



A United Maghreb Region: A Challenging Aspiration or a Potential Reality?

By Omar Khattaly · 11 January 2026

In 1989, the member states of the Greater Maghreb region (Morocco, Libya, Algeria, Tunisia, Mauritania) convened in Marrakech, Morocco, and signed a landmark agreement intended to advance political coordination and economic integration. Nearly four decades later, however, the objectives of this accord remain largely unrealized. The agreement has effectively stagnated due to the absence of a cohesive strategic vision, Libya's continuous political instability, and the ongoing Algeria-Morocco dispute over the Western Sahara Desert, which resulted in the absence of a functioning Maghreb political and economic bloc.

Today, the Maghreb stands as one of the most fragmented regions globally, with intra-regional trade representing less than 5 percent of the area's total trade volume. Despite a combined population of approximately 115 million people and an aggregate



GDP approaching \$600 billion, the region's substantial economic potential remains underutilized. Several studies estimate that the financial losses resulting from the failure to achieve meaningful integration range from \$10 to \$20 billion annually, reflecting missed opportunities in trade efficiency, security collaboration, investment flows, employment generation, and regional development, especially in the energy and infrastructure sectors.

However, with the recent international developments surrounding the Moroccan-Algerian-Western Sahara dispute, new opportunities may be emerging for renewed dialogue and cooperation. The relative stabilization of this historically contentious issue creates an opportunity for the Maghreb states to reassess their regional priorities and pursue substantive economic integration for the benefit of their citizens. If pursued effectively, this moment could provide the foundation for revitalizing the long-dormant regional bloc and unlocking its considerable economic, financial, and strategic potential.

The U.S. and the Trump administration could play a vital role in resetting the tracks for this region's potential growth. If successful, the U.S. could utilize this bloc's unity in countering China's growing economic-political power and Russia's military ambitions in the Maghreb and the Sahel area. So, what is at stake and the benefits for American companies and the ultimate high rewards for the Maghreb region's citizens?

Energy

Algeria and Libya's vast hydrocarbon wealth could play a significant role in promoting economic stability in this region. Aligning the region's complex regulatory system and business-trade policies could benefit U.S. companies seeking to invest in large projects in Petrochemicals, heavy industry, and energy-based manufacturing, including green hydrogen, solar, and wind. American companies can invest in upstream (exploration and production), parts, equipment, drilling, LNG tech, and much-needed oil and gas technology, which, at the moment, I see as highly competitive with Chinese, Russian, and European companies. In addition, energy infrastructure such as gas export facilities, large logistics ports, and shared pipelines running through the Sahel to the Maghreb and Europe can be a win-win for all. The region's strategic location as a connecting bridge to the Middle East, Africa, and Europe has yet to be fully explored for significant financial benefits, where the Maghreb can position itself as a sustainable energy hub for Europe and Africa.



Agriculture and Food Security

Drought and water availability have been significant concerns across most of the region, affecting future food security and the need for clean drinking water. Morocco has led the region in planning and building over 25 water desalination plants by 2030, with a capacity of over 1.7 billion square meters for human and agricultural use. At the moment, Algeria has 11 in operation. The region's integration and a joint water solution could bring these efforts together for the benefit of the entire region, enabling cost savings and benefiting all. Libya's tremendous underground water resources can be utilized for large-scale agriculture in coordination with the rest of the Maghreb states, in line with each state's comparative advantages.

Industrial – Infrastructure – manufacturing

Morocco and Tunisia's skilled workforce can be an added value to Libya and Algeria's vast hydrocarbon riches in the development of infrastructure projects to grow trade, tourism, and the movement of labor and skilled persons across the region. Integrated policies, strategies, and agendas can lead to better and bigger roads, ports, energy grids, and railway developments. If managed properly, these projects will cost less. They will be instrumental in providing better jobs and ultimately leading to a more politically and socially stable environment, impacting illegal immigration, extremism, narcotics, and terrorism.

Removing border restrictions, easing people movement, and lifting tariffs and customs fees will result in a larger flow of products and greater manufacturing success. Creating a Made-in-Maghreb brand and products will have priority within the region, especially for daily necessities such as food, agricultural products, and textiles. The creation of an annual Made in Maghreb exhibition, to be held in each country's capital on a rotating basis, will be a start toward this region's economic reintegration.

Political Stability & Security

Achieving political stability and higher levels of security is a significant advantage for the Maghreb region and for policymakers in Europe and the United States. A unified political vision and voice from the Maghreb would enhance the region's influence within the African Union, the Arab League, and the European Union. For the U.S., this would mean moving away from the current unilateral policies for each of the five member states. Instead, there would be a single bloc that could effectively engage with AFRICOM, facilitate intelligence sharing and border patrol, and coordinate

counter-terrorism efforts.

If successful, it is possible to counter the threat of Al-Qaeda and Daesh, along with militants in the Sahel and Sub-Saharan regions moving north, threatening the stability of Libya, Morocco, and Algeria.

For Libya, this is a great opportunity. A unified Maghreb political front would protect it against regional players with a strong interest in keeping Libya weak and divided to serve their own strategic goals.

In the long run, reviving Maghreb economic agreements will lead to political cooperation similar to that of the Association of Southeast Asian Nations (ASEAN) and the Central American Common Market (CACM). The U.S. needs a specifically tailored Maghreb policy, away from the Middle East, that treats this region in accordance with its distinct cultural identity and political and social traits.

The last U.S. Senate Foreign Relations Committee session on the Maghreb took place on November 4, 2015. It is now essential for U.S. policymakers to reevaluate the region's strategic value and support its economic development, which could generate significant benefits for regional, European, and American interests.