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- EU DANUBE STRATEGY
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Europe of Regions

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MACRO-REGIONAL STRATEGIES IN THE EU

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The article is dedicated to the issue of the EU macro-regional strategies, first of all the EU Strategy for the Danube Region (EUSDR), in a contrast to the classical transborder cooperation. The author pays special attention to the Ukrainian participation in the EUSDR, challenges and opportunities it presents for regional development, involvement in the EU projects, and better implementation of the Association Agreement. The author argues that macro-regional strategies are a broader and more flexible tool for cooperation, involving national coordination across countries, maximum involvement of central and regional authorities, and policy-making for regional development.

Macro-Regional Strategies in the EU: How It Can Work for Different Countries and Why It Is Not Cross-border Cooperation

The EU macro-regional strategies (MRS) are not such an old tool; still, those strategies are undergoing a continuous process of revision and improvement. A common policy initiative to address different issues between different countries in one region has always been in demand and varied depending on the countries' interest and willingness to cooperate. An important detail in the history of the MRS establishment was the fact that it is not about the number of joint projects but a harmonious development and cooperation of the EU member states in different regions. In our view, the singularity of the instrument is the invention of the EU common policy for

the EU member states in one geographical region in order to reduce imbalance between countries and to enhance the participation in the formation of macro-regional policy, to strengthen cooperation between the countries, to involve the local level, and to effectively implement the common policy of the European Union.

The first official EU macro-regional strategy was the EU Strategy for the Baltic Sea Region, which was adopted in 2009.¹ This event was preceded by several years of communication between different countries in the region to formulate a common agenda and goals that the participants intended to achieve. The EU Strategy for the Danube Region was launched in 2010², comprising 14 countries with different economic, social, and demographic indicators. The EU Strategy for

- 1 *EU Strategy for the Baltic Sea Region, European Union, n.d.*, [https://ec.europa.eu/regional_policy/en/policy/cooperation/macro-regional-strategies/baltic-sea/ access 10 August 2019].
- 2 *EU Strategy for the Danube Region, European Union, n.d.*, [https://ec.europa.eu/regional_policy/en/policy/cooperation/macro-regional-strategies/danube/ access 10 August 2019].

the Adriatic and Ionian Region (2014)³ and the latest EU Alpine Strategy (2015)⁴ were later launched.

The EU Strategy for the Danube Region

The Danube Strategy is a unique example for both Ukraine and the EU, which is based on the best experience of the Baltic Sea Strategy. It was an attempt to enlarge the format and to add non-EU countries and EU candidates. As a result, in 2010, the EUSDR included 14 countries (Germany, Austria, Czech Republic, Slovakia, Slovenia, Hungary, Romania, Bulgaria – EU member states; Croatia and Montenegro – EU candidate countries; Serbia, Bosnia and Herzegovina, Ukraine, and Moldova – non-EU members). Obviously, it was not easy to count on fast results of a common policy, but in the end, the EUSDR was supposed to be a pilot initiative and could be the best tool for integration and cooperation between different countries in the region.

In such situation, the work could be significantly complicated, in terms of both management and measuring the obtained results, as the difference between the economic and social development of the participants was more than obvious. Prior to that, countries that joined the EUSDR were more interested in bilateral relations with their neighbours and were not always interested in what was happening in the region as a whole. The EUSDR format also opened up opportunities for the Western Balkans to cooperate with the Eastern Partnership countries (Ukraine, Moldova)

and the EU member states, in particular in the Black Sea region (Romania, Bulgaria).

The EUSDR has identified four pillars of cooperation. In total, 12 thematic priority areas (PA) were formed, each coordinated by two EUSDR member states⁵. In addition, an institute of National Coordinators (NCs) was set up, which ensured the presence of a representative in the government of each participating country who coordinated the country's participation in the EUSDR implementation and jointly made decisions with the counterparts from other countries.



The Danube Strategy is a unique example for both Ukraine and the EU, which is based on the best experience of the Baltic Sea Strategy. It was an attempt to enlarge the format and to add non-EU countries and EU candidates.

