



THE ITALIAN CLIMATE CHANGE THINK TANK



# SECURING THE ENERGY TRANSITION IN THE MEDITERRANEAN

Rethinking the partnerships  
between Italy and North Africa

POLICY BRIEFING  
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# TABLE OF CONTENTS

<b>Introduction</b>	<b>4</b>
<b>1 Energy security in the Mediterranean in the context of the energy transition</b>	<b>6</b>
<b>2 Guidelines for the evolution of Italy's foreign policy towards North Africa in the age of decarbonization</b>	<b>6</b>
Prioritizing local market(s) and co-development over export	8
A multidimensional approach to energy transition cooperation	9
A synergic approach mobilizing the "Sistema Italia"	10
Boosting Italy's role as a Mediterranean champion at an EU level	12
More multilateralism in the Mediterranean	12
<b>3 Policy recommendations for Italy to advance the energy transition in the Mediterranean region through its relations with North African countries</b>	<b>13</b>

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*The views expressed in this report are solely those of the authors and do not necessarily reflect the views of the Ministry of Foreign Affairs and International Cooperation.*

## INTRODUCTION

After the outbreak of the war in Ukraine in 2022, in the midst of an energy crisis, Europe has progressively demonstrated a renewed interest towards the Mediterranean region, driven by a shift in its energy relations from East to South. As such, the EU external strategy has increasingly focused on the Mediterranean, with energy transition as a key pillar – as displayed by the recent establishment of a new DGMENA within the new European Commission, and by the drafting of the upcoming New Pact for the Mediterranean and of the Trans-Mediterranean Energy and Clean Tech Cooperation Initiative (T-MED initiative).

In this framework, **Italy, with its natural geographic and geopolitical projection is not only well positioned but also has all interests in playing a leading role in the Mediterranean.**

Indeed, energy has historically played a central role within Italy's projection towards the Mediterranean region, and namely in the framework of its bilateral relations with North African countries. In the context of advancing decarbonization efforts, there is a growing need for Italy's energy diplomacy in the region to be further enlarged and adapted to reflect the evolving, multidimensional landscape of the energy transition. This entails **going beyond the mere concept of availability of energy supply, based on a buyer-supplier relational pattern, to embrace a broader clean energy vision for the Mediterranean which can lead to more integration, stability and security in the region.** Such vision for an integrated Mediterranean powered by green energy is strongly supported by the **huge potential that the region holds in terms of renewable energy capacity:** [the solar and wind potential in the Mediterranean region is conservatively estimated at more than 3 TW.](#)

Italy's current bilateral partnerships with North African countries are increasingly oriented towards the energy transition, thus offering an opportunity to develop a strategic vision to advance sustainable development as well as renewable energy cooperation in the broader Mediterranean region. In particular, the [Mattei Plan](#), launched in January 2024 during the Italy-Africa Summit, demonstrates the centrality of green energy cooperation, which represents one of the main pillars of Italy's renewed strategy towards Africa.

The climate-energy nexus and its close relation with the promotion of economic development also play a central role in the framework of the [Rome Process](#), launched in July 2023 with the International Conference on Migration and Development hosted in Rome by Italy and Tunisia.

The platform, which aims at supporting political stability and promoting social and economic development in the Enlarged Mediterranean, also highlights the relevance of the climate-migration nexus, and the need to scale-up cooperation and funds on both mitigation and adaptation to climate change in the region.

Indeed, the Mediterranean region is a climate change hotspot, with climate projections indicating that the rate of warming in the Basin will exceed the global average by 20%. Beyond direct climate impacts, desertification, droughts and extreme weather phenomena also intensify existing social, economic, political and security vulnerabilities – with repercussions going far beyond climate and environment, and spreading far beyond the region. In this framework, the untapped potential for renewable energy in the Mediterranean, and particularly in North African countries, can be a game changer for the decarbonisation of the region, with positive impacts on climate risk mitigation, climate and economic resilience.

Against this backdrop, this policy brief explores the evolving nexus between energy security and energy transition within Italy's foreign policy towards North Africa, providing recommendations on how Italy can play a leading role – including at a European level – in promoting the energy transition in the Mediterranean region through its relations with North African countries, both at a bilateral and multilateral level.

