; State of the Mediterranean Marine and Coastal Environment, 2013

2. An increase in the labour force:

Trend: The Mediterranean region has one of the highest unemployment rates in the world. After a meeting in Luxembourg last July, the European Union and Maghreb ministers of Employment stated that job creation -together with young employment- was considered to be the top priority on their agendas. According to the International Labour Organization, some Mediterranean European countries such as Spain or Greece present figures of unemployment close to 25% and youth unemployment is particularly high in their Mediterranean regions. In the Southern and Eastern Mediterranean countries unemployment rates are not as high but only the 49% of the labour force is active. Reducing unemployment rates, paying attention to particularly vulnerable groups such as women and youth and outputting sub-employment will remain key priorities for the years to come. Particularly, because demographic trends will increase the number of people trying to enter the job market.

MENA Unemployment and Youth Unemplyment Rate
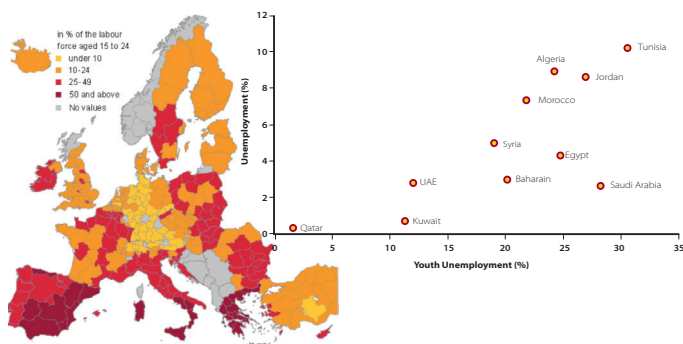
Source: ILO

Challenge: Local governments are not the main responsible stakeholder for the design and implementation of labour policies, but each of the policies and projects they carry out can have a positive impact in terms of job-creation. Thus, their action in this field needs to contemplate, on the one hand, a joint effort with other levels of government to attract new investments, promote entrepreneurship in the la-

bour market and adapt the education systems to the needs of a rapidly changing job market and, on the other, develop social protection mechanisms for those that are left behind. By doing that, local governments would actively contribute to tackling existing problems such as long-lasting and youth unemployment, lack of mobility of labour or the running of informal economy. With the purpose of increasing the employability of youth and women, the Union for the Mediterranean has created Med4Jobs, a project intended to help close the gap between labour demand and supply and to foster a culture of entrepreneurship and private sector development.

3. A fragile environment:

Trends: The whole Mediterranean region is particularly vulnerable to climate change, mainly because of a significant reduction of rainfall and expected temperature increases of over 2°C by 2050. That will result in high-water level problems (likely to increase 3,2 mm / year, twice as fast as the average of the 20th Century) which can be particularly damaging in Delta areas (see in the following table the potential impact of sea level rise in the Nile Delta), desertification, water scarcity, food production and natural disasters. The ability of the region to become energy-efficient, to provide food security and to protect the soil will determine the resilience capacity of Mediterranean territories, according to the Intergovernmental Panel on Climate Change.