In this context, it is up to each country to determine at the government level which ministry will be responsible for national coordination and how to organise internal communication among different ministries. In the organisational component, macro-regional strategy has one unique feature: Each of the 12 EUSDR Steering Groups consists of representatives of the profile ministries of the 14 countries, which are constantly in contact and meet 3-4 times a year for the implementation of jointly defined targets and actions. In our view, this

3 *The EU Strategy for the Adriatic and Ionian Region, European Union, n.d.*, [https://ec.europa.eu/regional_policy/en/policy/cooperation/macro-regional-strategies/adriatic-ionian/ access 10 August 2019].

4 *The EU Strategy for the Alpine Region, European Union, n.d.*, [https://ec.europa.eu/regional_policy/en/policy/cooperation/macro-regional-strategies/alpine/ access 10 August 2019].

5 *EU Strategy for the Danube Region, European Union, n.d.*, [<https://www.danube-region.eu/> access 10 August 2019].

is one of the important points of the MRS, which enables joint policy implementation in the region at the operational level of ministries from the EU countries, the EU candidates, and non-EU states. In this way, the countries go beyond the usual policies, where the national interests are at the centre and when all other initiatives are repelled by the fact that they do not coincide with the national policy.

Customary cooperation in the form of bilateral relations and cross-border cooperation between neighbours has grown into a more global cooperation, increasing opportunities for harmonious development in the Danube River region with the 14 participating countries. For non-EU countries, this opportunity is perhaps the only one for a comprehensive involvement of central executive bodies working together with the EU countries in a joint implementation of a regional development policy.

Participation of Ukraine in the EUSDR

Unfortunately, in the early years, Ukraine's participation in the EUSDR was passive, and there was no political understanding of how this instrument could work effectively (at that time, Ukraine had not signed the Association Agreement with the EU yet and the visa-free regime was not introduced).

Despite the establishment of the Coordination Centre for the Implementation of Ukraine's participation in the EUSDR at the national level, composed of profile deputy ministers under the leadership of a profile deputy prime minister, the task of the centre was to select and approve projects to be funded by the EU in Ukraine. This approach proved to be erroneous, since the EUSDR did not provide automatic support for the projects selected by the Coordination

Centre. In addition, such a structure was unparalleled in any other country of the EUSDR, and this did not contribute to synergy and a common understanding of the region's development.

Instead, structural components of the EUSDR were distributed as coordinators of thematic PAs among the countries participating in the strategy without Ukraine and several other countries. A similar situation also applies to projects under the Danube Transnational Program (DTP)⁶, where non-EU members could only participate as associate members without their own budgets, and, only in the case of ratification of the DTP agreement, they could count on a partnership role in the projects.

Since 2015, when NGOs became involved in promoting reform in Ukraine and joint initiatives were formed between governmental institutions and the expert community, a reboot in the internal governance and communication system for the Ukrainian participation in the EUSDR has begun. The institute of the National Coordinator was restored; communication with the network of the EUSDR NCs was established.

Attracting other profile central executive bodies to participate in the EUSDR priority areas was the most difficult task. This was due to the fact that the participation and fulfilment of the EUSDR tasks were not stipulated in the government's priority action plan, neither in the action plan for the implementation of the Association Agreement, nor in the plans of the relevant ministries. If there is a need to take into account the implementation of a policy, the availability of tasks in the internal documents of the ministries is obligatory for practical work at the level of governmental structures.

⁶ *Danube Transnational Program*, European Union, n.d., [<http://www.interreg-danube.eu/> access 10 August 2019].


Since 2017, there has been an increase in the participation of profile ministries in the work of the EUSDR PAs, in particular the Ministry of Internal Affairs, Ministry of Culture, Ministry of Education and Science, Ministry of Energy and Coal, Ministry of Ecology and Natural Resources, and others. Ukraine has resumed its participation in several Steering Groups of the EUSDR and has begun to analyse the implementation of the EUSDR policy in Ukraine. That year, the issue of the importance of Ukraine's coordination of one of the priority areas and the readiness of Ukraine for its EUSDR presidency were raised.

The implementation of all initiatives in the macro-regional strategy for Ukraine is an important reputational and reform component for the country itself. There are two options: to be a member just nominally or to use all available opportunities for cooperation. Often, in non-EU countries where the institutional component is weak, such opportunities are perceived as an additional burden. It is important for Ukraine and other non-EU members to be aware of new opportunities as a window that speeds up European integration processes and builds a decent foreign policy. Issues such as chairing the EUSDR or coordinating working groups are, of course, an additional burden, but also additional opportunities for greater integration into the common space and improved perception of the non-EU countries.

