

THE FULL MONTY: WHY THE MEDITERRANEAN PACT NEEDS TO OFFER THE WORKS

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April 2026

SUMMARY

- The EU's new Pact for the Mediterranean is timely but risks defaulting to short-term, piecemeal deals rather than the comprehensive partnerships Mediterranean countries require.
- The pact's "menu" approach encourages south Mediterranean governments to activate individual EU programmes from a catalogue of ready offers. However, this approach misjudges the EU's partners and miscalibrates how best to bring them closer to the EU.
- Europe's winning move would be to bundle the pact's initiatives into "grand bargains": comprehensive packages of investments, energy partnerships, visa programmes and infrastructure tailored to individual countries.
- These would be too substantial to refuse or use against European countries, ending the cycle of European states being played off against each other by the very neighbours they are trying to bring closer.

A new plan

On October 16th 2025, the European Commission unveiled its new flagship initiative: the Pact for the Mediterranean. The pact is intended to jump-start relations between Europe and the southern Mediterranean by providing a practical roadmap for cooperation. Its goal is to develop a deeper trans-Mediterranean partnership. Fostering free trade and investment would bring these states closer to the EU's single market—in effect, better integrate them economically with the EU—by developing regulatory alignment, energy partnerships and cooperation on security issues and migration.

The new policy is timely. China, Russia and the Gulf Arab states are all trying to gain influence and market share in Mediterranean countries, chipping away at the EU's traditional role as the southern Mediterranean's primary economic, security and diplomatic partner. Yet the region is vital to European prosperity and security: it underpins Europe's energy supply, supports the shift to cleaner energy, strengthens its industrial chains, and, of course, manages migration flows.

Presenting the pact as a flagship initiative and creating the new post of “commissioner for the Mediterranean” signals that the EU recognises the importance of the region. The commission also promotes the pact as an ambitious “paradigm shift” in Euro-Mediterranean cooperation. This shift aims to break with past policies that failed to bring southern Mediterranean countries closer to the EU by adopting a more hard-nosed approach that eschews political conditionality or values-based advocacy in favour of raw transactionalism. Commission staff describe the pact as offering a “menu” of options: regional states pick what suits them, with projects launching only with buy-in.^[1] This is designed to underline the pact's cooperative character to encourage deals with governments that have grown averse to democratisation stipulations and compete more effectively with no-strings offers from rivals like China.

However, if EU policymakers hope that today's crop of nationalistic regimes in the region will initiate deals that lead to economic integration, they will be sorely disappointed. The foreign policies of southern Mediterranean countries are increasingly transactional, short-termist and deeply cynical about Europe. This means regimes in the region are unlikely to order from the menu, but will instead look to maximise leverage on issues like energy, migration or security and play Europeans off against each other, in their own brand of raw transactionalism.

EU member states themselves may also push the commission towards reactionary “set menu” deals focused on short-term imperatives, like migration management or economic stabilisation. This was seen in a 2023 deal with Tunisia, which European Commission president Ursula von der Leyen called a “blueprint” for migration arrangements like those offered in the pact. Yet

short-term fixes and “set menu” deals will not bring the region closer to Europe—that is ultimately what the pact is for.

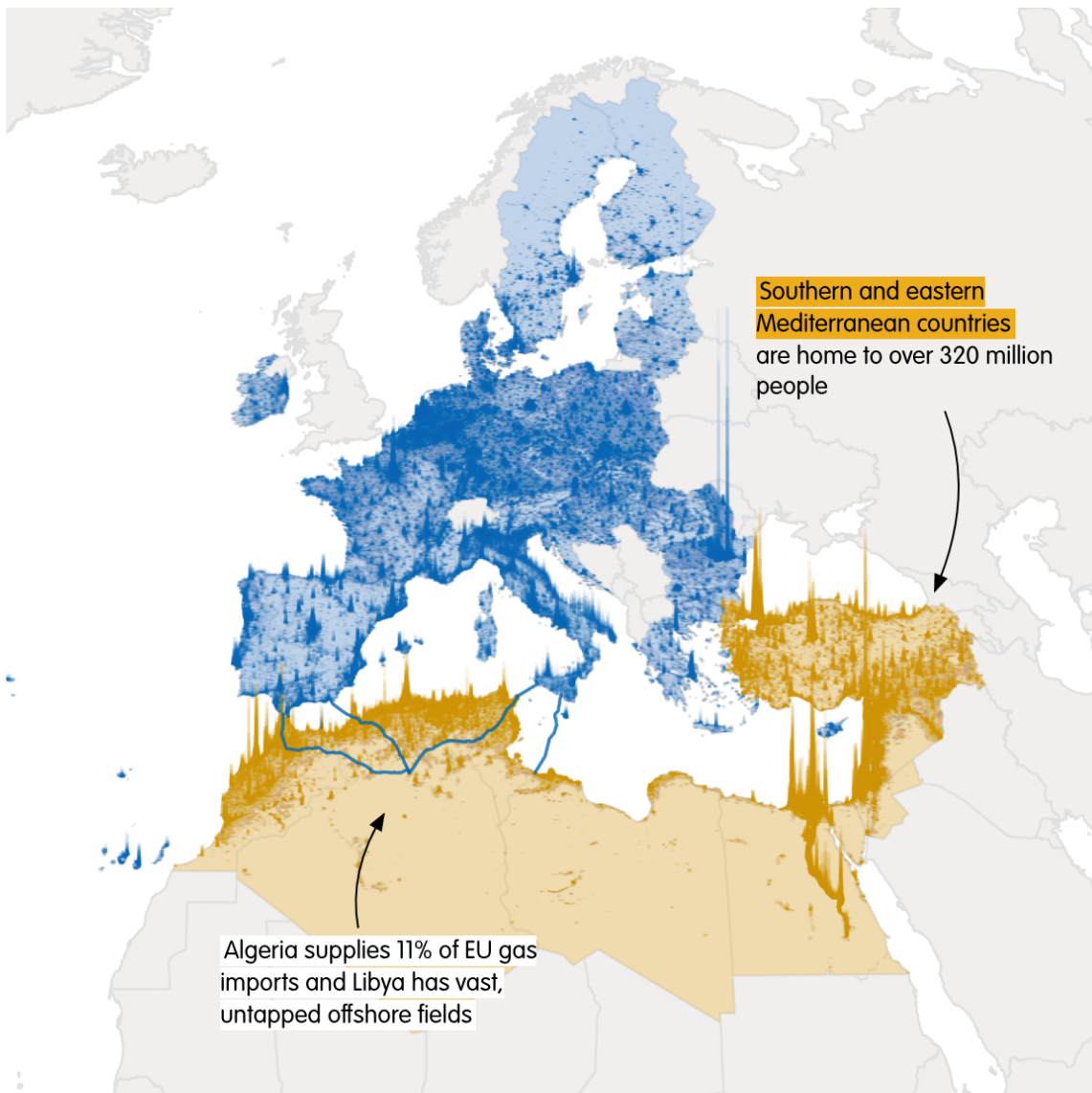
This paper argues that the pact lays the groundwork to realise a complex vision like economic trans-Mediterranean convergence. But the policy will be far more effective if the EU bundles its initiatives to offer “grand bargains”—comprehensive packages of investment, infrastructure, labour mobility and regulatory cooperation tailored to individual regional states. By offering deals of this scale and ambition, the EU can lean on its large market to make partnership with Europe more attractive to governments in the region—and stop the encroachment of rivals in its neighbourhood.