This policy brief was written in the framework of the project **“Security and Energy Transition in the Mediterranean: What Role for Italy?”**, carried out by **ECCO, the Italian climate change think tank**, and **RES4Africa Foundation** and supported by the Analysis and Programming Unit of the Italian Ministry of Foreign Affairs and International Cooperation.

To build the analysis and policy recommendations included in this document, ECCO and RES4Africa conducted a mapping of all publicly available all agreements and initiatives on energy transition undertaken by the Italian public and private sector actors with North African countries over the past 10 years, and carried out a consultation with international experts, policymakers, academics, and representatives from international organizations, private sector and civil society.

## 1 ENERGY SECURITY IN THE MEDITERRANEAN IN THE CONTEXT OF THE ENERGY TRANSITION

Energy security necessarily entails a dimension of external cooperation, which has so far mainly been based on relations revolving around oil and gas. Such patterns of energy cooperation have already started to evolve towards **new forms of clean energy cooperation** which reflect an evolving concept of energy security in line with the decarbonization process. For Italy, this involves **actively promoting and supporting the energy transition in partner countries, particularly in North Africa, while at the same time advancing renewable energy interconnection with the final aim of creating a clean, interconnected energy space in the whole Mediterranean basin.**

**Energy security 2.0 embodies the convergence of energy transition, electricity security, and regional integration.** More interconnected electricity grids at a regional level can improve resilience against intermittency of domestic renewable generation, create more affordable energy, and add flexibility that would strengthen energy security across Mediterranean countries, as already demonstrated by intra-EU interconnections. All of this, with important gains for the long-term economic development and stability of partner countries. Thus, it has become increasingly clear that **the energy transition unfolding across the Mediterranean – on both its northern and southern shores – represents a unique opportunity to foster shared prosperity and security.** Contributing to shaping resilient economies in partner countries is key for a sustainable development pathway, which in a long-term perspective will also help to **decrease migration flows towards Europe.** In this framework, **Italy can position itself not only as a technical and infrastructural hub, but also as a geopolitical and geoeconomic bridge between Europe and (North) African countries.**

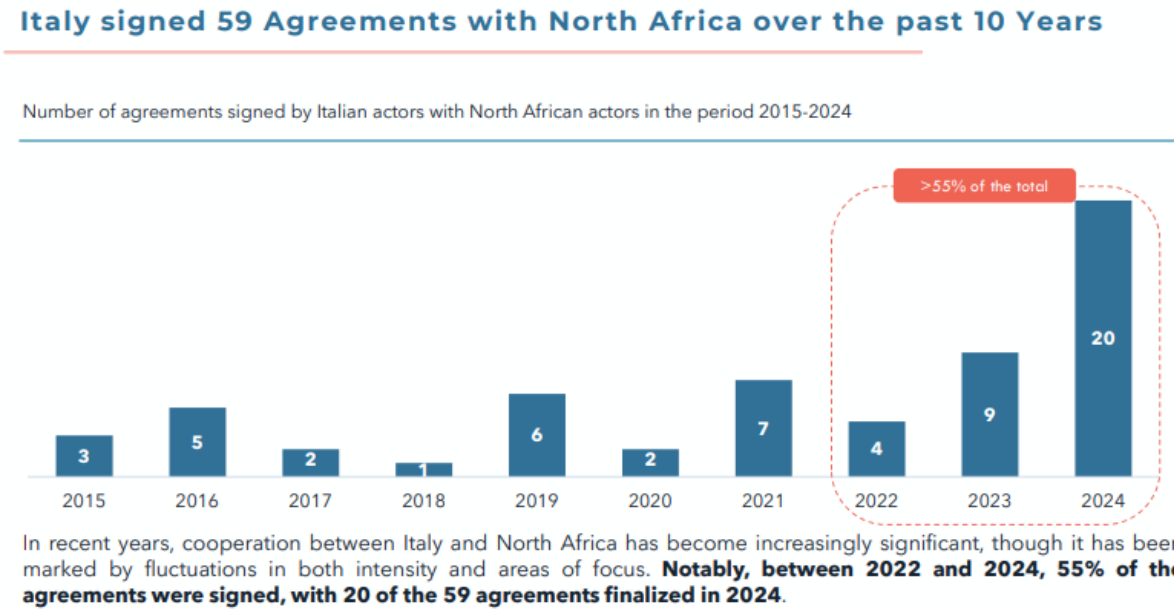
## 2 GUIDELINES FOR THE EVOLUTION OF ITALY'S FOREIGN POLICY TOWARDS NORTH AFRICA IN THE AGE OF DECARBONIZATION

