Foreign Direct Investment in the Eastern Mediterranean

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Sustainability and Cultural Alignment

By

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To the ascetics of Stavrovouni Monastery, Cyprus,
whose prayers rise like incense, offering peace to the winds of the Eastern Mediterranean—
a quiet strength in turbulent times,
and a timeless reminder of stillness amidst complexity.

"The Lord will bless His people with peace."

Hebrew (תהילים כ״ט:י״א)
יְהוָה עֹז לְעַמּוֹ יִתֵּן
יְהוָה יְבָרֵךְ אֶת־עַמּוֹ בַשָּׁלוֹם׃

Greek (Ψαλμός 28:11 – Septuagint)
Κύριος ἰσχὺν τῷ λαῷ αὐτοῦ δώσει·
Κύριος εὐλογήσει τὸν λαὸν αὐτοῦ ἐν εἰρήνῃ.

Arabic (مزمور ٢٩:١١)
يُعْطِي ٱلرَّبُّ عِزًّا لِشَعْبِهِ
يُبَارِكُ ٱلرَّبُّ شَعْبَهُ بِٱلسَّلَامِ

English (Psalm 29:11 – Masoretic Text)
The Lord will give strength to His people;
the Lord will bless His people with peace.

Frontispiece Figure. *Mosaics of Beth Shean and Caesarea Maritima: A Blessing Upon Arrival. Ben Gurion Airport, Tel Aviv. Photograph by P. Kontakos, taken on 14 February 2025.*

Above the arrivals hall of Ben Gurion Airport, two Byzantine mosaics welcome visitors not only to Israel, but to the layered history of the Eastern Mediterranean.

The *upper mosaic*, known as the *Green Birds Mosaic*, comes from *Beth Shean*, a site steeped in Greco-Roman and early Christian history. It features a vibrant avian pattern composed of green mosaic stones and bears the Greek inscription:

“Εὐλογημένος εἶ ἐν τῷ εἰσελθεῖν σου, καὶ εὐλογημένος εἶ ἐν τῷ ἐξελθεῖν σου”

(“Blessed shall you be when you come in, and blessed shall you be when you go out” — Deuteronomy 28:6).

A timeless invocation of peace and blessing for all who cross this threshold.

The *lower mosaic*, from *Caesarea Maritima*, depicts *Kalokeria*, a woman holding a basket of fruit. Her name, meaning “abundance” or “good season” in Greek, evokes the prosperity of Caesarea during the Roman and Byzantine periods—a symbol of flourishing civic life rooted in trade, culture, and faith.

Together, these mosaics form a silent benediction—ancient voices greeting modern travellers in the language of beauty, heritage, and peace.

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FOREWORD

I've spent countless hours in the sea—swimming, studying, protecting. I've dedicated my life and career to the conservation of marine biodiversity. One spring morning, while working onboard a small fishing vessel with a local, small-scale fisherman off the coast of Cyprus, I came face-to-face with the reality I had long studied but hadn't yet felt so personally.

His face—aged, tired, and deeply weathered by the scorching Cypriot sun and the salt of the Mediterranean—held more than the marks of a life at sea. It held worry. As he pulled in his empty nets, he muttered quietly, "*The sea is silent now*". At first, I didn't understand. The sea that day was rough and loud, anything but silent.

But later, it struck me: he wasn't speaking of sound. He was speaking of absence—of life, of abundance, of certainty. That quietness stayed with me. It was not just about the declining fish stocks. It was an urgent signal: that our relationship with the sea must change—not just as scientists or citizens, but as decision-makers and investors. The silence is not natural. It is the result of choices. And now, we must choose differently.

The Mediterranean Sea is an economic powerhouse, supporting livelihoods and providing goods and services valued at an estimated 5.6 trillion U.S. dollars. Its health is closely tied to the region's stability—underpinning our food systems, energy resources, public health, and resilience to climate impacts. A thriving Mediterranean is essential for sustainable development, regional cooperation, and long-term peace.