At a first glance, it may seem that the added value of accumulating resources to participate in the initiative, which includes only Odessa, Chernivtsi, Ivano-Frankivsk, and Transcarpathian regions, may have a small impact, but most policies are still formed at the governmental level. The implementation of the EUSDR in Ukraine can have many additional positive integrational instruments. Most policies in the EUSDR require implementation of the same EU directives as the implementation of the AA,

resulting in an effective use of the existing EU programmes and instruments provided to Ukraine in the Eastern Partnership format and, in general, of the European integration processes. For example, if we talk about cooperation between universities, academics, students, and the preparation of joint projects in the EUSDR without the use of the Horizon 2020 projects, the reform of higher education as a whole, and the fulfilment of Ukraine's obligations under the Association Agreement, the tasks of the EUSDR will not be effective.

The identification of innovative priorities for the regions (Smart Specialization) could also be an example. When looking for partners and jointly prepared projects, our regions do not have clearly defined innovative priorities, which undermines



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their ability to achieve clear results. The EUSDR tasks do not spell out that Ukraine must develop Smart Specialization, but there are tools that will not work without Smart Specialization. Smart Specialization itself is part of the implementation of the Association Agreement.

A similar situation is in the field of culture and tourism, where priority is given to the formation and construction of cultural routes within the EUSDR. Ukraine is working to join the Council of Europe's cultural routes, which will in the future enable it to participate in the development of the EUSDR cultural routes.

Another unique feature of the EUSDR for Ukraine is the ability to put into practice

the benefits that are enshrined in the AA. In practice, it is an opportunity to use the same tools, management system, and programmes that work for the EU members. For example, the ESPON programme⁷ (a system for monitoring and evaluating the development of territories with different indicators from GDP to technical assistance indicators and projects) used to work for the EU member states. Last year, it was decided to use the ESPON project opportunities for the EU macro-regional strategies. Thus, the tool, which was previously closed for Ukraine, will analyse four Ukrainian regions. In order not to have white spots on the map of Ukraine, we will need to establish internal coordination between several central authorities and the State Statistics Service, as well as to clarify information with the regions. Regional development monitoring, including socio-economic and various projects' impact, needs to be introduced in Ukraine, and it does not depend on participation in the EUSDR. Launching the EU methodology of ESPON in four regions of Ukraine could serve as a pilot for further implementation in other regions.

Internal Coordination of Ukraine's Participation in the EUSDR

The issue of internal communication and organisation of work is a challenge in every country. According to the EUSDR NCs, all participants in the macro-regional strategy have gone through horizontal mid-level procedures, and this can only be difficult for the first year or two. As Ukraine is only on the initial path to joining the EUSDR practice, it will take some time to clarify the specifics of management, communication, correspondence, and joint decision-making.

Horizontal communication at the central and regional levels is a challenge for Ukraine.

As for the central level, it should start with a responsible structure at the Ministry for Regional Development, Construction, Housing, and Communal Services of Ukraine, which has a task to coordinate the work of all stakeholders in Ukraine and to ensure active presence of Ukraine in all EUSDR processes. In practice, this component is not always implemented quickly. The reason for this is the lack of management capacity and the structure of intergovernmental communication.

The Government Office for European and Euro Atlantic Integration of Ukraine, while implementing the Association Agreement, also faced such a problem. The capacity of the Governmental Office was much stronger as a unit of the Cabinet of Ministers and in cases where the implementation of the AA was determined as the government's priority with a responsible vice prime minister. It is a big challenge to organise systemic work due to the fact that the EUSDR is not as popular as the Association Agreement and only few regions in Ukraine are directly involved, as well as to coordinate this work by a vice prime minister whose mandate did not include European integration – the VPM responsible for Economy and Development is in charge.

Regarding the regional level, the situation is also not simple. Only Ukraine from all the 14 countries has a limited number of regions directly involved in the Strategy. Given this geographical feature, central authorities should ensure additional, special communication with Odessa, Chernivtsi, Ivano-Frankivsk, and Transcarpathian regions in order to implement the Danube Strategy. Ministry-level tasking in Ukraine to achieve the strategic objectives will require policy development and monitoring of indicators only in specific regions, leaving other regions of Ukraine to be of lower

⁷ *ESPON*, European Union, n.d., [https://www.espon.eu/ access 10 August 2019].

concern. Other countries do not have such a feature, and in practice, this may be characterised by less dialogue with the regional level. Therefore, to some extent, the Ukrainian feature may be an additional advantage for better establishing internal mechanisms of coordination of joint actions.