Bilateral cooperation on energy transition between Italy and individual North African countries, both from an institutional and private sector point of view, has been increasing in the past decade and even more so since 2022-23 (See [Figure 1-2](#)). Indeed, the international energy crisis which followed the outbreak of the war in Ukraine in 2022 has marked a crucial turning point, serving as an unprecedented catalyst and opportunity **to unlock the full potential of Italy's energy and climate policy and diplomacy.**

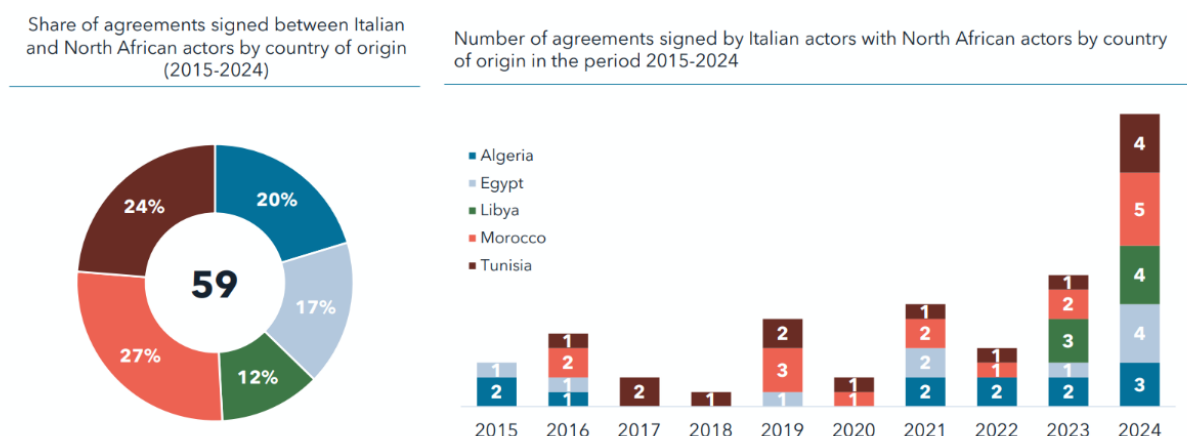
Given the complexity of the task ahead, there is growing recognition that **a predominantly project-based approach may not be sufficient to achieve the transformative impact Italy envisions in its cooperation on the energy transition with North African countries** – particularly in the context of the ambitions set forth by the Mattei Plan. This underscores the **importance of situating Italy’s recent projects, initiatives, and tools within a broader, multi-stakeholder strategic vision for the energy transition in the Mediterranean - one that extends beyond bilateral engagements to embrace a more regional and multilateral approach.**

In this framework, the strategic vision carried forward by Italy also needs to be aligned with initiatives advanced by the EU, other EU member States and by international organizations in the region, thus joining forces towards a coordinated and stronger approach where Italy could play a leading role.

**Figure 1** – Number of agreements focused on at least one component of the energy transition signed by Italian actors with North African actors in the period 2015-2024.



**Figure 2 – Prevalence of bilateral agreements by country (2015-2024).**



The data highlights a **dynamic landscape of Italy's engagements with North African countries**, marked by **shifting focus areas and evolving strategic interests**. **Morocco and Tunisia stand out as key partners**, while **Algeria and Libya** exhibit signs of renewed interest. **Egypt's engagement** indicates opportunities for deeper collaboration.

## PRIORITIZING LOCAL MARKET(S) AND CO-DEVELOPMENT OVER EXPORT

Renewable energy investments in North Africa should prioritize local energy demand before being allocated for exports. Given the extreme potential for RES in the region, overcapacity will also lead to export possibilities towards Europe, which represent a driver for private sector investments in this sector, as well as a derisking factor for renewable energy projects in North Africa.

Nevertheless, **creating a local market and fueling long-term economic and industrial development at a local level** is essential for partner countries to secure their energy transition and to lay the ground for sustainable growth which can provide the basis for **more developed, mutually beneficial economic and political cooperation between the two shores of the Mediterranean**.

The **recent major black-out in the Iberian Peninsula** also provides some useful lessons in this regard, underlining the need for enhanced system integration (based on interconnections) to increase resilience.

