**MEDITERRANEAN: INVESTMENTS, GULF COUNTRIES OVERTAKE EUROPE**

ANSAmed

MARSEILLE, JUNE 1 - The Gulf has dethroned Europe in 2006 as first investor in the Mediterranean countries, where foreign investments continue to rise. The figure emerged in the last few days in Marseille at the fifth annual conference of the network of Mediterranean countries' agencies for the promotion of foreign investments, ANIMA. The released data concern countries which are involved in the programme MEDA, the EU instrument to encourage integration between the European Union and the countries of the southern coast of the Mediterranean Sea which adhere to the 'Barcelona process' for the establishment of a single EuroMediterranean market by 2010. The MEDA countries are Algeria, PNA, Egypt, Israel, Jordan, Lebanon, Morocco, Syria, Tunisia and Turkey. Direct foreign investments (Ide) in 2006 in the MEDA region "had never been so many and so large", according to ANIMA, with 788 projects and an inflow of some 65 billion euro (up 60% compared to 2005, following growth rates of 113% in 2005 and 121% in 2004). Gulf countries presented 21.8% of the projects in 2006 and became the first investors in terms of value (36%), overtaking the USA and Canada (18% of the projects, 31% of the value) and Europe (EU and European Free-Trade Association, 43% of the projects and 25% of the value). Asia-Oceania accounted for 8.9% of the projects and 4.0% of the value (against 0.3% in 2003). More than half of the 26 projects exceeding 1.0 billion euro come from the Gulf, with the Emirates leading the group. Three countries attracted in 2006 two-thirds of the projects in terms of value (Egypt 24.4%, Turkey 21.6%, Israel 21.1%). But all the countries of the region are progressing, above all Syria and Tunisia. The growth of interest in the MEDA region is due, according to ANIMA, to the tangible efforts for reforms in these countries, to the new attraction exerted by energy projects and to the establishment or reorganisation of the banking networks (as in Egypt, Syria and Algeria). A strong acceleration of the real estate, public works and tourism sectors also plays a part. European investors find the southern coast markets accessible for delocalisation processes and relatively more protected than those of China and of other emerging markets.

http://www.ansamed.info/en/news/ME02.YAM13333.html