Yet, this immense value is increasingly at risk. Decades of overfishing, pollution, habitat degradation, and unsustainable coastal development have placed the Mediterranean's marine ecosystems on a perilous path. Without urgent, coordinated action and responsible investment, the region could lose a significant portion of its ocean-based economic potential over the next decade. Most industries operating in or near the sea, from tourism and fisheries to shipping and real estate, face growing risks tied to environmental decline and regulatory shifts.

Still, this is also a moment of great opportunity. Embracing a nature-positive approach—one that halts and reverses marine degradation by 2030—could unlock billions in new sustainable value. Key sectors like maritime transport, marine biotechnology, eco-tourism, offshore renewable energy, and sustainable aquaculture must lead this transformation, helping to ensure that the Mediterranean remains a source of prosperity, biodiversity, and resilience for generations to come.

The Eastern Mediterranean is a region defined by convergence—of continents, cultures, ecosystems, and opportunities. As someone deeply engaged in the conservation and sustainable use of marine natural resources across Greece and Cyprus over the past decade, I have witnessed both the promise and complexity of this region. From the turquoise waters of the Aegean to the unique ecosystems of the Levantine Basin, this maritime corridor is not only a biodiversity hotspot but also a region brimming with opportunities for sustainable economic development.

The Blue Economy stands at the heart of this vision. It is more than a concept—it is a pragmatic pathway to reconcile economic growth with environmental stewardship. For countries in the Eastern Mediterranean, investing in sectors such as sustainable fisheries, coastal tourism, and marine biotechnology offers a way to revitalise local economies while safeguarding the fragile marine ecosystems that underpin them and preserving the region's rich cultural heritage. This vision, however, cannot be realised in isolation.

Over the past decade, my collaborations with Dr Panagiotis Kontakos—spanning joint research initiatives, scholarly publications, and interdisciplinary dialogue—have affirmed the critical need to integrate environmental sustainability into the broader discourse on foreign direct investment. As this book rightly recognises, FDI is not merely a vehicle for capital inflow; it is a powerful instrument that can either drive inclusive development or exacerbate inequalities and environmental degradation. The difference lies in the frameworks we adopt, the governance we uphold, and the values we prioritise.

This book emerges at a pivotal time. As global investors increasingly adopt ESG principles and seek resilient, responsible opportunities, the Eastern Mediterranean must position itself not only as a destination for profit but as a region of purpose. Countries here must build not just bridges of trade and infrastructure, but of trust, cooperation, and shared sustainability goals. The region's interdependence is not a vulnerability—it is its greatest strategic advantage.

The inclusion of cultural alignment in the title is especially timely. Investment strategies cannot succeed in a vacuum—they must engage with local histories, environmental contexts, and cultural nuances. Whether in managing marine resources, structuring energy partnerships, or designing coastal infrastructure, respect for local ecosystems and communities is essential.

I commend this book for weaving together economic, environmental, and cultural dimensions into a compelling narrative that speaks to investors, policymakers, academics, and practitioners alike. It is not only a scholarly contribution, but a call to action: to invest with foresight, to cooperate across borders, and to embrace sustainability as a shared compass in the Eastern Mediterranean.

Let this work inspire a new generation of regional initiatives—rooted in evidence, driven by vision, and anchored in mutual respect for both people and our shared ecosystems.

Sincerely,
Marios Papageorgiou
Executive Director
Enalia Physis Environmental Research Centre, Cyprus

PREFACE

The Eastern Mediterranean has long been a crossroads of civilisations, trade, and ideas—a region marked by complexity, diversity, and resilience. In recent years, it has also emerged as a focal point for global economic interest, particularly in the domain of foreign direct investment (FDI). This book was born from a desire to understand how FDI is not merely an economic transaction, but a dynamic force shaped by geography, culture, sustainability imperatives, and political interdependence. It was guided by a central question: *What does it truly mean to invest in a place where history, values, and environmental imperatives converge with market forces?*

As a scholar and practitioner immersed in regional development and investment policy, I have witnessed firsthand the evolving landscape of investment in countries such as Greece, Cyprus, Turkey, Israel, Egypt, Lebanon, and beyond. Each nation carries its own historical weight, institutional frameworks, and development aspirations. Yet, they are bound by shared challenges—and, increasingly, by shared opportunities.