Besides moving beyond extractive models toward the empowerment of local markets and co-development (i.e. joint renewable projects, industrial localization, and grid interconnections), clean energy partnerships also need to be **fair and conducive to a just and inclusive transition**. This is why the safeguard and promotion of environmental and social standards is also vital, namely in the perspective of regional integration.



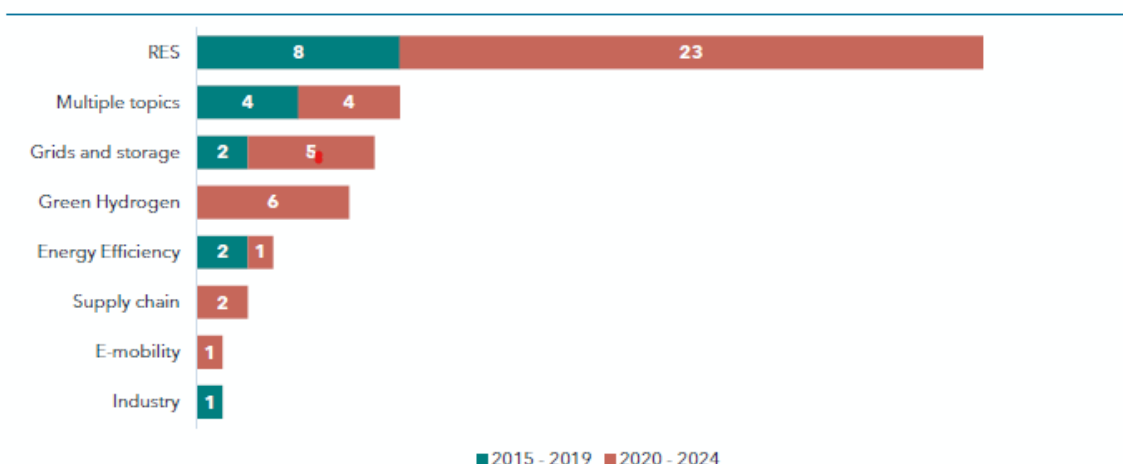
## A MULTIDIMENSIONAL APPROACH TO ENERGY TRANSITION COOPERATION

To play an active and systemic role in advancing regional energy transition, **cooperation needs to go beyond the sole domain of renewable electricity production, to also involve – among other sectors - green industrial local development and cooperation, value chains and grid interconnectors.** Starting from the institutional level, the increasing involvement of Italy's Ministry of Enterprises and Made in Italy (MIMIT, former Ministry of Economic development) in cooperation with North African partners since 2024 bodes well for a broader economic and industrial engagement (See [Figure 3](#)).

**Figure 3** – Numbers of agreements signed by Italian actors (public and private) with North African actors per energy transition component (2015-2024).