On both sides of the sea

With all the existential demands confronting Europe’s policymakers—the Ukraine war, the Iran war and Trump’s trade wars, to name just a few—an initiative like the pact might seem an odd deployment of resources. But, the southern Mediterranean, from Morocco all the way around the coast to Turkey, is vital to the EU’s prosperity, defence and geopolitical gravity. Those countries are home to over 324 million people, close to the EU’s own 450 million. They offer markets that are largely untapped: only 4% of EU trade happens with the southern Mediterranean, even though the EU accounts for 41% of the trade of southern Mediterranean countries.

Removing barriers to trade with these economies would strengthen the bloc itself. It would almost double the number of people who follow EU rules and bolster the bloc’s heft against Chinese and American oligarchs in a multipolar world in which Europe is stuck in the middle. It would also offer a talent pipeline for nearshoring—relocating certain services, businesses and industries to nearby countries—and skilled migration for the EU’s long-term labour needs: over 60% of the population is under 30 in countries like Egypt and Tunisia, whereas Europe is ageing rapidly.

Removing trade barriers with Mediterranean economies would strengthen the EU



— Gas pipelines (selection) ▲ Population density

Source: WorldPop Population Density (2020); Global Energy Monitor
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Besides these benefits, the region holds Europe's closest reserves of critical minerals—Morocco alone controls 70% of the world's phosphate reserves, with Algeria and Tunisia holding significant deposits of their own for batteries and fertilisers; Algeria supplies 11% of EU gas imports; and Libya has vast offshore fields that remain untapped due to its instability.

The southern Mediterranean is, in short, where Europe's prosperity, security and geopolitical relevance will be won or lost.

The pact

The new commissioner for the Mediterranean, Dubravka Suica, has curated a catalogue of potential initiatives as a “practical roadmap” to deepen relationships across the Mediterranean. These policy initiatives are meant to advance shared interests across three broad policy pillars.

People

The pact uses “soft power” policies to make deeper integration possible. These centre around investments in skills and education to ease nearshoring, collaboration and migration; sports and cultural exchanges; and support for local media and civil society. Although media and civil society engagement may create some awkward tension with the commission's aim to be apolitical, it will nonetheless be an important way to counter Russian (and Chinese) disinformation.

Economies

This pillar is the most fleshed out and tangible policy area of the pact. It pursues shared interests to weave southern Mediterranean economies into the single market through such initiatives as:

- integrating supply chains;
- reinforcing cooperation on critical raw materials, notably phosphates;
- scaling investment platforms to nurture micro, small and medium enterprises and commerce between the shores;
- supporting digital and communication infrastructure upgrades;
- sharing e-government expertise;
- launching a trans-Mediterranean renewable energy and clean technology initiative to spur investment, collaboration, regulatory reforms and connectivity for green energy projects.

Security and migration

The security pillar blends soft and hard tools: a regional forum to discuss shared threats and disaster preparedness at one end; the European Peace Facility to train and equip programmes and EU Common Security and Defence Policy (CSDP) missions with countries in the region at the other. But its core focus lies on migration cooperation. This aspect includes mechanisms to enhance the protection of vulnerable refugees, make returns processes more efficient and deepen cooperation between Frontex and border forces in Mediterranean states.

Spoiled broth

Three recurring failures have sabotaged every previous Euro-Mediterranean initiative. Launched on the 30th anniversary of one of these, the Barcelona process, the pact risks repeating the same mismatched ambitions and short-termism.

Back in 1995, amidst the sunny optimism created by the collapse of the Soviet Union and subsequent end of history, the Barcelona process promised a zone of dialogue, trade and prosperity. The EU advanced free trade via asymmetric association agreements and liberalising trade policies that boosted European exports but gutted industry in the southern Mediterranean, widened income gaps between the north and south shores, and spiked unemployment around the sea.

Having strengthened exports and protected companies, the EU lost interest in the Mediterranean until security threats thrust the region back onto Europe's agenda. The “war on terror” and securitisation of migration created a new urgency for European leaders to work with southern neighbourhood countries. France revived “Euromed” ambitions in 2008 by launching the Union for the Mediterranean, pitching southwards integration as a bulwark against security and climate risks. Yet the initiative degenerated into piecemeal intelligence-sharing, leaving Europe wrong-footed by the 2011 uprisings, unable to properly understand the drivers of local discontent or their subsequent political struggles. Even in Libya, where France and the UK led a lifesaving intervention, European influence and interests were supplanted by Russia, Turkey and the UAE.

