

Report by **MENA Fem** Movement for Economic, Development, and Ecological Justice and **Greenpeace MENA**





EXECUTIVE SUMMARY

Introduction

The Middle East and North Africa (MENA) is one of the areas most affected by climate change. The region is warming up twice as fast as the global average and experiencing extreme weather events and water stress. North African net energy importer countries, such as Egypt and Morocco, are facing the added challenge of addressing energy security issues amidst their dependence on imported fossil fuels and growing energy demand.

Against this backdrop of interconnected challenges, both Egypt and Morocco are aiming to leverage their strategic locations south of the Mediterranean, along with their solar and wind potential, to position themselves as pivotal points in Europe's quest to diversify its energy supply. Securing European investments in energy projects is therefore crucial not only for the economic growth and energy transition of these two countries, but also for Europe's energy security and climate goals. However, despite the mutually beneficial potential of such cooperation, critics have highlighted a tension between European interests and national needs.

Through detailed case studies of European investments in Egypt and Morocco - across oil and gas, renewables, green hydrogen and agricultural sectors - this report critically examines how European investments in Morocco and Egypt perpetuate colonial-era extractivist practices, reinforcing unequal power dynamics between the Global North and Global South in the postcolonial world. Though these investments are often framed as mutually beneficial or "green", the reality is that they primarily serve European markets and externalise the environmental and social costs of Europe's growth to the Global South.

The report proposes a feminist, sufficiency-based wellbeing economic model that puts people and planet at its core, drawing on communal, traditional and ancestral models from across the world as examples. It highlights economic philosophies and grassroots initiatives in the Global South, like the Sufficiency Economy in Thailand and Buen Vivir in Ecuador and Bolivia, which embody the principles of a wellbeing economy that will nurture and protect people and the planet.

Extractivism and Neocolonialism in the Global South

Extractivism in the Global South is rooted in colonial systems that extracted and exported natural resources to Europe, fueling industrialisation in Western countries while imposing long-lasting environmental and socio-economic costs on colonised regions. Neocolonial structures remain central to the global system of accumulation perpetuating inequality, dispossession, and exploitation in the Global South. While colonialism involves direct military domination of colonised states, neocolonialism represents the continuation of the subordination of former colonies through global economic and political institutions and structures.

In the context of the green transition, green colonialism – the continuation of colonial relations of plunder and dispossession in the era of renewable energies. European investments in renewable energy, green hydrogen and agriculture meet Europe's resource demands and maintain the growth-based Western lifestyle, while imposing ecological and social sacrifices on Global South countries. This dynamic creates "sacrifice zones", where local populations bear the impacts of Europe's energy and consumption needs with little benefit.

Within this context of global unequal power structures, capitalist expansion in the Global South exacerbates existing social inequalities, particularly gender-based oppression. As market relations transform under neoliberal policies, traditional societies are de-communalised. Gender violence becomes an integral component of this transformation, not a residual effect. Globalisation policies driven by international financial institutions - which have resulted in rising commodity prices, land reforms and reduced access to essential services - are reshaping social relations, with women bearing the brunt of these changes.

Morocco and Egypt: From extractivism to green colonialism

In Morocco and Egypt, this extractivist, growth-driven model prioritises exports over local needs, with green hydrogen and renewable projects largely servicing European markets, while Egypt's gas resources support Europe's energy diversification. Meanwhile, European agribusiness investments in both countries emphasise cash crops for export, depriving local populations of essential resources for food security and ecological resilience. These cases exemplify the broader global dynamic, in which Global North investments continue to exploit Southern resources, with the Global South bearing the environmental and social costs of an unsustainable global economy.

Historically, the neoliberal policy prescriptions imposed on postcolonial states such as Morocco and Egypt through Structural Adjustment Programs forced these countries to prioritise the export of raw materials and natural resources to service external debts. Rather than fostering economic diversification, these countries became locked in a pattern of resource dependency, vulnerable to fluctuations in global commodity prices. As export revenues often fell short, external debt continued to rise, creating a vicious cycle of debt repayment, austerity measures, and underdevelopment. This cycle perpetuates reliance on external financing, and prevents them from achieving long-term economic stability or moving beyond the extractivist models established during the colonial era.

CASE STUDY

ENI'S FOSSIL FUEL INVESTMENTS IN EGYPT

Eni's operations in Egypt, particularly in the Zohr gas field: While framed as a contributor to energy security, Enil's over-extraction has led to environmental contamination and reduced production, leading to frequent power outages and energy insecurity for local communities. Eni's model prioritises Europe's energy needs, illustrating how profit-driven extraction exacerbates environmental degradation and dependency rather than advancing sustainable energy solutions.

CASE STUDY

WATER-INTENSIVE AGRIBUSINESS IN MOROCCO

European agribusiness investments in Morocco focus on export-oriented cash crops like tomatoes and citrus, which demand substantial water resources. This model intensifies water scarcity, particularly in rural areas. As groundwater reserves are depleted for export agriculture, traditional livelihoods and local food security are undermined, reflecting the broader consequences of prioritising European markets over ecological balance and resilience in the Global South.