This work brings together macroeconomic trends, sectoral insights, and case studies to explore the determinants and trajectories of FDI in the region. Special attention is paid to contemporary themes: the role of diaspora investment, the rise of green finance, the strategic value of the Blue Economy, and the complex interplay between sustainability goals and investor behaviour.

But beyond policy and data, this book is also a reflection on *cultural alignment*—how values, relationships, and collective memory influence economic choices. In a region where borders are porous and identities fluid, recognising the importance of cultural sensibilities is not ancillary to investment analysis; it is essential.

I owe deep gratitude to academic colleagues, research institutions, and practitioners who have contributed through dialogue, collaboration, and critique. I am especially thankful to the students, entrepreneurs, and public officials across the Eastern Mediterranean who generously shared their perspectives and inspired many of the questions raised in this book.

It is my hope that this work will serve scholars, policymakers, and investors alike—not only as a guide to understanding FDI in the region, but also as a call to approach investment with greater *contextual intelligence*, long-term vision, and ethical responsibility.

Panagiotis Kontakos,
Cyprus, March 2026

CHAPTER ONE

INTRODUCTION TO FOREIGN DIRECT INVESTMENT IN THE EASTERN MEDITERRANEAN

1.1 Definition and Importance of FDI

Foreign Direct Investment (FDI) refers to the investment made by an individual or organisation from one country into business interests located in another country. Typically, this involves acquiring a lasting interest in the foreign business, usually through ownership stakes, operational control, or significant influence over its management. The International Monetary Fund defines FDI as an investment involving a long-term relationship and reflecting a lasting interest and control by a foreign entity in an enterprise located in another country (IMF, 2003). FDI differs fundamentally from portfolio investment, where the primary focus is financial returns rather than operational involvement.

FDI holds strategic significance in the global economy as a powerful driver of economic growth, technological advancement, and structural transformation. For developing and emerging economies like those in the Eastern Mediterranean, FDI offers an invaluable opportunity to bridge developmental gaps, create jobs, enhance productivity, and integrate into global supply chains. It also plays a vital role in strengthening bilateral and multilateral relations by fostering economic interdependence and cultural exchange.

The Eastern Mediterranean region, straddling Europe, Asia, and Africa, represents a geopolitically strategic area with immense potential for attracting FDI. Countries like Greece, Cyprus, Turkey, Syria, Israel, Egypt, and Lebanon each offer unique opportunities for foreign investors due to their natural resources, skilled human capital, and strategic geographic locations. However, the region also faces complex challenges, including political and geopolitical instability, economic disparities, and environmental concerns. In this context, the importance of FDI extends beyond mere capital inflows—it is an essential catalyst for sustainable development and regional cooperation (Kontakos, 2025a).

One of the key contributions of FDI is its ability to facilitate the transfer of technology and knowledge. Foreign investors often bring advanced technologies, managerial expertise, and innovative practices to host economies. For instance, FDI in the high-tech sector in Israel has transformed the country into a global innovation hub, while investments in renewable energy projects in Egypt are helping to address energy security concerns and environmental sustainability. Such spillover effects enable host countries to enhance their competitiveness and move up the value chain in global markets.

FDI also contributes to infrastructure development, a critical need in the Eastern Mediterranean. Investments in ports, airports, and logistics corridors in Greece and Cyprus, for example, have bolstered their roles as regional transit hubs (Global FDI Reports, 2020). Similarly, foreign-funded infrastructure projects in Egypt and Turkey are enhancing connectivity and enabling smoother trade flows across continents (International Trade Administration, 2022; 2024). This infrastructure expansion has significant implications for fostering regional integration and economic interdependence.