European attempts to rejuvenate its Mediterranean project with new policies such as “more for more”—under which democratic and governance gains unlocked more EU support—were similarly unimpactful. Lofty ambitions gave way to short-term reactionary policies, such as enthusiastic support for some of the authoritarians who displaced democratic movements, oppressive migration pacts, and further asymmetric free-trade agreements that made conditionality seem patronisingly disingenuous. Recent cash-for-migration handouts, which

the pact builds on, and European acquiescence with what is broadly considered a genocide in Gaza, cement the view among governments in the southern Mediterranean that Europe is self-interested, blinkered, hypocritical and simply unimportant compared to America (whose own popularity in the Arab world is sinking). This perception helps the region's resurgent authoritarian leaders win popular support by stoking anti-European antagonism, even if, like Tunisian president Kais Saied, they depend on European financing.

Three dynamics explain why these failures keep recurring.

Lack of long-term strategising

In each instance, despite grander ambitions, policymakers' focus and political capital were devoted to short-term fixes to immediate problems. Barcelona's association agreements liberalised trade without the accompanying investment needed to make it work for both sides. Democratisation efforts relied on generic policies of blanket conditionality rather than coordinated member-state positions or granular governance support—and when the 2011 uprisings arrived, Europe was wrong-footed, unable to capitalise on the most significant opening the region had offered in generations.

Atlantic tilt

Security dependence on America, and deeper romantic Atlanticism, has influenced European strategic thinking towards a myopic focus on containing Russia. Northern European states like Germany have focused on the eastern flank, and have consistently deprioritised Mediterranean engagement. This has created a false dichotomy that leaves southern member states to manage the region largely alone. Deepening European subordination to Washington since 2003 also sidelined Europe diplomatically in the region while the war on terror entrenched a security-first framing that reduced the Mediterranean to a threat to be managed rather than a neighbourhood to be integrated.

European rivalries

Alongside American and northern European influences to focus eastwards, rivalries between southern European states have stymied EU policy in the Mediterranean. Southern EU states—France, Italy, Spain—compete for influence in North African trade, energy, migration and security through Euromed frameworks. When France launched the Union for the Mediterranean in 2008, Spain and Italy grew suspicious that Paris was using the initiative to expand its own regional role antagonistically to them. For its part, Germany resisted any new

development that might have displaced the Barcelona process with new bodies dominated by southern member states. The result was that an ambitious reboot collapsed into a handful of minor projects appended to Barcelona's decomposing umbrella.

A crowded restaurant

Europe's Mediterranean experiments have not taken place in a vacuum, but they have created several. Powers like America, China, the Gulf states, Russia and Turkey proactively fill the gaps that Europeans have left in foreign direct investment (FDI), infrastructure and strategic partnerships.

Europe is, by far, the region's largest trading partner. But since 2010, China has poured FDI into the region, securing trade routes, resources and future industries, like building electric vehicle supply chains in Morocco. Securing these chains and other projects, such as the Suez Economic Zone, has allowed China to influence key trade routes and the movement of resources. For example, it savvily leveraged Rabat's free-trade mechanisms with America and the EU to undercut the European car industry. While Europe mainly exports sophisticated manufactured goods like transport equipment, chemicals and pharmaceuticals, China is slowly capturing everyday consumer markets, turning the region into part of its envisioned China-led Eurasian economic space.

Others are copying the Chinese model. Turkey, for example, is investing heavily in developing key industries and infrastructure in sectors and resources it needs, like steel. Moscow is taking a different tack, using supplies of important goods like wheat and sensitive technologies like nuclear power to present itself as a reliable ally and partner where Western support is lacking. More nefariously, Russia is also entrenching itself in gas fields and infrastructure across the Mediterranean to keep a hold on energy routes into Europe, while providing non-state actors and other anti-Western allies with access to illicit financial networks for money-laundering.

These powers are also using security partnerships to boost their influence. Turkey relies on limited deployments and training programmes with countries like Algeria and Morocco to build influence and drum up clients for its burgeoning military-industrial complex. Russia is protecting its relationship with Algeria by providing it with fifth-generation SU-57 stealth jets. Meanwhile America remains "by far the world's largest supplier of major arms", according to a recent SIPRI report. It provided 42% of global weapons exports between 2021 and 2025, giving the US a clear edge in the valuable field of military partnerships—a sector that is growing increasingly important in the southern Mediterranean due to the region's securitisation.

As Europe's rivals are eroding its influence in its own neighbourhood, post-Arab spring autocrats pit powers against each other to attract more investment, security assets and

diplomatic engagement. Governments on both sides of the Mediterranean fail to see how issues like migration, nearshoring and energy are interconnected and can create compounding gains. South Mediterranean governments, in particular, see the world as a mosaic of powers chasing short-term, limited goals, and they opt to play them off against each other to profit from arbitrage. For example, Morocco has simultaneously maintained a free trade agreement with the US and association agreements with the EU, all the while welcoming Chinese investment in its electric vehicle supply chains—using each relationship to extract more from the others. It has also played France and Spain off against each other over Saharan sovereignty, extracting diplomatic recognition from both in exchange for migration cooperation. Egypt has deals with America, Arab Gulf states, China and Europe simultaneously—attracting American military aid, Gulf financing, Chinese investment in the Suez Economic Zone and European migration cooperation funding. And it enjoys all of this while making no meaningful commitments to any of them on governance and economic reform.

These dynamics show Europe must recognise its new pact enters a crowded field. Governments in the region are unlikely to order from the menu when they can maximise their gains by exploiting the competition between different powers. That means the pact may wither as it narrows into the next migration emergency—because for all the talk of menus and consensus, initiatives like this only succeed when someone drives them. The good news is that the EU is in pole position to do just that.