The socio-environmental consequences of operations in Morocco and Egypt exemplify the broader impacts of extractivism in the Global South, where these models consistently externalise costs to local communities:

- Environmental Degradation and Resource Depletion: Oil and gas projects degrade ecosystems and deplete essential resources like water and arable land, disrupting biodiversity and long-term resource stability.
- Economic Dependency and Inequality: Prioritising exports over local benefits fosters dependency and entrenches socio-economic disparities. Rural and marginalised communities are disproportionately affected, facing displacement, precarious jobs, and limited access to vital resources.

• **Gendered Inequities and Social Dislocation:** Extractivist practices exacerbate gender inequalities by relegating women to low-wage, insecure roles and increasing unpaid care burdens. Environmental degradation and displacement amplify social vulnerabilities in already marginalised communities.

Highlighting Alternatives: A sufficiency-based wellbeing economy

This report advances a feminist sufficiency-based wellbeing economic model as a viable alternative to the current extractivist model. A sufficiency-based wellbeing economy fundamentally challenges the traditional growth-centric model, emphasising that the economy should serve people and the planet. Unlike conventional paradigms, which equate increased production and consumption with improved living standards, the sufficiency model recognises that excessive consumption is neither necessary nor desirable for quality of life.

Aligning with principles from Greenpeace MENA and the Wellbeing Economy Alliance (WEAII), this framework emphasises participatory democracy and resource conservation. The model promotes transparency, equity, and long-term policies focused on environmental protection. Integral frameworks like degrowth and strong sustainability advocate for reducing resource consumption and recognising the irreplaceability of natural capital.

Intersectional feminist perspectives enrich this discourse by addressing the unique challenges marginalised communities face, emphasising the need for inclusive economic systems and prioritising social provisioning, gender equity, unpaid labour, and equitable access to resources. Key tenets of feminist economics include recognising invisible labour, promoting ecological health, and fostering solidarity and cooperation. This framework emphasises the need for protections against violence in extractive industries and advocates for policies that support gender equality, healthcare, and reproductive justice.

The sufficiency-based wellbeing economy aligns with feminist values by prioritising social and ecological sustainability, offering a transformative alternative to growth-focused models.

Leveraging Communal, Traditional, and Ancestral Models in Pursuit of Feminist, People-First Wellbeing Economies

This approach is exemplified in community-centric renewable energy projects across the Global South. Local participation in energy systems address broader social goals. These initiatives enhance energy democracy, empowering communities to manage resources while minimising environmental harm.

The report highlights examples from the Global South that already have systems in place that prove the efficacy of people-first, wellbeing economies. It includes:

- The Sufficiency Economy in Thailand
- Buen Vivir in Ecuador and Bolivia
- Participatory governance models in South Africa and Oaxaca
- Co-management strategies in Cambodia and Vietnam

In order to foster a sufficiency-based economy, it is vital to leverage local traditions and community-driven models that focus on sustainability, self-sufficiency, and equity. This means integrating local traditions into participatory governance and cooperatives, which will enhance community engagement, ownership, and mutual support.

Examples in the report include:

- Majlis, traditional gathering spaces in Arab cultures, which facilitate community dialogue and preserve cultural heritage while sharing traditional knowledge.
- Cooperatives enhance local ownership and equitable resource management. The Argan Oil Cooperatives in Morocco demonstrate how cooperatives can empower women and promote environmental conservation. In Egypt, transportation cooperatives improve access and economic resilience.
- Gam'ya, or ROSCAs, serve as informal financial systems, enhancing financial resilience and community trust.
- Traditional knowledge from Indigenous communities supports sustainable practices in local development strategies, as seen in the Sinaweya initiative in Egypt.

Policy recommendations to promote a sufficiency-based wellbeing economy.

National Level:

- 1- Incentivise sustainable practices and local food security through renewable energy subsidies and support for sustainable agriculture techniques.
- **2- Encourage local ownership and participatory governance** by establishing Community Land Trusts (CLTs) and ensuring participatory resource management and gender justice in resource governance.
- **3 Build capacity for local communities** with education and training programs and enhance legal and financial literacy.
- **4- Enhance transparency and accountability in investments** by instituting regulatory frameworks, public disclosure laws, and independent oversight committees.
- 5 Align economic models with local values, history, and tradition by adopting traditional governance models like Majlis and cooperatives.

International Level:

- 1- Transform the global financial architecture for a just transition, through cancelling unfair debt and surcharges, ceasing fossil fuel funding and adopting progressive taxation and reallocating SDRs.
- 2 Reform trade and loan agreements to dismantle neocolonial frameworks, including cancelling unfair trade agreements and moving away from austerity measures.
- **3 Establish a UN Framework Convention on International Tax Cooperation** to ensure fair tax standards.
- **4- End neocolonial and extractivist practices and** support sufficiency and local self-determination.
- **5- Effect a just transition** to renewable energy and escalate energy efficiency initiatives with equitable funding.
- 6- Ensure community governance of foreign investments in the Global South, through comprehensive Environmental and Social Impact Assessments (ESIAs) adhering to frameworks developed by local communities and binding community consultations and monitoring processes.

Conclusion

This report calls for a rethinking of Europe's investment practices in Morocco and Egypt, and for alternatives to the extractivist dynamics underpinning Global North-Global South partnerships. By prioritising sufficiency, social equity, and local empowerment, Morocco and Egypt can cultivate a resilient economic future that respects ecological boundaries and supports community wellbeing. Europe's role must shift from exploitative resource extraction to fostering genuine partnerships, recognising Global South nations as equal stakeholders in building a sustainable and just global economy.