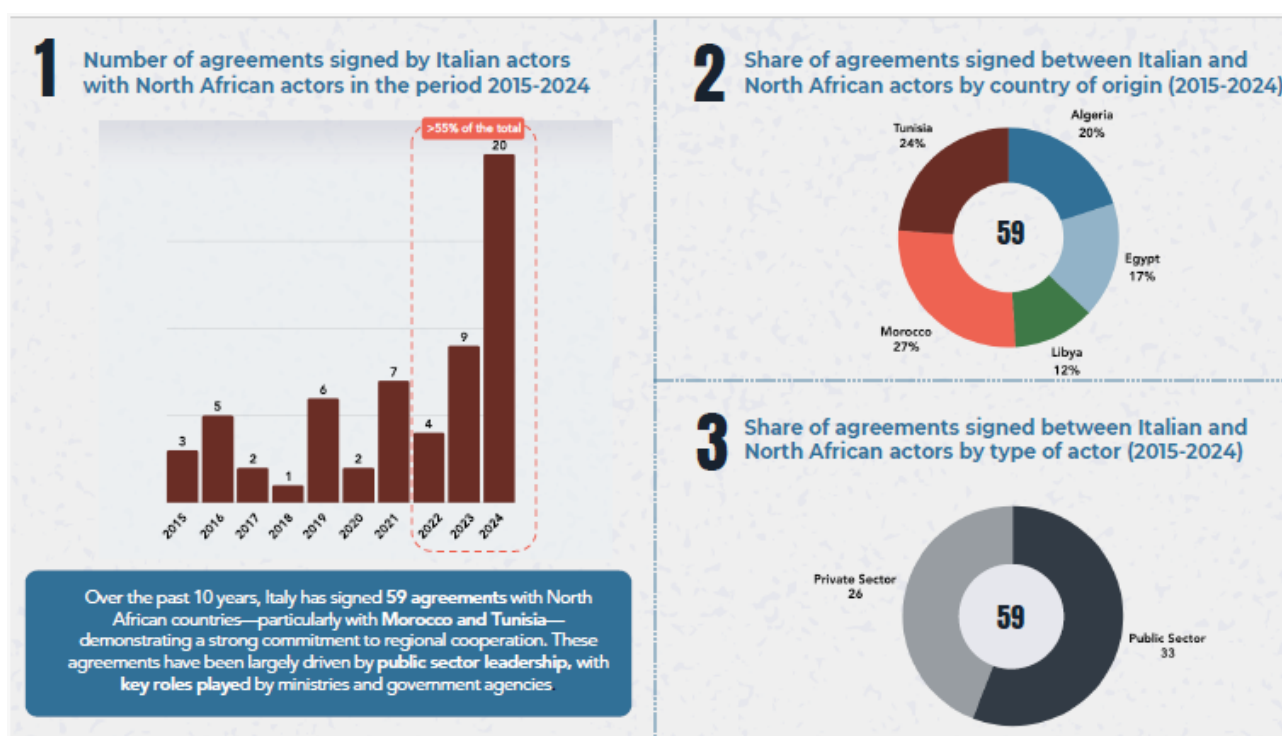
### RES, grids and storage and green hydrogen drove Italy's interests (I)

Number of agreements signed by Italian actors with North African actors per energy transition component (2015-2024)



This is key to integrating clean energy cooperation into a wider framework which can **fuel partner countries' economic transition and diversification**, thus also breaking a vicious circle where energy cooperation remains limited to the energy sector. This particularly applies to **oil and gas exporting countries**, whose cooperation with Europe and Italy can play a key role to accompany the phase-out and prepare their economic systems accordingly (See [Figure 4](#)).

**Figure 4** – Analysis of private and public sectors engagement in North Africa by years, country of origin and type of actor (2015-2024).



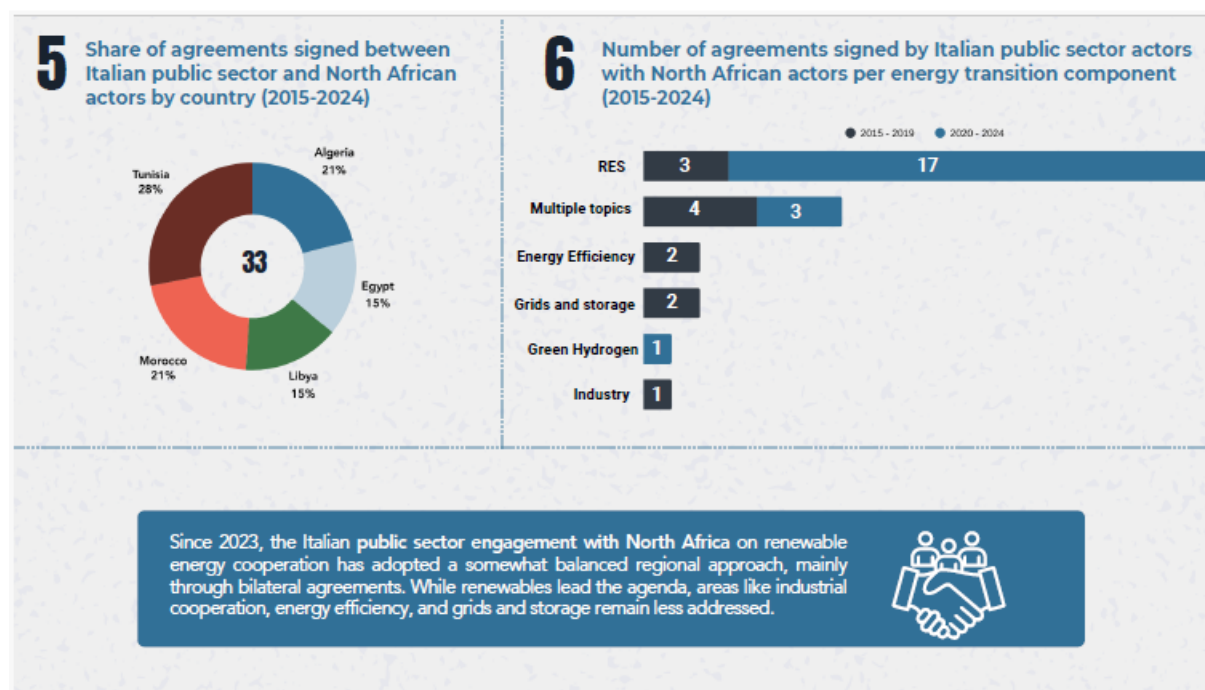
## A SYNERGIC APPROACH MOBILIZING THE “SISTEMA ITALIA”