Reclaiming the kitchen

The Mediterranean's shared challenges, geography and history mean no one else can forge the broadly beneficial partnerships that the EU can. Despite their sometimes anti-European rhetoric and posture, cash-strapped governments and people in the region want economic ties with a big power to spur growth and steady their region—that is why previous pacts were welcomed and why big all-in deals covering shared needs can be Europe's winning move.

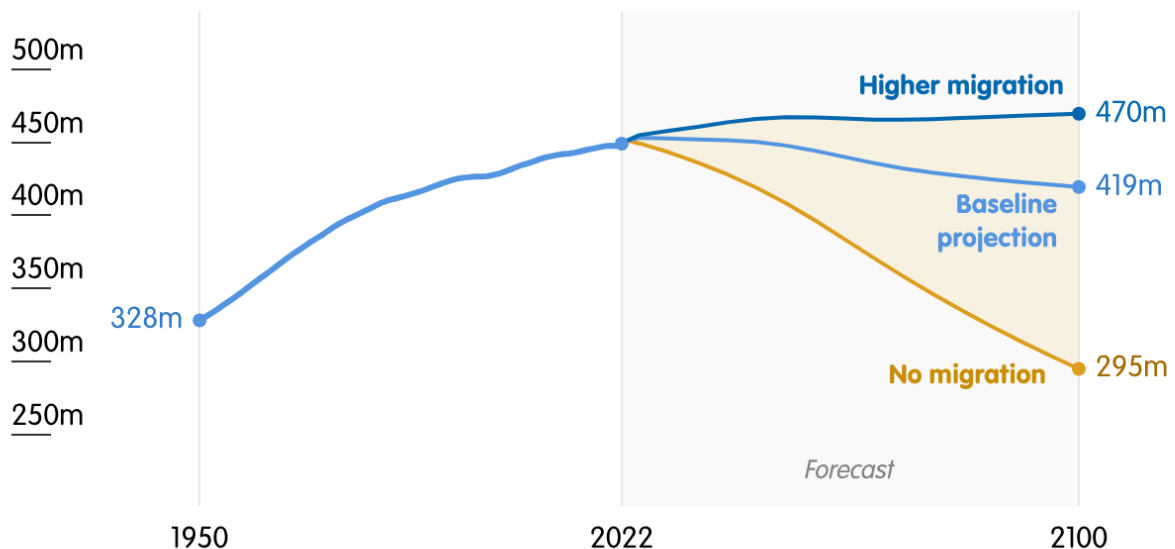
Europe, uniquely, can offer agreements that address migration, jobs and energy: industrial investment that creates jobs and reduces emigration pressure; energy partnerships that stabilise grids and free up gas exports; visa access that gives governments a political win at home. No other power at the table can offer that combination. China brings investment with debt and limited benefits for domestic labour. America brings security but not industrial partnership. Russia brings energy leverage but not development. The EU, if it chooses to act coherently, is the only player whose offer can match the full shape of what the region needs—and that is a stronger hand than the bloc currently realises it holds.

Even governments as adeptly extractive as the one in Cairo would not be able to turn down such a grand bargain if offered. Other governments, such as the one in Algiers, will not beg for investment, but a comprehensive package of energy deals, nearshoring cash and visa access would draw them in by delivering upfront economic wins without requiring them to kneel.

Migration

The most immediate of those shared imperatives between north and south shores is the one that dominates European headlines: migration. The topic drives European election cycles with increasing hysteria, but objectively broken down, polling shows that European voters only really care about migration so far as it is perceived as uncontrolled; their priorities are economic. Besides, European economies and social welfare systems really need migrants. The EU's workforce is shrinking by a million people each year as low birth rates, longer life expectancy and the retirement of the “baby boom” generation steadily reduce the share of working-age people compared to pensioners, increasing pressure on tax bases and social welfare.

EU population projection with and without migration. 1950-2100, in million people



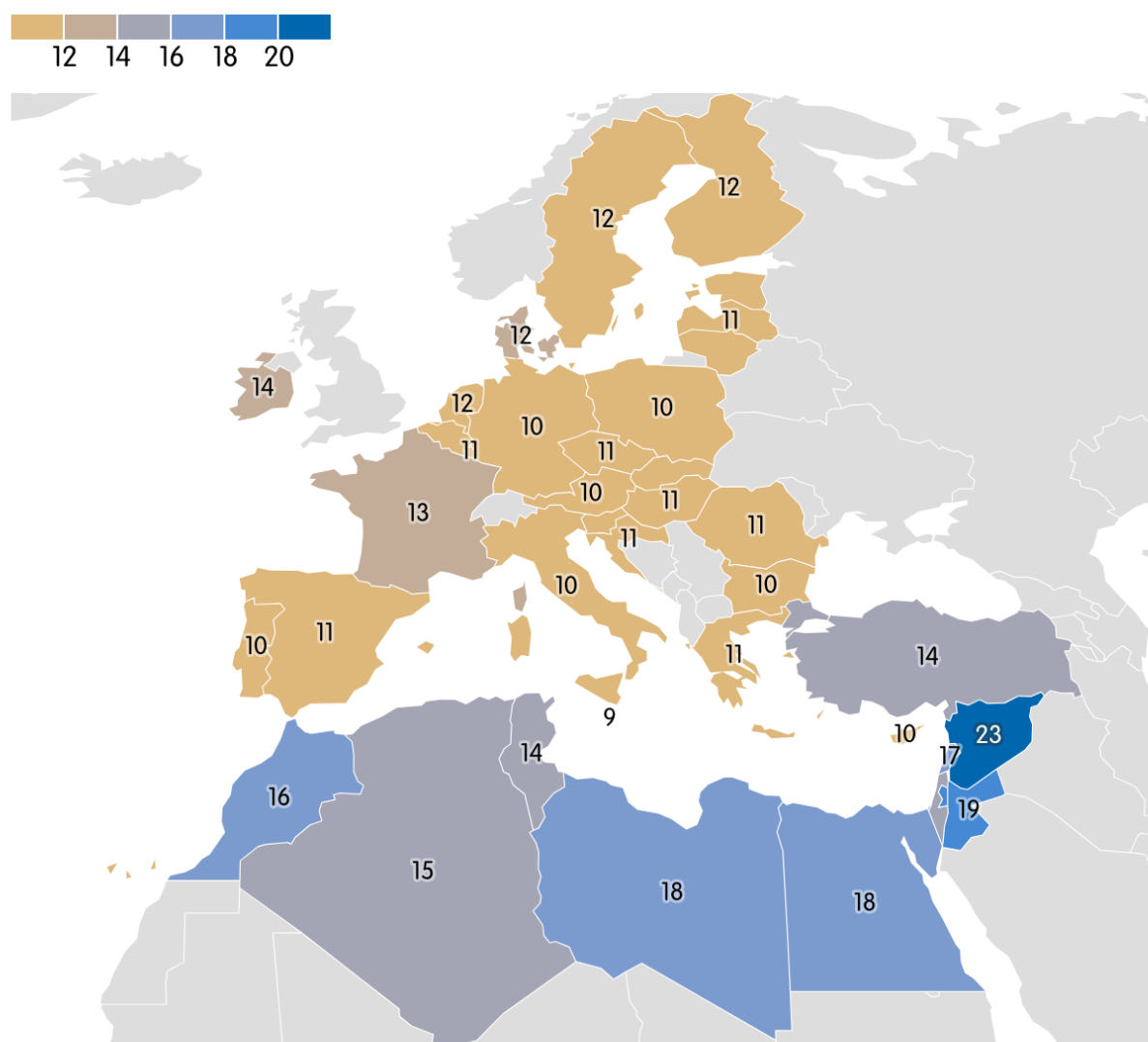
Source: Eurostat; UN Population Division
ECFR · ecf.eu