Potential impact of sea level rise: Nile Delta
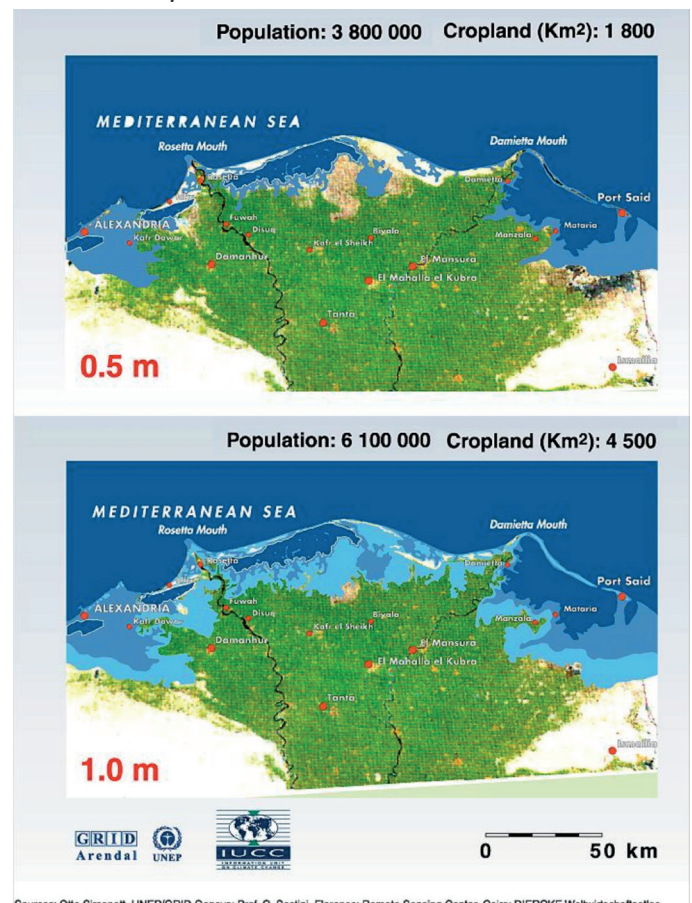
Source: GRID-Arendal; Vital Climate Grapghics, 2001

Challenges: Climate change is not only an urban concern but local governments can take initiatives to reduce greenhouse gas emissions. They could focus their actions in four areas: mobility, energy efficiency, renewable energies and recycling. This would not only contribute to reducing the intensity of global warming but would also create new jobs, attract investment and improve health conditions. Another challenge would be to implement measures to increase resilience to global warming and extreme weather phenomena in urban contexts.

## 4. Migration and refugee flows at the crossroads:

Trends: According to the data of UN Refugee Agency from last October, 550,000 migrants and refugees have crossed the Mediterranean in 2015, a figure that already doubles the numbers of 2014. Yet, most of the refugees and internally displaced people are hosted in neighbouring countries. In the case of Syria, out of the four million refugees, 90% are living in Turkey, Lebanon and Jordan and almost eight million people are internally displaced with almost no humanitarian assistance. According to the UN Refugee Agency, the world is facing the major refugee crisis since World War II due to an intensification of conflict and violence in countries such as Syria, Iraq, Eritrea, Northern Nigeria, South Sudan or Afghanistan. Mediterranean countries are likely to remain the destination or transit countries for these flows as long as those conflicts remain active. A significant part of today's refugees will be unable to return to their home country in the short term. Thus, long-term policies, which go beyond the humanitarian dimension, will be needed.

Syrian IDPs and refugees in the neighbouring countries (as of 14.09.15)
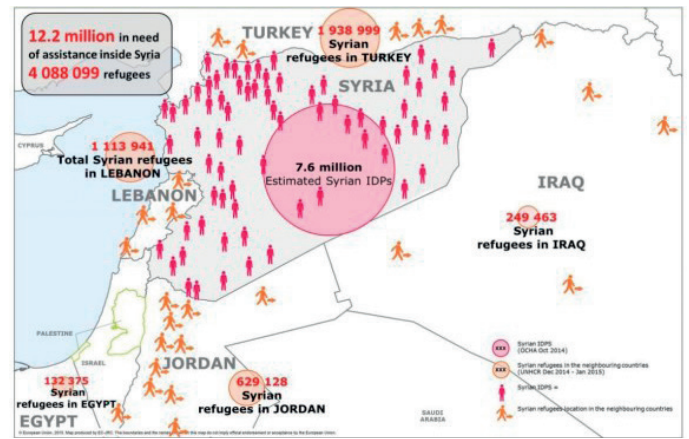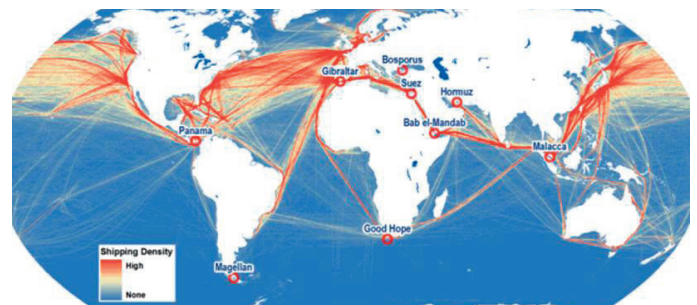