On the other hand, the implementation of the EUSDR's targets at the government level in Ukraine is not only a task but also an ambitious pilot project, as the qualitative results, methodology, best practices can be disseminated in the future to other Ukrainian regions. If normative documents, instructions, or digitalization in the field of navigation, environmental risks control, or security are developed at the national level through the EUSDR tools, they may also be applied in other regions. This will be an opportunity to install communication between the national and regional state authorities and local self-governments. Establishment of vertical communication in different regions will allow achieving greater results in other initiatives in the future and will increase stakeholders' involvement in the regions in the process of forming the national regional development policy and implementation of the Association Agreement.

It will be appropriate to take into account the objectives of the EUSDR Action Plan in the strategies for regional development for the next 2021-2027 period, which should be approved by the end of 2019. Some of the objectives or operational goals of the EUSDR may have limitations at the national level, but in this case, they will include steps that need to be taken in the regions for their implementation. Introducing the EUSDR targets in regional strategies will open up the possibility of synchronizing the priority tasks of regions, increasing added-value chains, and combining own financial resources with national and external ones. This approach will help the regions to track their goals and indicators, evaluate their performance,

and map out their own needs and potential achievements. At the same time, Cross-Border Cooperation Programmes, COSME, Horizon 2020, Creative Europe, the Danube Transnational Program will also work effectively as they will be enhanced by internal resources and national funds.



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In general, we face similar challenges in internal communication as other EUSDR countries. EUSDR meetings usually do not gather all participants from all countries, which obviously obstructs the task performance by all partner states. In particular, it is often the situation with non-EU and EU candidate countries. This is due to the lack of sustainable work of various governmental institutions and horizontal communication.

As for Ukraine, the solution to this issue will be facilitated by:

- designation by the National Coordinator of a responsible body for the implementation of the Association Agreement or a responsible structure within the Secretariat of the Cabinet of Ministers of Ukraine that have experience in AA implementation and can ensure coordination of the actions of the various central executive authorities;
- identification of responsible specialists in the regions (State Regional

Administrations and Regional Development Agencies) who will coordinate work on specific priority areas at the regional level and ensure constant communication with all interested stakeholders in the regions;

- integrating the implementation of the objectives of the EUSDR Action Plan into the Government's Priority Action Plan and the annual work plans of the ministries;
- inclusion of the EUSDR Action Plan targets into the Action Plan on the implementation of the Association Agreement;



macro-regional strategies are a broader and more flexible tool for cooperation, involving national coordination across countries, maximum involvement of central and regional authorities, and policy-making for regional development

- organising quarterly meetings under the guidance of the NC, with the participation of representatives of the central executive bodies, regions, expert community to discuss the dynamics of the EUSDR Action Plan implementation;
- improvement of the revised EUSDR Action Plan in Ukraine.

Cross-border Cooperation and Macro-Regional Strategies (MRS)

Often, MRSs are compared with the EU cross-border cooperation programmes. This opinion is often found both in the expert community of Ukraine and among the representatives of authorities at different levels. We have analysed the features of both tools and cannot confirm such identification. In practice, there are more differences than similar features.

To some extent, macro-regional strategies are a broader and more flexible tool for cooperation, involving national coordination across countries, maximum involvement of central and regional authorities, and policy-making for regional development. Cross-border projects are, to a large extent, a programmatic financial instrument to reduce imbalances in the development of border territories, to improve mobility, and to build infrastructure. Cross-border cooperation programmes are one of the possible and important sources of financial support for projects that can be implemented within macro-regional cooperation.

The similarity in the perception of these two concepts is also maintained among other countries of the EUSDR, where many initiatives use MRSs to support the implementation of their cross-border projects, and such a process does not help to support macro-regional cooperation. It can only work if a certain idea is developed for the implementation of a task in the MRS, but it cannot replace it. Accredited MRS projects bring together the best practices from different countries, not only at the border area, but also to promote cooperation in a wider region.

The Danube River has a large range of countries that are affected by the basin, but in practice countries are not always interested in the situation in other countries that do not border them. Finding common goals and realising common goals can have a greater effect than several financially viable projects across borders in several countries.

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