Reconciling this reality has created a strange policy duality. The EU has an expensive, oppressively securitised migration foreign policy that comprehensively fails at its goals while member states bilaterally broaden work visa programmes. Even Italy's notoriously anti-

migration prime minister, Georgia Meloni, recently issued a decree for almost half a million non-EU work visas over the next three years.

On the other side of the sea, authorities face a mirror-image crisis. Large young populations, graduate unemployment and shortages of foreign currency all push people to emigrate—in Tunisia, in 2024 nearly half of the population said it wanted to leave. These countries also bear the costs of being transit routes for refugee waves that have entrenched transnational smuggling gangs. Taken together, such dynamics open the door to a range of migration deals that can use visas as an initial trust-builder, bargaining chip and springboard for deeper cooperation on issues such as more efficient returns, combating smugglers and supporting refugee populations.

Share of young population in the EU and South Mediterranean countries. 15-24 years old, 2026 projection, in %

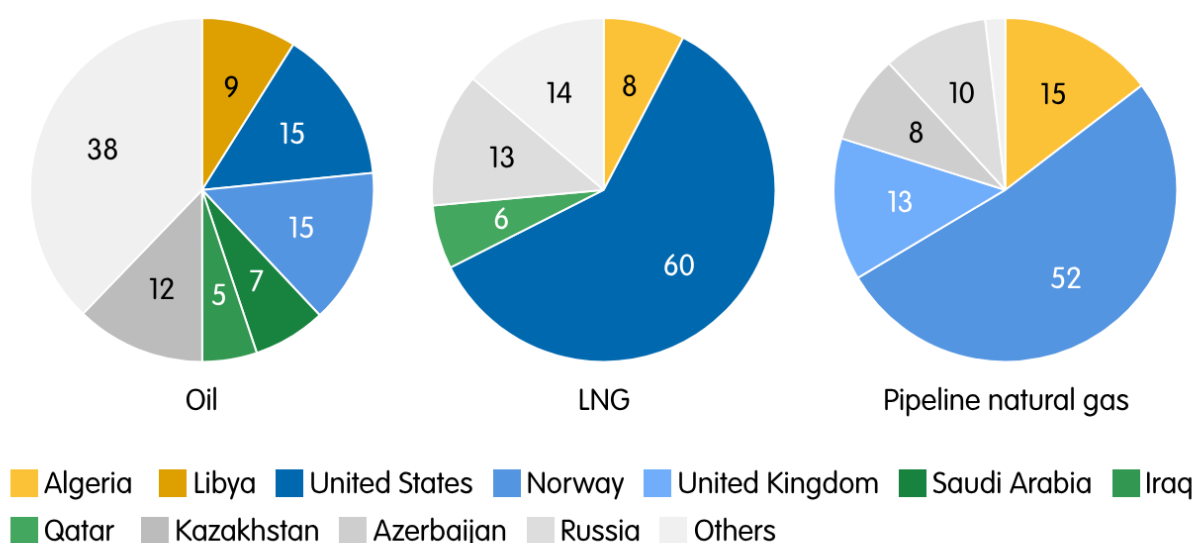


Source: UN Population Division. World Population Prospects: The 2024 Revision
ECFR · ecf.eu

Energy

Beyond visas and returns, “grand bargains” could tackle another mutual vulnerability: energy security. The American and Israeli strikes on Iran since February have disrupted shipping and pushed up oil and gas prices, underlining how exposed Europe still is to external shocks in oil and gas prices. Simultaneously, the Iran war is compounding southern Mediterranean energy problems because the region is already building towards an energy crisis of its own. This is due to exponentially rising consumption: electricity use has tripled in the last 20 years, turning onetime gas exporters like Egypt, Tunisia and Libya into importers, and limiting the export capacity of energy giants like Algeria.

Share of Mediterranean countries in EU fossil fuel imports. Q3-2025, by partner, in %



Source: Eurostat
ECFR · ecf.eu

Renewables would benefit both the north and south shores. North Africa has considerable wind, solar and wave energy potential. Helping the region develop clean energy production capacity for residential and industrial use would also help lay the foundation for Europe's green transition. Over the long term, stabilised power generation will encourage further integration of electricity grids, opening the door to new areas of trade.