In addition to economic benefits, FDI promotes social and cultural exchange by integrating diverse business practices and fostering collaboration across borders. For the Eastern Mediterranean—a region rich in cultural and historical diversity—FDI serves as a bridge for aligning the interests of Europe, Asia, and Africa. By investing in sectors such as tourism and hospitality, foreign investors contribute to preserving cultural heritage while promoting global cultural appreciation.

From a sustainability perspective, FDI is pivotal for addressing environmental challenges and ensuring long-term regional stability. With climate change posing significant risks to the Eastern Mediterranean, sustainable FDI in sectors like renewable energy, water management, and the blue economy is essential. For example, investments in solar and wind energy projects in Cyprus and Greece not only reduce carbon footprints but also enhance energy independence and resilience. Additionally, foreign investments aligned with Environmental, Social, and Governance (ESG) principles are gaining traction as countries in the region seek to balance economic growth with environmental stewardship.

The importance of FDI in the Eastern Mediterranean extends to policy and governance. Governments in the region increasingly recognise the need to create investor-friendly environments through reforms in regulatory frameworks, tax incentives, and bilateral investment treaties. These measures aim to attract sustainable and responsible investments while minimising risks related to political instability and economic volatility. By prioritising FDI, the region has the potential to unlock new growth avenues, create jobs, and improve living standards.

1.2 Geopolitical, Economic, and Cultural Significance of the Region

The Eastern Mediterranean region, encompassing countries such as Greece, Cyprus, Turkey, Syria, Israel, Egypt, and Lebanon, is one of the world's most geopolitically, economically, and culturally significant areas. Situated at the crossroads of Europe, Asia, and Africa, this region has historically served as a hub for trade, cultural exchange, and strategic military positioning. Today, the Eastern Mediterranean continues to play a pivotal role in global geopolitics and economics, while its diverse cultural fabric adds depth to its investment potential.

Geopolitical Significance

The Eastern Mediterranean's geopolitical importance stems largely from its strategic location. It serves as a vital corridor connecting major continents and global markets, making it a focal point for international trade and maritime routes. The region is home to critical chokepoints such as the Suez Canal in Egypt, which handles approximately 12 percent of global trade (Helwa and Al-Riffai, 2025). This maritime route is essential for the movement of goods between Asia and Europe, underlining the region’s role in global supply chains.

Beyond trade, the region is a hotspot for energy geopolitics. Significant discoveries of natural gas reserves in the Eastern Mediterranean seabed have drawn global attention, with countries like Cyprus, Israel, and Egypt emerging as key players in the hydrocarbon sector (Connelly, 2023). These discoveries have the potential to transform the region into an energy hub, providing not only economic benefits but also opportunities for cross-border collaboration. However, disputes over maritime boundaries and resource rights have created tensions, particularly between Turkey, Greece, and Cyprus (Anthony and Sahlin, 2020). Such geopolitical dynamics underscore the region's complexity and its potential for both collaboration and conflict.

The Eastern Mediterranean also holds strategic military importance. Its proximity to the Middle East, North Africa, and Europe makes it a critical area for NATO operations, peacekeeping missions, and counterterrorism efforts (NATO, 2024). Moreover, the presence of global powers such as the United States, Russia, and China, each with vested interests in the region, adds another layer of geopolitical complexity (Kontakos, 2023). These dynamics impact foreign investment, as investors must navigate risks related to political instability and regional disputes while recognising the opportunities that come with the region's strategic significance.

Economic Significance

Economically, the Eastern Mediterranean is characterised by both diversity and interdependence. Each country in the region contributes uniquely to its economic landscape. For instance, Greece and Cyprus are known for their shipping and financial services industries, while Israel excels in high-tech innovation. Turkey and Egypt boast large domestic markets and growing manufacturing sectors, and Lebanon has traditionally been a hub for banking and tourism. Syria, despite its ongoing challenges, holds potential for reconstruction-driven investments.