Italy’s cooperation with North African partners needs to be guided by a **synergic approach capable of rallying the strength of the whole Italian country system (*Sistema Italia*)**. To this aim, diplomacy, policy, and industry need to work hand in hand to advance shared national and international priorities.

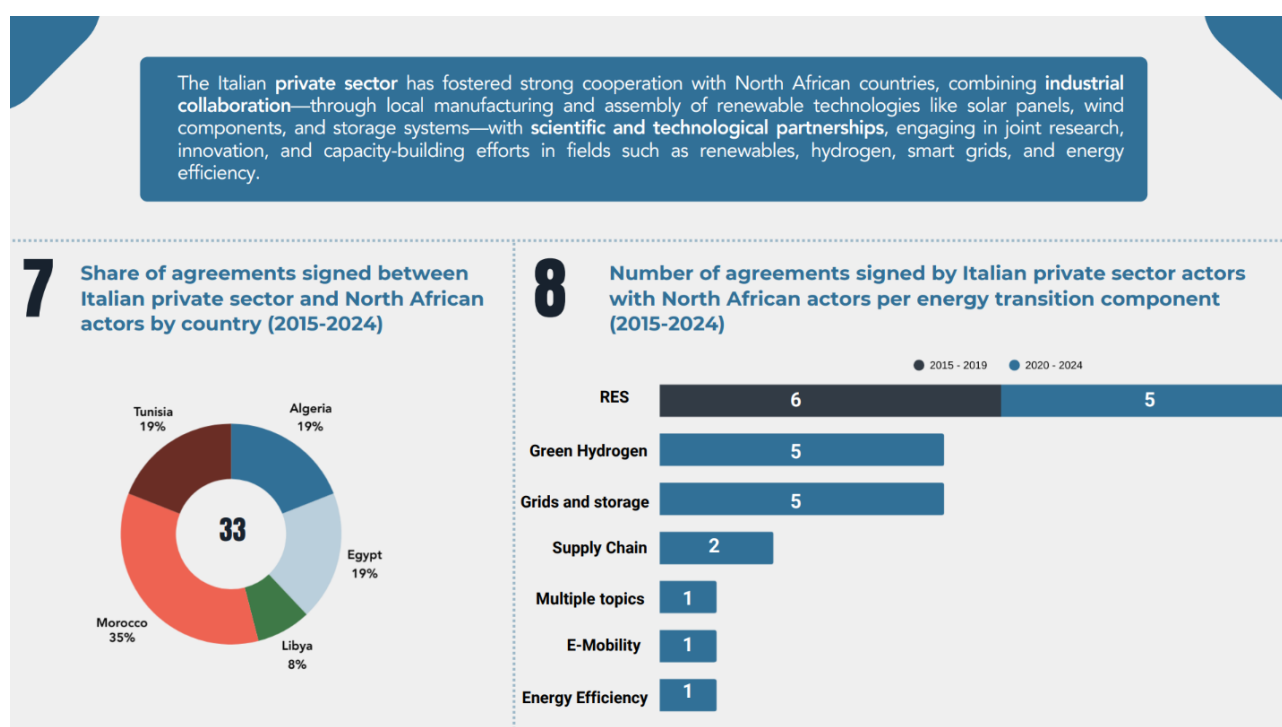
In this framework, **the active and coordinated engagement of (and with) the Italian private sector stands as a key enabler, contributing to** translating political vision into concrete outcomes and serving as an operational backbone.