But renewables are only part of the picture. Europe's energy autonomy will also depend, for the foreseeable future, on eastern Mediterranean gas—and here the picture is considerably darker. Now, it resembles a series of crises as conflicting legal claims to eastern Mediterranean gas fields are fusing with old and new rivalries—centred on Cyprus, Greece-Turkey tensions, Libya and Syria—to create a new geopolitical front that gives an opening to Russia. Moscow has been exploiting these tensions to remain part of Europe's energy mosaic; partnering with Turkey in extraction and pipelines into Europe that conveniently carry Russian energy alongside the rest.

More subtly, but no less consequentially, the eastern Med is increasing European dependence on America for its gas, as US majors like Chevron and ExxonMobil now sit at the heart of the main offshore projects feeding, or expected to feed, European markets. Mediterranean gas cannot fully offset Russian supplies in any case—not without Libya's vast offshore reserves. Libya is home to the sea's largest field, Bouri, whose development is hostage to the country's chronic chaos.

The case for a more coherent and strategic European approach to Mediterranean gas is overwhelming: it would help secure affordable, diversified energy for the EU; give southern partners long term revenue and jobs; and jointly defuse the disputes that risk turning shared resources into flashpoints rather than anchors of regional stability.

Nearshoring

The energy opportunity points to a broader one. Coordinated nearshoring—relocating supply chains to Europe’s southern neighbourhood rather than sourcing from east Asia—could simultaneously address the migration pressures, unlock Mediterranean renewables and gas, and give Europe an industrial edge it is currently ceding to China and America.

The case is straightforward. Costs fall, carbon footprints shrink (aided by the EU’s new Carbon Border Adjustment Mechanism), and supply chains become more resilient—a lesson driven home by the covid-19 pandemic, the closure of Red Sea shipping routes and the broader unravelling of the post-cold war order. This applies to general manufacturing, but it is also particularly relevant to key industries like machinery, pharmaceuticals and green energy components—precisely the sectors where Europe most urgently needs to reduce its dependence on distant suppliers.

Using the pact to coordinate this industrial shift lets European businesses sidestep obstacles in building new supply chains—like managing energy needs, filling skill gaps, securing investments and ensuring supply chains are streamlined rather than fragmented.

Conveniently, governments in the southern Mediterranean are also focusing on economic reforms to spur private sector growth and attract industrial investment. For instance, Morocco has adopted a new development model and Algeria a new investment law. Directing investments and incentives toward supply chains for tomorrow’s industries, such as battery precursor production, can also drive specialised industrial hubs that let Europe claim a distinct slice of the future geopolitical landscape. It also lays the groundwork for improved commercial connectivity southwards to Africa and eastwards to Asia.

The diplomatic dividend should not be underestimated either. In a region where European influence is waning, sprawling industrial partnerships are a more durable form of leverage than any number of migration deals.

Stabilisation

Nearshoring's promise hinges on a stable backdrop, yet the region's regimes are fragile, presiding over states crippled by soaring unemployment, deepening economic crises, crumbling infrastructure and the need for ever-harsher repression to cling to power. Their instability is contagious: in the Sahel alone, five coups in three years have redrawn the political map, and jihadist groups have grown powerful enough that they even besieged Mali's capital.

What is missing is a player willing and able to uphold international law and push back against this disorder. The EU cannot instantly flip a switch to become the normative force stabilising the region—that's fanciful. Yet careful diplomacy, deeper security ties, and political capital invested in healing sores like Libya and Syria can open stabilising pathways. This could then blend with major investments to nudge the region onto a steadier path.

A “grand bargain” approach

The pact is the EU's readymade diplomatic and administrative vehicle to turn this vision of reclaiming the Mediterranean into reality. It just needs to upgrade its menu approach to a grand bargain type of proposal—offering the whole pie instead of each ingredient separately. The grand bargain signifies commitment, money on the table, a great migration deal and linked energy development support along a resonant strategic vision to continue deepening the partnership. By contrast, the menu is a series of these individual policies that regional governments may not see the point in or the big picture.

The scale of the investment and coordination needed for meaningful grand bargain offers means that the pact is the only tool for the job. Only the EU can pull together shared European requirements for nearshoring, energy and migration—let alone draft in financial institutions like the European Investment Bank (EIB), African Development Bank (ADB) and European Bank for Reconstruction and Development (EBRD). It also already has the support of member states to manage Mediterranean integration.

But this support is not the same as the active political capital needed to strike grand bargains on behalf of the EU. Persuading member states to pass meaningful authority upwards to Brussels is a different, harder ask.

Convincing the chefs

The resistance will come from predictable directions. Northern European states—Germany, the Netherlands, the Nordics—have traditionally been sceptical of southward-facing EU projects, viewing them as expensive priorities for countries whose beaches happen to be closer to North Africa. Berlin has historically preferred to focus its strategic bandwidth on the eastern flank and Russia, treating the Mediterranean as a secondary theatre. That calculus is shifting—Germany’s exposure to energy insecurity and nearshoring pressures means it now has skin in the game.

However, EU Mediterranean states have instincts of their own that run counter to collective action. France, Italy, Spain and Greece have spent decades competing in North Africa and the eastern Mediterranean, manoeuvring for advantage in trade, energy and migration deals rather than pooling their leverage. It was precisely this dynamic that wrecked the Union for the Mediterranean in 2008, when German, Spanish and Italian suspicions about French ambitions destroyed an initiative before it began. That pattern has not gone away.