The region’s economic potential is amplified by its natural resources. Apart from hydrocarbons, the Eastern Mediterranean has significant untapped potential in renewable energy, particularly solar and wind power. Countries like Egypt and Greece have been leveraging these resources to attract sustainable foreign direct investment and reduce their carbon footprints. Similarly, the region's rich agricultural heritage offers opportunities for agribusiness investments, particularly in the context of growing global demand for sustainable and organic products (Kontakos, 2024).

Trade is another cornerstone of the region's economic significance. The Eastern Mediterranean benefits from its integration into global supply chains, facilitated by well-developed ports and logistics networks. Investments in infrastructure, such as the expansion of the Suez Canal and modernisation of Greek ports like Piraeus, have further enhanced the region's appeal as a trade hub. Additionally, regional initiatives, such as the East Mediterranean Gas Forum (EMGF, 2025), aim to foster economic collaboration and attract investment in energy and related industries.

Despite these strengths, the region faces economic challenges, including high unemployment rates, political instability, and economic inequality. These factors pose risks to FDI but also create opportunities for investments aimed at addressing systemic issues, such as education, healthcare, and infrastructure development. By leveraging its economic diversity and interdependence, the Eastern Mediterranean can position itself as a competitive and resilient destination for FDI.

Cultural Significance

Sustainable FDI has profound social implications, contributing to social equity, improved quality of life, and inclusive development. The cultural richness of the Eastern Mediterranean is unparalleled, shaped by millennia of history, migration, and trade. The region has been home to some of the world's earliest civilisations, including the ancient Egyptians, Greeks, and Phoenicians. This rich heritage continues to influence its cultural and social fabric, making the region a unique and vibrant area for investment.

Cultural diversity in the Eastern Mediterranean is a double-edged sword. On one hand, it creates opportunities for cross-cultural collaboration and innovation. For example, the blend of European, Middle Eastern, and North African influences in countries like Cyprus and Lebanon fosters creativity in industries such as tourism, arts, and culinary ventures. This cultural depth attracts not only tourists but also investors seeking to capitalise on the region's unique identity.

On the other hand, cultural differences can present challenges for foreign investors. Understanding local business practices, social norms, and consumer behavior is crucial for successful investment. For instance, the collectivist nature of Middle Eastern cultures may influence negotiation styles and decision-making processes, which differ significantly from the individualistic approaches prevalent in Western markets. Investors who can navigate these cultural nuances are more likely to succeed and build lasting partnerships in the region.

Religion is another critical aspect of the region's cultural significance. The coexistence of major religions, including Christianity, Islam, and Judaism, has shaped the Eastern Mediterranean's societal and economic structures. Religious tourism, such as pilgrimages to holy sites in Israel, Egypt, and Greece, is a significant contributor to local economies. Moreover, religious values often influence consumer preferences and business ethics, further highlighting the importance of cultural sensitivity for foreign investors.

The Interplay of Geopolitics, Economics, and Culture

The unique interplay between geopolitics, economics, and culture makes the Eastern Mediterranean a region of unparalleled significance. Its strategic location and resources offer immense economic potential, while its cultural richness provides a foundation for creativity and innovation. At the same time, the region's geopolitical complexities demand careful navigation by investors and policymakers alike.

FDI plays a critical role in bridging these dimensions. By fostering economic interdependence and cultural exchange, FDI can help mitigate geopolitical tensions and promote sustainable development. For example, investments in renewable energy projects can address shared environmental challenges while creating opportunities for regional cooperation. Similarly, cultural tourism initiatives can preserve heritage while generating economic benefits.

1.3 Sustainability as a Guiding Principle for Investment

In recent years, sustainability has emerged as a critical guiding principle for foreign direct investment, reshaping how capital flows are directed and how economic development is pursued globally. For the Eastern Mediterranean, a region uniquely vulnerable to climate change and rich in cultural and natural resources, embedding sustainability into FDI strategies is not merely an ethical choice but an economic necessity. This principle is reshaping the regional investment landscape, offering pathways to address environmental, social, and governance (ESG) challenges while driving economic growth (Kontakos, 2025b; UNESCAP, 2016).