Source: European Commission, Syria crisis factsheet, 2015

Challenges: Although the situation is different in each country, most migrants and refugees have travelled through and to urban contexts. Municipal services are often responsible for providing basic services to this new population, often without additional resources from the central government or international organisations. Local governments can work together with four different aims: (a) putting additional pressure on central governments and international organisations to obtain these additional resources (b) exchanging best practices on how to cope with humanitarian crises (c) defining adequate integration policies (d) adapting, incrementing and reinforcing basic services in order to better accommodate migrants and refugees arriving to these cities.

Routes to a better life. Main migration routes into Europe from Africa and the Middle East

Source: Reuters, Infographs on Europe's migration crisis, 2015

5. A connected region:

Trends: The Mediterranean will remain a key passage for transcontinental flows. And yet, only 25% on the non-bulk traffic originating in Asia and passing through the Suez Canal enters Europe through a Mediterranean port. In order to reverse this trend, organisations such as the Union for the Mediterranean are promoting logistical transformations along the Mediterranean aimed at establishing the so-called "motorways of the sea". In parallel, public and private operators are discussing how to re-adapt their strategies to the Chinese-led Silk Road project for which the port of Piraeus (Greece) is key element in its maritime routes. Global air-traffic of both passengers and goods has also grown steadily although Istanbul was the only Mediterranean airport in the list of the twenty busiest airports, according to date provided by Airports Council International.
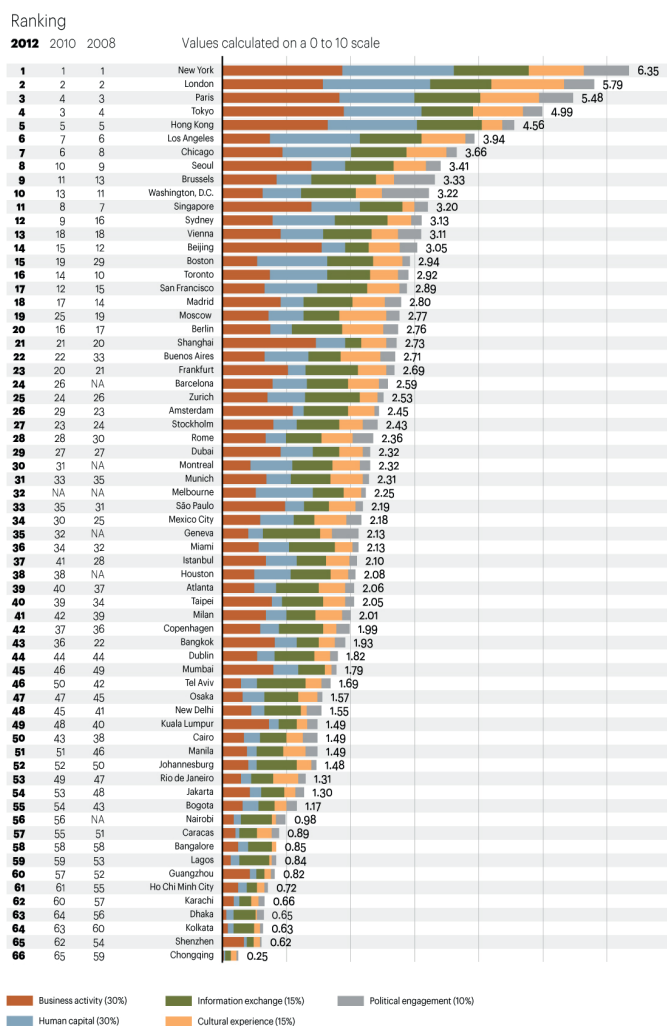

Source: energypolitics.com

Challenges: all Mediterranean countries but particularly its cities have an opportunity to translate their strategic position in global trade flows into an economic opportunity. To make their ports and airports more attractive, this will require comprehensive actions to consolidate multimodal corridors (at least one being maritime) and further investment in connecting roads and rail-services. Those infrastructures should be a catalyzer for further national and international investment projects in industrial, logistic and service sectors. The Mediterranean railway corridor (linking Northern Europe to Southern Spain) and the Trans-Maghreb motorway are key projects to reinforce Mediterranean cities' strategic position. Local governments can act as a lobby in front of their central governments and international financial institutions to make these projects happen.