The commission will therefore have to make a more hard-nosed argument than simply appealing to European solidarity. The case for collective grand bargains is ultimately a commercial and strategic one: the sum is dramatically larger than the parts. Italy’s Mattei Plan demonstrated that putting serious capital on the table—bundling investments, energy deals and visa offers into a coherent package—is the only reliable way to trigger the regulatory changes and senior political engagement that Europe needs from regional governments. Scaled up across multiple member-states, with the EU’s financial firepower behind it, that effect multiplies. A southern Mediterranean government unswayed by Rome’s offer, or outside the Mattei plan’s capacity, would be unable to resist a grand bargain from Brussels acting on behalf of Berlin, Paris, Madrid, Rome and others simultaneously.

Collective bargaining also offers each member state something bilateral dealmaking cannot: protection from the weaponisation of migration and diplomatic leverage that individual states are currently unable to resist alone. Spain has been pushed around by Morocco over Ceuta and migration flows; Italy has been squeezed by Tunisia; Greece and Cyprus by Turkey in Libya. A coordinated EU framework converts these bilateral vulnerabilities into collective bargaining chips, making it far harder for regional governments to play European states off against each other—which is precisely what they are currently doing, and doing successfully.

The trade-off is straightforward: EU members cede some autonomy (though they will still be consulted and involved in the process through EU mechanisms) in exchange for dramatically scaled leverage and a lighter bilateral burden. Member states with commercial, energy or migration interests in the region—which extends north to the Netherlands and Germany, and east to Poland—would pass management of those competencies upwards to the commission.

Routing a nearshoring push through Brussels would give European companies a central hub to register requirements, access financing and identify partners—replacing the current patchwork of bilateral negotiations with a single coordinated platform.

The commission should identify which country is best suited to which industry, package investments into offers large enough to trigger regulatory changes in recipient countries, initiate infrastructure development that would optimise the environment and stimulate the growth of supporting local value chains around European industrial anchors. It can also factor in the energy dimension from the start: new industrial sites need power, and the region already has a consumption crisis, so the commission can bundle in the solar capacity, wind infrastructure or grid upgrades needed to sustain new factories rather than leaving investors to solve that problem alone. Collective investment also provides political protection: when Algeria froze out French companies over a bilateral dispute last year, it could do so because the target was isolated. It is far harder to weaponise access when European companies arrive as part of a package backed by multiple member states, since disrupting it would imperil the entire relationship with Brussels.

These dynamics echo across the other policy areas. On energy, Brussels can use its market weight to keep European companies central to Mediterranean gas extraction, facilitate deals that maximise regional export capacity, and package gas agreements alongside the green infrastructure projects that regional governments want—smoothing over the political frictions that currently leave fields in the eastern Mediterranean stranded.

The EU's Pact on Migration and Asylum—which secured the support of 23 out of 25 member states despite years of fractious negotiation—demonstrated that collective management of this sensitive issue is achievable. Pooling the visa requirements of multiple member-states produces a far more attractive and varied offer than any single country can assemble; for instance, seasonal labour visas, student pathways, work visas and facilitated tourist access can all be on the table simultaneously. Such a combined offer becomes collective leverage. If a partner government refuses to process returns—as Algeria did with France—it risks not a single bilateral relationship but the entire visa arrangement with the EU, with a pre-agreed ratchet of consequences that individual states have proved unable to enforce alone. This also opens the door to deeper security collaboration: operations like the EU's anti-trafficking initiative IRINI off Libya's coast could be expanded, and regional navies invited to participate, converting migration cooperation into a gateway for broader military partnerships.

The pact's appeal is that its efficacy grows with the number of member states working through it—a subscription model that lets countries opt into specific pillars without requiring pan-European consensus at every step. Much of the political groundwork has already been done. What the EU now needs is a critical mass: France, Germany, Italy and Spain at the core, with

others—the Netherlands and Poland on nearshoring, Greece and Cyprus on eastern Mediterranean energy and security—attaching themselves to the pillars where they see value. Through this flexible format, participating member states would find it easier to secure their interests while their burdens are reduced. Those qualities should make it appealing to key northern European member-states like Germany, which maintain considerable Mediterranean interests and recognise the importance of issues like nearshoring and energy security but have limited bandwidth for southern issues.

The political entry point could be Italy. Meloni has already signalled eagerness to Europeanise the Mattei Plan, recognising its bilateral format limits both its reach and its resilience. If Italy works through the pact, other Mediterranean member states may follow as they recognise the Mattei plan's successes but would rather work on a collective European rather than Italian platform.

The recipe book

The recipe book breaks down how the European Commission should operationalise the pact more incisively and gradually build buy-in, both at home in Europe and abroad. It is evolutionary rather than revolutionary. It works by proactively fleshing out the pact's policy menu, using early fact-finding to demonstrate the pact's potential, then using the pull of grand bargains to initiate new relationships with states in the neighbourhood—building the policy platform that will form the backbone of a more integrated Mediterranean. A series of steps to build broad support, secure short-term imperatives, and use that momentum to initiate an almost self-propagating track to integration.

Actualising the menu's policy initiatives requires a clear understanding of what Europe needs. The commission must start by cataloguing those needs and building the mechanisms to manage them.

Nearshoring requirements

Coordination is the main route to maximising the utility of nearshoring and joining it up with other policy imperatives. The commission should systematically meet with relevant ministries, business associations and chambers of commerce across member states and regional partners to map the scope, scale and specifics of nearshoring requirements. This also turns European businesses into lobbyists for the pact—companies that have registered requirements and accessed financing through Brussels have a direct stake in its political success.

The mapping also raises the energy question that every nearshoring push must answer: new industrial sites need power, and the region is already in a consumption crisis. Identifying those requirements early lets the commission bundle power infrastructure into industrial packages from the start rather than leaving investors to solve it alone. This also provides a platform for exploring private-sector interests in politically relevant areas, such as helping regional states develop local green power-generation methods to reduce their consumption and stabilise their grids, setting the stage for increased gas exports and future integration of electricity grids with European ones.

Financing and energy projects

With that picture in hand, the commission should build the financial architecture to support it: identifying which regional states suit which industries; charting the regulatory requirements to make investments viable; and working with the EIB, ADB, EBRD and others to construct financing instruments for European companies operating through the pact. The Global Gateway, the EU's €300bn infrastructure strategy, provides the infrastructure backbone—the task is ensuring industrial and energy projects are coordinated rather than planned in isolation.

