

José Luis Escrivá: Introductory remarks - 9th Annual Conference of Mediterranean Central Banks

Introductory remarks by Mr José Luis Escrivá, Governor of the Bank of Spain, at the 9th Annual Conference of Mediterranean Central Banks "Harnessing innovation and integration for sustainable and inclusive development in the Mediterranean region", hosted at the Central Bank of Egypt, Cairo, 1 October 2025.

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It is a great honour to welcome you to the 9th edition of the Conference of Mediterranean Central Banks, held this year in the vibrant city of Cairo. I would like to begin by expressing my gratitude to our hosts-the Central Bank of Egypt-and to the rest of our co-organizers: the Organization for Economic Co-operation and Development (OECD), the European Institute of the Mediterranean (IEMed), and the Union for the Mediterranean (UfM), and, in particular, to Governor Abdalla, Ambassador Florensa, Deputy Secretary General of the Union for the Mediterranean, Meltem Büyükkaraka, and OECD Director, Luiz de Mello. I am also very grateful to you all for your participation in this conference.

Today's is the 9th edition of a series that was jointly initiated by the European Institute of the Mediterranean and the Banco de España, with the first edition held in Barcelona in October 2014. Since then, the initiative has steadily grown in scope and relevance, becoming an important platform for dialogue and cooperation in economic and financial relations across the Euro-Mediterranean region. I cannot stop emphasizing the decisive commitment of IEMed, which has been instrumental in sustaining the success of the Conference throughout all these years.

The last edition of this conference took place in February 2024 in Split, amid a highly uncertain global environment. At that time, the wars in Ukraine and the Middle East - with their devastating human consequences- were weighing heavily on the outlook, hampering the recovery of the global economy.

Today, unfortunately, the situation has not improved, and the global economic outlook remains fragile. The wars in Ukraine and Middle East are still ongoing with an intolerable toll in human lives. In addition, rising geopolitical tensions, in part stemming from the back-and-forth over the imposition of tariffs by the United States, continue to fuel extraordinary uncertainty and volatility, posing serious risks to global growth.

In this context, policymakers face complex challenges. For central banks, the focus is on navigating the path toward monetary policy normalization, guided by a data-dependent, meeting-by-meeting approach. On the fiscal side, many countries must urgently address high debt levels and borrowing costs through credible consolidation strategies. Over the medium term, structural reforms are essential to boost growth potential and tackle key transitions -notably the green and digital ones-.

Today, the very foundations of the multilateral order are being tested by rising geopolitical tensions, protectionist tendencies, and the proliferation of unilateral measures. Yet, it is precisely in such times of uncertainty and division that the value of

multilateralism becomes most evident. Only through robust and inclusive international cooperation can we effectively tackle global issues that transcend borders-be it climate change, technological disruption, or financial instability. Multilateral institutions and frameworks provide the legitimacy, expertise, and coordination mechanisms necessary to forge common solutions and prevent the escalation of conflicts. We must therefore not only preserve, but actively reinforce the multilateral system, ensuring it remains fit for purpose in a rapidly evolving world. This requires renewed commitment to dialogue, mutual respect, and the search for consensus, even when interests diverge. By working together, we can build a more stable, prosperous, and sustainable future for all.

This year's theme, "Harnessing Innovation and Integration for Sustainable and Inclusive Development in the Mediterranean Region," could not be more timely. Today we have the opportunity to address a number of issues that are of the outmost importance for our countries, and in particular, to central banks.

We begin with a deep dive into Artificial Intelligence -a technology that is reshaping the financial sector and central banking itself. AI offers powerful tools for productivity and risk management, but also raises ethical and regulatory questions. As central banks, we must lead the way in ensuring responsible innovation.

We then turn to the urgent issue of financing the green transition. Climate goals require unprecedented levels of investment and coordination. Central banks can play a catalytic role in mobilizing capital, aligning incentives, and supporting sustainable finance frameworks.

In the afternoon, we will address financial inclusion, with a focus on women entrepreneurs and SMEs. These actors are vital to our economies, yet remain underserved. Tackling informality, promoting gender-sensitive policies, and expanding access to finance are essential steps toward inclusive growth.

Finally, we will explore financial integration across the Mediterranean. Integration is not just about connectivity -it is about coherence, resilience, and shared prosperity. Reducing regulatory fragmentation and improving digital infrastructure are key to unlocking the region's potential.

This conference aims to be more than a series of sessions-it is a platform for dialogue, collaboration, and shared learning. Let us use this opportunity to exchange ideas, challenge assumptions, and build bridges across borders and institutions.

Let me stop here, by expressing once again my gratitude to the co-organisers of this event, and in particular to our host, the Central Bank of Egypt, for making this conference possible, and to wish all the participants a productive and inspiring day of discussion and a pleasant stay in Cairo.

Thank you.