6. A modern, technology-based society:

Trends: The technology gap between European and non-European countries of the Mediterranean is being reduced. In North Africa and the Middle East, the increase of literacy rates together with a process of women empowerment entail more pressure in terms of equal opportunities. Also, irreversible trends such as technological revolutions and the digitalization of the economies entail catch-up opportunities with their Northern neighbours. To profit from those opportunities, societies will have to adapt their education systems and regulations, as well as to implement measures aimed at mitigating transition costs in specific economic sectors or professional profiles.

Challenges: In the last decade the concept of "smart city" has become popular and has pushed many cities to go beyond the adaptation of Information and Communications Technologies (ICT) but also to put the citizen at the centre of the policy-making and to become sustainable and energy-efficient. ICTs are not a goal in itself but a tool to enhance quality and performance of urban services, to reduce costs and resource consump-

tion, and to engage more effectively and actively with citizens. Local governments from the Mediterranean should have among their goals (1) the identification of existing or potential Government ICT infrastructures and (2) its adaptation to the Mediterranean context, meaning to facilitate connections and cooperative initiatives among citizens and a smooth relation between them and public administrations. The concept of eco-cities has also become popular and has to be understood not only as a contribution to a better global environment but also as a ground for new economic opportunities and improved living standards. Sustainability and citizens' empowerment are two pillars for successful urban strategies.

7. Vibrant and active societies:

Trends: Many Mediterranean countries have witnessed a significant increase of strikes, demonstrations and persistent occupation of the public space. Individuals and groups are not only mobilised but also interconnected to make their voice heard and promote change in their respective societies. Internet penetration has become a key factor amplifying for political and social mobilisation. To the extent that solidarity and mobilisation transcend national borders and a global civil society is emerging in order to promote globalisation "from below".

Challenges: Urban contexts are a fertile ground for social movements and a privileged stage to express concerns and demands. Some of the trends described above (environmental degradation, youth unemployment, forced mobility, etc.) are likely to translate in new social and political demands. Local governments will have to increase their human and infrastructural management skills to respond to this reality, closely monitoring the emergence of new social needs, articulating platforms for citizens' consultation and launch participatory processes.

Source: Collaborative intelligence

8. Territorial cohesion:

Trends: It is commonplace to refer to the wide gap between Northern and Southern Mediterranean countries. The inequalities inside each of those countries are also relevant. The aforementioned trends are increasing the development gap between urban and rural areas. And in urban contexts there are significant differences too among neighbourhoods, with parts of those rapidly growing cities lacking basic infrastructures and services for its residents.