Defining Sustainable Investment in FDI

Sustainable investment in the context of FDI refers to the allocation of capital to projects that prioritise long-term environmental protection, social equity, and responsible governance. Unlike traditional investments focused solely on financial returns, sustainable investments aim to create positive, measurable impacts alongside economic gains. This approach aligns with the United Nations' Sustainable Development Goals (SDGs), which emphasise inclusive growth, environmental stewardship, and the well-being of future generations (Kontakos, 2025b).

For the Eastern Mediterranean, this shift represents an opportunity to address critical challenges such as climate change, energy dependency, and social inequality. As a region with diverse ecosystems, historical landmarks, and strategic maritime resources, sustainability-driven FDI has the potential to unlock value in ways that benefit both investors and host nations.

Environmental Sustainability and the Eastern Mediterranean

Environmental sustainability is a cornerstone of sustainable FDI in the Eastern Mediterranean. The region faces significant environmental pressures, including rising sea levels, water scarcity, and biodiversity loss. Climate change is exacerbating these issues, making it essential for investments to focus on mitigating environmental risks and promoting resilience.

One prominent area for sustainable FDI is renewable energy. Countries like Cyprus, Greece, and Egypt have already attracted significant investments in solar and wind power, capitalising on their abundant natural resources. These projects not only reduce carbon emissions but also enhance energy independence, fostering economic and environmental stability.

The Blue Economy—sustainable use of ocean resources for economic growth while preserving marine ecosystems—is another critical focus area (Kontakos, 2018). The Eastern Mediterranean's extensive coastline and maritime heritage present vast opportunities for investments in sustainable fisheries, eco-tourism, and marine biotechnology. Such initiatives can generate economic returns while safeguarding the region’s ecological assets.

Social Sustainability and Cultural Interdependence

Sustainability in FDI also encompasses social equity and cultural preservation. Investments in education, healthcare, and infrastructure are essential for fostering inclusive growth and reducing disparities within and between countries in the region. By creating jobs and improving living standards, sustainable FDI can address systemic issues like unemployment and social inequality.

Cultural sustainability, particularly in a region as historically rich as the Eastern Mediterranean, is equally important. Investments in cultural tourism and heritage preservation not only attract foreign capital but also ensure that the region’s unique identity is maintained for future generations. For example, foreign investors in tourism can work with local communities to promote authentic experiences while minimising environmental and cultural disruption.

Governance and Responsible Investment

Good governance is the third pillar of sustainable investment. Responsible FDI aligns with transparent regulatory frameworks, ethical business practices, and strong stakeholder engagement. For the Eastern Mediterranean, improving governance structures can make the region more attractive to investors seeking stable, predictable environments.

Bilateral and multilateral agreements, such as those within the East Mediterranean Gas Forum, provide frameworks for collaboration that align with sustainability goals. By promoting cross-border cooperation and accountability, these initiatives create a foundation for responsible investment.

1.4 Overview of the Book's Objectives, Audience and Structure

This book, *Foreign Direct Investment in the Eastern Mediterranean: Sustainability and Cultural Alignment*, is designed to provide a comprehensive understanding of foreign direct investment within the unique geopolitical, economic, and cultural context of the Eastern Mediterranean region. It addresses the intricate dynamics of FDI flows in seven countries—Greece, Cyprus, Turkey, Syria, Israel, Egypt, and Lebanon—while embedding contemporary themes such as sustainability, regional interdependence, and cultural alignment. By bridging theoretical insights with practical case studies and data-driven analyses, the book aims to serve as a valuable resource for diverse audiences, including undergraduate and postgraduate students, policymakers, and entrepreneurs.