Migration needs

The same consultation process should map labour requirements alongside investment ones. This identifies the variety of visas needed: educational visas that feed future industries, seasonal visas, standard work visas and arrangements for nearshored workers who remain in their home countries working remotely for European firms, keeping wages circulating locally. Together, these catalogues of investment and visa needs will form the hook of the grand bargains, demonstrating to European governments the commercial and migration-management benefits of backing the pact.

The full banquet

With intelligence gathered, financing prepared and visa offers assembled, the commission should approach the southern Mediterranean with packages tailored to each country's specific assets—not a menu of individual items, but a comprehensive offer too substantial to refuse. Large investment offers with accompanying political commitment would trigger senior engagement from regional governments and the regulatory changes that conditionality never achieved. Bespoke deals should be built around each country's distinguishing features.

Algeria and Tunisia

The EU could focus on new industries without a pre-existing regional footprint, targeting export routes into central Africa; port development to increase trade throughput; and green energy focusing on wind and wave power. All of these would build on existing energy infrastructure and associated critical raw materials. Both countries are keen to industrialise and are less expensive to operate in than Morocco and Jordan.

Egypt

In Egypt, the EU could aim to integrate electricity grids and green energy infrastructure at scale.

Jordan

Here, European investment could target water management and infrastructure; digital services; pharmaceuticals and healthcare; fertilisers and high-value manufacturing and the logistics emanating from them. Jordan's already has well-developed industrial zones, which would make investment easier.

Morocco

Morocco offers opportunities in aeronautics, automotive and food processing hubs; phosphate and critical raw material extraction; and chemical manufacturing. It has existing fertiliser expertise.

Syria

The EU could focus on making its commerce and industry central to Syria's reconstruction by engaging with the banking sector, agriculture, construction and basic industry.

Region-wide

The question of green hydrogen—whether a European market exists, and if so, how to begin building the manufacturing and transportation infrastructure with Moroccan, Algerian and Tunisian partners who are already interested—would need to be resolved.

The investment offer is also the lever to elicit regulatory alignment. Governments desperate for foreign currency, jobs and political wins are in no position to refuse a well-constructed grand bargain, and the commission should use that to elicit concrete changes:

- Strengthening rule-of-law protections for investors and simplifying domestic regulation to spur local private-sector growth and nurture local supply chains around European industrial investments.
- Updating and making more efficient a returns system with a pre-agreed sliding scale of punitive measures to ensure that returns are not weaponised, from freezing new visas until returns restart to reducing the quota of visas made available to that state.
- Enacting migrant and refugee management laws that can be a platform for future mobility agreements; and deals to help manage the burden of hosting refugees.
- Putting in place regulations and procedures to facilitate greater shared operations between Frontex and local border services against smugglers and traffickers.
- Updating energy sector regulations to facilitate new power plants, joint ventures to manufacture and install residential green power production, and eventual grid integration. This should primarily aim to open space for private power producers alongside the state utilities that dominate southern Mediterranean electricity markets.

Alongside grand bargain negotiations, the commission should pursue a parallel track on security. It should shift European partnerships from interior to defence ministries following the model America and Turkey have used to build durable influence: developing training exercises and limited joint operations to facilitate more active partnerships, intelligence sharing and equipment purchases. The commission should initiate this through its CSDP missions, tying them, for example, with migration management. It should also reframe or supplement operation IRINI with a mission explicitly combatting trans-Mediterranean fuel, drug and people smuggling, and invite regional navies to participate, thereby addressing migration concerns while deepening operational ties. An annual joint exercise modelled on America's Africa Lion would enhance working relationships and could be used to identify further train-and-equip programmes and other partnerships to deepen operational ties in fighting terrorism and transnational organised crime. Participation in the programme could also serve as a conduit to fast-track equipment sales.

The EU should also use its weight as the region's primary market to convene a diplomatic grouping of all Mediterranean actors to settle gas field border disputes, agree on export infrastructure and organise extraction and transmission consortia—keeping the benefits within

the Mediterranean rather than ceding them to Moscow or Washington.

Grand bargains of this kind would trigger a medium-term process of industrial regeneration on both shores. As investments mature, the three pillars of genuine Mediterranean integration will begin to solidify.

Cooking on both burners

As Europe manages Ukraine, Trump's trade wars and the fallout from the war on Iran, investing political capital southwards may seem like a luxury. But this would be a false dichotomy. Europe's eastern flank towards Russia and its southern neighbourhood are not competing priorities—they are two dimensions of the same challenge: whether Europe can maintain the geopolitical gravity and strategic autonomy it needs to survive as a meaningful power in a fracturing world. The piecemeal, bilateral approach generates gains too limited and too fragile to withstand the first contrary wind. What has worked—as Mattei showed and China's Belt and Road Initiative has confirmed—is something more ambitious: comprehensive partnerships that bundle investment, infrastructure, regulatory alignment and political commitment into offers too substantial to refuse or easily reverse.

That is what the pact, properly deployed, can be. The southern neighbourhood does not need another menu of individual measures. It needs a partner willing to offer the full banquet—and to stay at the table long enough to see it through. Europe, if it chooses to act with the coherence and ambition this moment demands, remains best placed to be that partner.

About the author

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Acknowledgements

My deep thanks to my ECFR colleagues, especially to Kat Fytatzi for her enthusiastic support and transformative editing that proved vital to getting the paper to its excellent final form, and to Nastassia Zenovich for her great work producing the visuals enlivening the text.

“The full monty: Why the Mediterranean pact needs to offer the works” was realised with the support of Fondazione Compagnia di San Paolo. Scientific Advisor: Fondazione CSF.

With the contribution of:



Scientific Advisor:



[1] Author's interviews with European Commission officials, January-March 2025.

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