Challenges: Social inclusion has been identified as a key priority of the ENI-CBC program for 2014-2020. Mediterranean cities share common challenges in terms of economic development. Local authorities' lack of resources is one of the great handicaps for the improvement of local independent economic growth. Therefore, one of the main challenges lies in the increase of municipalities' income. Considering the present situation, this can be done in four different ways: increasing transfers from central governments, increasing indebtedness capacity of municipalities, increasing the capacity of the municipalities to collect taxes or improving efficiency.
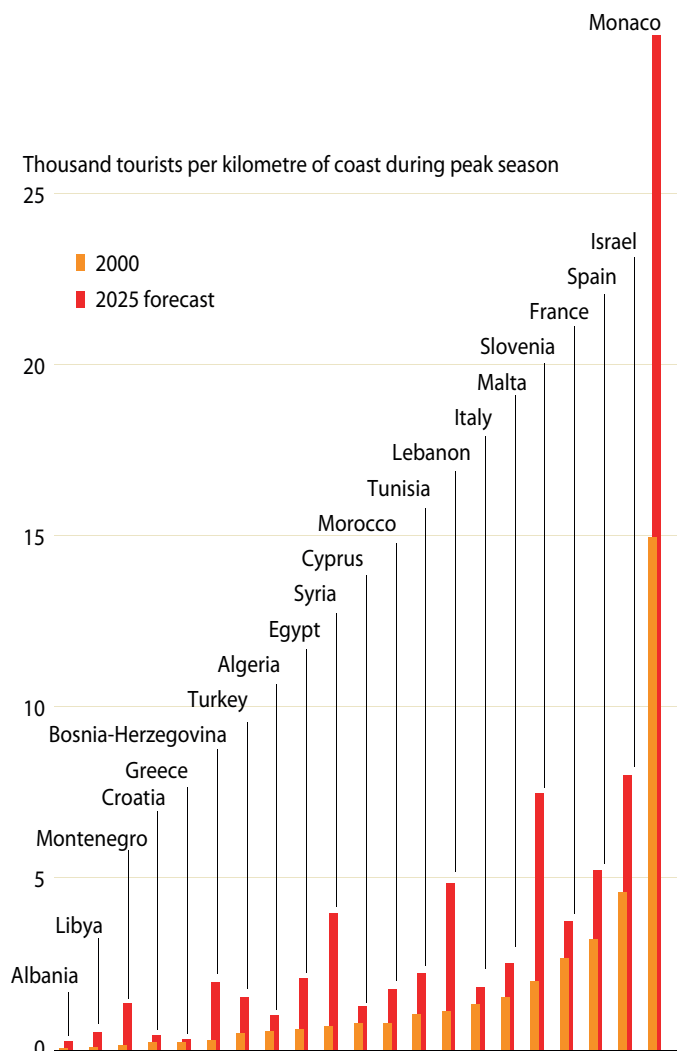
A.T. Kearney Global Cities Index, 2012

Ranking

2012	2010	2008	Values calculated on a 0 to 10 scale	
1	1	1	New York	6.35
2	2	2	London	5.79
3	4	3	Paris	5.48
4	3	4	Tokyo	4.99
5	5	5	Hong Kong	4.56
6	7	6	Los Angeles	3.94
7	6	8	Chicago	3.66
8	10	9	Seoul	3.41
9	11	13	Brussels	3.33
10	13	11	Washington, D.C.	3.22
11	8	7	Singapore	3.20
12	9	16	Sydney	3.13
13	18	18	Vienna	3.11
14	15	12	Beijing	3.05
15	19	29	Boston	2.94
16	14	10	Toronto	2.92
17	12	15	San Francisco	2.89
18	17	14	Madrid	2.80
19	25	19	Moscow	2.77
20	16	17	Berlin	2.76
21	21	20	Shanghai	2.73
22	22	33	Buenos Aires	2.71
23	20	21	Frankfurt	2.69
24	26	NA	Barcelona	2.59
25	24	26	Zurich	2.53
26	29	23	Amsterdam	2.45
27	23	24	Stockholm	2.43
28	28	30	Rome	2.36
29	27	27	Dubai	2.32
30	31	NA	Montreal	2.32
31	33	35	Munich	2.31
32	NA	NA	Melbourne	2.25
33	35	31	São Paulo	2.19
34	30	25	Mexico City	2.18
35	32	NA	Geneva	2.13
36	34	32	Miami	2.13
37	41	28	Istanbul	2.10
38	38	NA	Houston	2.08
39	40	37	Atlanta	2.06
40	39	34	Taipei	2.05
41	42	39	Milan	2.01
42	37	36	Copenhagen	1.99
43	36	22	Bangkok	1.93
44	44	44	Dublin	1.82
45	46	49	Mumbai	1.79
46	50	42	Tel Aviv	1.69
47	47	45	Osaka	1.57
48	45	41	New Delhi	1.55
49	48	40	Kuala Lumpur	1.49
50	43	38	Cairo	1.49
51	51	46	Manila	1.49
52	52	50	Johannesburg	1.48
53	49	47	Rio de Janeiro	1.31
54	53	48	Jakarta	1.30
55	54	43	Bogota	1.17
56	56	NA	Nairobi	0.98
57	55	51	Caracas	0.89
58	58	58	Bangalore	0.85
59	59	53	Lagos	0.84
60	57	52	Guangzhou	0.82
61	61	55	Ho Chi Minh City	0.72
62	60	57	Karachi	0.66
63	64	56	Dhaka	0.65
64	63	60	Kolkata	0.63
65	62	54	Shenzhen	0.62
66	65	59	Chongqing	0.25