Objectives of the Book

The primary objective of this book is to offer a holistic exploration of FDI in the Eastern Mediterranean, emphasising its transformative potential for economic development, regional collaboration, and sustainability. Specifically, the book seeks to:

• *Educate Readers on FDI Fundamentals:* Provide a foundational understanding of FDI theories, trends, and determinants, tailored to the unique characteristics of the Eastern Mediterranean region.

• *Highlight Regional Interdependencies:* Examine the interconnected nature of the Eastern Mediterranean economies, emphasising how cultural, geopolitical, and economic factors shape FDI dynamics.

• *Promote Sustainable Investment:* Advocate for FDI strategies that align with Environmental, Social, and Governance (ESG) principles, contributing to long-term regional stability and resilience.

• *Bridge Theory and Practice:* Combine academic insights with real-world case studies, offering actionable strategies for stakeholders interested in investing or policymaking in the region.

• *Foster Cross-Cultural Understanding:* Highlight the role of cultural alignment in enhancing FDI success, exploring how the region's rich diversity can be leveraged for economic collaboration and innovation.

Target Audience

This book is designed to appeal to a diverse set of readers:

- *Undergraduate and Postgraduate Students:* Those studying international business, economics, or regional studies will find this book a valuable resource for understanding the complexities of FDI in a culturally and geopolitically unique context.

- *Policymakers*: Government officials and decision-makers can draw on insights and policy recommendations to craft strategies that attract sustainable FDI and foster regional collaboration.

- *Entrepreneurs and Business Leaders:* Investors, corporate executives, and entrepreneurs seeking to expand their operations in the Eastern Mediterranean will benefit from the book's practical case studies and market analyses.

- *Academics and Researchers:* Scholars exploring FDI, regional economics, or sustainable development will find the book a rich source of data and perspectives for further study.

Structure of the Book

The book is divided into three main parts, each focusing on different dimensions of FDI in the Eastern Mediterranean. It combines theoretical exploration, country-specific analyses, and forward-looking perspectives, ensuring a comprehensive and balanced approach.

Across its twelve chapters, the book examines both the macro-level dynamics of FDI and the micro-level sectoral and cultural specificities shaping investment patterns in the region. While the chapters are thematically interconnected, they have been crafted to stand alone, enabling readers to engage with individual topics without requiring sequential reading. Where appropriate, selective repetition of key sectoral concepts and regulatory contexts has been included to enhance clarity and coherence across chapters.

Part I: Foundations and Context

Chapter 1: Introduction to Foreign Direct Investment in the Eastern Mediterranean

• This introductory chapter sets the stage for the book, defining FDI and highlighting its importance in the region. It delves into the geopolitical, economic, and cultural significance of the Eastern Mediterranean and establishes sustainability as a guiding principle for investment. Finally, it provides an overview of the book's objectives, target audience, and structure.

Chapter 2: Economic, Political, and Cultural Context of the Eastern Mediterranean

• This chapter explores the foundational elements shaping FDI flows in the region, including economic interdependencies, political dynamics, and cultural diversity. By examining key trade agreements, geopolitical challenges, and shared cultural traits, it highlights the opportunities and constraints for FDI in the region.

Chapter 3: Theoretical Framework of FDI and Sustainability

• In this chapter, readers are introduced to key FDI theories and frameworks, including market-seeking, resource-seeking, and efficiency-seeking motives. The chapter integrates sustainability principles, examining how ESG factors influence FDI decision-making and outcomes.

Part II: Country-Specific Profiles

Chapter 4: Greece: Challenges and Opportunities for Investment

• This chapter examines Greece's FDI landscape, focusing on sustainable investments in tourism, renewable energy, and maritime industries. It also discusses the Blue Economy as a driver of economic growth.

Chapter 5: Cyprus: The Gateway to Europe and Beyond

• Cyprus's strategic location and investor-friendly policies are highlighted, along with opportunities in green finance, real estate, and maritime logistics. Among other topics, the chapter features a case study on the Blue Economy in Cyprus.