Coordination with the private sector, and the development of (financial) tools to empower and/or facilitate private companies in operating in partner countries, is central for both the **Mattei Plan and the EU Global Gateway Initiative**, which have placed the mobilization of funds from the private sector, together with existing public instruments, as a pillar for Italy and EU strategies of external engagement, towards Africa and beyond. At an Italian level, the record number of agreements signed by Italian private sector companies or state-participating companies in North Africa in 2024 well reflects this development (see [Figure 5](#)).

**Figure 5** – Analysis of public sector engagement in North Africa by country of origin and energy transition component (2015-2024).



**Figure 6** – Analysis of private sector engagement in North Africa by country of origin and energy transition component (2015-2024)



## BOOSTING ITALY'S ROLE AS A MEDITERRANEAN CHAMPION AT AN EU LEVEL

To make the most out of its revamped focus on the Enlarged Mediterranean and scale it up, including from a financial point of view, Italy needs to align and coordinate its strategy with both the EU as well as with fellow Member States mostly active in this region.

Harmonizing all regional initiatives and policy approaches carried forward in the Mediterranean space by the EU and its Member States through the **Team Europe approach** is a key step to maximizing impacts and reaching shared objectives. Given its stakes in the area and the depth of its relations with Southern Mediterranean partners, Italy is well positioned to establish itself as a **Mediterranean champion** within the EU in this timely moment. Indeed, the fact that the EU is currently drafting a **New Pact for the Mediterranean, and a related Trans-Mediterranean Energy and Clean Tech Cooperation Initiative** provides Italy with space and opportunity for to shape the European strategic vision for the region.

## MORE MULTILATERALISM IN THE MEDITERRANEAN

For Italy to advance regional decarbonization in the Mediterranean, **bilateral cooperation – which has emerged as the prevailing cooperation pattern between Italy and North African countries – needs to be complemented by multilateral cooperation and regional policies.**

Italy, which holds positive relations with all parties at stake and hosts regional energy **technical platforms** (MEDREG and MED-TSO), can serve as a **driving force to push for opening and regional cooperation at a technical level**, including from an institutional point of view. This could create a conducive environment for potential further openings also in other political (and policy) areas.

While North African regional cooperation appears complex and tense, **Euro-Mediterranean dialogue** needs to be fostered – namely within the current process of revamping of the Union for the Mediterranean (UfM), which currently stands as the only multilateral forum representing all Mediterranean countries.

At the same time, Italy's efforts to engage its (North) African partners into broader intergovernmental fora – such as G7 – play a relevant role to actively involve them in broader international initiatives on global dynamics, including energy and climate, and strengthen Italy (and Europe)'s power of attraction as champions of multilateralism in times of crisis for the multilateral order.

### 3 POLICY RECOMMENDATIONS FOR ITALY TO ADVANCE THE ENERGY TRANSITION IN THE MEDITERRANEAN REGION THROUGH ITS RELATIONS WITH NORTH AFRICAN COUNTRIES

The above analysis has aimed at providing guidelines for the evolution of Italy's foreign policy towards North Africa in times of decarbonization, stemming from a renewed concept of energy security in the Mediterranean, whose contours will be more closely defined with the unfolding of the energy transition process.

Drawing from such analysis, this final section provides a more practical toolbox for Italy to leverage on its Mediterranean projection and historical relations with North African partner countries to advance energy transition in the Mediterranean region, in line with its broader geopolitical and geoeconomic objectives.

- 1) **Designing a regional strategy for North Africa**: To advance Italy's multidimensional strategic interests in the region, **all its initiatives, cooperation and investment endeavors need to be framed and to respond to a strategic framework – to be developed and implemented within the Mattei Plan – with the aim of contributing to foster stability, development, energy security and climate resilience in partner countries and in the Enlarged Mediterranean.**

Such strategy should **involve the full-spectrum of the *Sistema Italia*** – from institutions to large state-participating companies and private sectors, think tanks and civil society, academia – while being grounded in dialogue with Country systems on the other side of the Mediterranean, thus **encouraging mutual local ownership of partnership mechanism**. Given the core role historically played by energy in Italy-North Africa relations, new patterns of cooperation around the energy transition will need to be outlined, defining:

- **Strategic goals:** Cooperation on energy transition can foster Italy's geopolitical, geoeconomic and security goals in the Mediterranean.
- **Partnership scope:** Broadening the scope of cooperation around energy transition to encompass all sectors directly and indirectly impacted by decarbonization, including development, scientific, economic, climate and clean industrial cooperation, but also the regulatory environment. Cooperation should also include interconnected regional challenges – such as energy-digitalization synergies, water-energy-food (WEF) nexus issues, climate-peace-security nexus and migration.