■ Business activity (30%)   ■ Information exchange (15%)   ■ Political engagement (10%)
■ Human capital (30%)   ■ Cultural experience (15%)

Source: 2012 Global Cities Index and Emering Market Outlook study by A.t. Kearney and the Chicago Council on Global Affairs

9. An attractive destination

Trends:

Many factors make the Mediterranean a unique destination: some of them have a renowned diet (which has been added as Intangible cultural heritage by the UNESCO), ancient cultural heritage or a fair climate. These characteristics set the perfect ground to make the region a global tourist destination. According to a report of the United Nations World Tourist Organization, the Mediterranean is the leading region as tourist destination, accounting for one third of the whole world's arrivals. In general terms, the region has been able to maintain its competitiveness as an attractive and cultural destination but some countries have been negatively affected by growing insecurity and persistent terrorist threats. According to the same organisation, the tourist global demand is likely to keep growing, moving from 306 million visitors in 2011 to about 500 in 2030.

Tourist pressure on Mediterranean coast

Thousand tourists per kilometre of coast during peak season

■ 2000
■ 2025 forecast

Monaco
Israel
Spain
France
Slovenia
Malta
Italy
Lebanon
Tunisia
Morocco
Cyprus
Syria
Egypt
Algeria
Turkey
Bosnia-Herzegovina
Greece
Croatia
Montenegro
Libya
Albania

Source: WTO; Plan Bleu, 2003; Attané and Courbage, 2001; Géopolis.

Challenges: As far as the touristic sector has been one of the most important economic activities in the Mediterranean region during the last years and is likely to remain an important sector for most countries, cities should open a debate on how to maximise and better distribute the profits of this activity.

One of the main challenges is the stationary character of tourism. According to a report of the United Nations World Tourist Organization, it is important to promote the attractiveness of the urban areas as international venues for year-round tourism and developing cultural and gastronomic tourism. Taking into account that some cities have a longer touristic tradition and a well-developed touristic industry while others are only emerging (or even potential) touristic destinations, there is room for exchange of good practices and also to better understand what should be avoided to make this economic activity sustainable. Finally, Mediterranean cities should not only aspire to consolidate themselves as attractive touristic destinations but also as cultural and knowledge hubs.

10. Fragmentation and interdependence

Trends: In a moment of increased connectivity and mutual interdependence, Euro-Mediterranean relations have suffered from political blockages, conflicts among its members and scarcity of resources. In addition, the European integration process suffers from various crises, internal and external challenges. Similarly, initiatives for regional cooperation and integration in North Africa and the Middle East are unable to achieve their goals. The non-integration among Maghreb countries is a case in point, often highlighted as a burden for the economic growth of these five countries and its neighbours.

Challenges: Overcoming the multifaceted European crisis and reinvigorating South-South cooperation and integration processes are likely to have positive implications for Euro-Mediterranean cooperation. Local governments from the Mediterranean countries can and should develop horizontal and bottom-up strategies placing integration and cooperation dynamics in the agenda, demonstrating that cooperation is not only possible but bears fruits. In addition, the full participation of the Balkans and the Adriatic region within Mediterranean cooperation is key to reverse fragmentation trends. Existing networks such as MedCities can have a multiplying effect for this purpose.

Conclusion: the role of Medcities

The success and sustainability of networks such as MedCities depends on their ability to consolidate themselves as operative tools for local governments and also as strategic allies for any institution willing to promote cooperation and integration in the Mediterranean. A network of this nature can be instrumental to increasing the efficiency of urban policies and also serve as a platform that facilities the exchange of good practices and successful experiences. It can also provide technical assistance on the field. Besides tackling day-to-day needs of local administrations around the Mediterranean, such a network could be crucial in helping local governments to cope with future trends and challenges. This input paper has identified ten main trends that are relevant for all the countries of the Mediterranean basin in the coming decade and has outlined which threats, but also which opportunities, these trends generate for the members of MedCities and for the network as a whole.

CIDOB
BARCELONA
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