- **Project pipelines:** Outlining a project definition pipeline, as a way to grant coordination and homogeneity, including channeling funds, and as a basis to invest in skills and capacity building to bring cooperation forward. All projects and initiatives (ongoing and upcoming) should be aligned with such goals in a clear and transparent manner.

- 2) **Taking the lead in the Euro-Mediterranean energy transition process to promote growth and stability:** In line with its ambition to become a Mediterranean clean energy hub, Italy should support and lead initiatives such as the TeraMed, which establishes a Mediterranean regional target for renewable energy rollout. Following the landmark agreement at COP28 to triple global renewable capacity to 11TW by 2030, the [TeraMed initiative](#) has emerged as an ambitious regional response, aiming to deliver 1TW of renewable energy generation capacity in the Mediterranean by 2030. The joint development of electricity grids and renewable plants would bring growth and economic integration, making a decisive contribution to energy security and stability in the region. Moreover, the definition of a regional target can contribute to **rallying political commitment** and stimulating **large scale public and private investments** in renewable energy in the Mediterranean.
- 3) **Fostering regional energy integration through the role of private sector, financial institutions and technical energy platforms:** A shift toward regional electricity market integration—backed by harmonized regulations and shared infrastructure—holds the potential to unlock significant benefits for all countries in the region and break the cycle of non-integration. North Africa's current energy security paradigm has long been defined by fragmented national strategies, competing energy policies, and limited cross-border infrastructure. This has reinforced an “unsynergized” dynamic despite sharing similar challenges, such as rising electricity demand, gas dependency, and climate vulnerabilities). **The Italian private sector has the potential to significantly advance integration efforts by utilizing its technical expertise, financial resources, and strategic partnerships. This potential has been exemplified by initiatives like RES4Africa over the past few years.** Italian energy firms, grid operators, and renewable developers can drive infrastructure projects like cross-border interconnectors and smart grid systems, enabling efficient electricity trading across the region. Meanwhile, **financial institutions and export credit agencies can de-risk investments through blended finance mechanisms**, while Italian engineering and consulting firms supporting regulatory and market design. Italy can also play a significant role in **fostering the roles of MED-TSO and MEDREG, the two technical energy platforms**, to accelerate regulatory harmonisation in the region.
- 4) **Establishing a Financial instrument dedicated to cross-border energy infrastructure that builds on all existing instruments:** Drawing on the success of the ELMED project, a dedicated cross-border financial instrument should be

developed to mobilize and pool resources from multilateral development banks (MDBs), national development funds, private investors, and international climate finance mechanisms. This instrument would prioritize co-managed infrastructure projects – such as transnational electricity interconnectors, renewable energy hubs, and green hydrogen corridors – that align with both national decarbonization goals and regional energy security needs.

- 5) Framing energy transition cooperation in the broader climate diplomacy space by promoting the adoption of ambitious NDCs by North African countries:** In 2025, all parties to the Paris Agreement are called to present their updated Nationally Determined Contributions (NDCs). **Italy is well placed to support its partner countries in the Mediterranean in the adoption of national targets of renewables development.** To do this, Rome can also leverage on its strategic partners in the Gulf, which have increasingly become key players in the Mediterranean energy transition and in the context of the Rome Process.
- 6) Ramping up technology and knowledge transfer:** **Italy's engagement with North African countries in the field of energy transition should prioritize enhancing technical assistance to local energy actors and fostering capacity-building programs as the basis for long-term economic development and deeper clean economic and industrial cooperation.** By providing targeted expertise in renewable energy technologies, grid modernization, and sustainable resource management, Italy can help bridge gaps in knowledge and infrastructure. Additionally, collaborative, co-developed projects – such as cross-border renewable energy hubs or joint research ventures – could amplify regional cooperation, ensuring a more cohesive and efficient transition. This approach not only supports North Africa's decarbonization goals but also solidifies Italy's role as a key partner and as a **green hub** in the Mediterranean's clean energy future.





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