

Macro-Regional Strategies in the European Union: Challenges and Opportunities

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Abstract: The paper presents in terms of European macro-regional strategies implemented or under implementation, the role of these strategies in the broader context of the 2020 Strategy and the EU policy framework. New, powerful, innovative and potential instrument for promoting European integration and territorial cooperation, the macro-regional strategies have been designed in order to mobilize new projects and initiatives and to provide a coordinated response to issues which are better dealt with together than apart, creating a sense of shared responsibility. The research seeks to clarify, using survey and observation, the main concepts used in defining macro-regional strategies. Lessons learned from experiments already established - the EU Strategy for the Baltic Sea and Danube Region - are analyzed in the paper compared to the new macro-regional strategies in order to identify the relevant issues of strategic point of view, offering real added value, enabling an effective and coherent governance of macro-regions and Europe in full.

Keywords: macro-region strategy; EU Regional Policy; EUSBSR; EUSDR

1. Introduction

From a historical perspective, the concept of region is not new to Europe. With roots in the Latin *regio (n)* - designating *direction, district* (Oxford Learner's Dictionaries), the term "region" has been enriched with various meanings. Used a long time, especially in the social sciences domain, in order to name the "socio-territorial systems larger than the local community and distinguished differently from the national government" (Favalli, 2015), the region receives, after 1950, a particular relevance in the context of the EU Regional Policy.

Designed on the necessity to balance the side effects of the European Common Market, through redistribution between richer and poorer regions, the EU Regional Policy was initiated by the European Economic Community in 1950. Subsequently, the "region" becomes a usual concept with meanings specific to the domain to which it refers and it defines, in various aspects, the geographic, historical,

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economic, political, administrative regions, or international institutions organized at regional level. The Treaty of Rome of 1957 mentions, moreover, the need to “strengthen the unity of their economies and to ensure their harmonious development by reducing disparities between the various regions and the backwardness of the least favored” (Favalli, 2015). In the context of successive enlargements of the European Union, the regions are becoming increasingly important structures in formulating the European policies:

- as a consequence of enlargement in 1973 it was created, in 1975, alongside the European Social Fund (ESF) and the European Agricultural Guidance and Guarantee Fund (EAGGF), the European Regional Development Fund (ERDF) as one of the European Structural Funds, a specific instrument, that “aims to strengthen economic and social cohesion in the European Union by correcting imbalances between its regions”. Thus the “regional territory” asserts as being a criterion for the distribution policy of funds and “principle of Solidarity” in helping the poorest regions;

- in 1986, the year of further enlargement of the EU by the Single European Act, the regions are at the heart of European policies and “economic and social cohesion” between states and subnational entities become a necessary condition for the realization of the single market and the single currency, rolul lor de “factor of democratization and cultural valorisation, as well as a mean for achieving a deeper social and economic cohesion” in Europe it was officially recognized in 1988 by a resolution of the European Parliament; “Economic and Social Cohesion” becomes, in 1988, the objective of the European Union and aimed at a new approach to regional policies on the poorest regions by initiating regional development programs, funded both by the resources provided by the existing structural funds and by regional projects, type Leonardo, for example;

- In 1993, the Maastricht Treaty, established the Committee of the Regions (CoR) and confirmed the rearrangement of the distribution of responsibilities between the Commission and the Member States and it has introduced a new financial instrument, the Cohesion Fund (CF);

- following the enlargement of 1995, the Assembly of European Regions (AER), stated in a declaration of 1996, a number of rights for the regions of Europe, to protect their needs and to emphasize the importance of the economic, political and social development to the so called “Europe with regions”;

- enlargement in 2004 brought changes in the governance and structural funds, “More growth and jobs for all regions and cities of the European Union” became important objective of Community programs for 2007-2013 and 2014-2020. In the context of the Lisbon Strategy in 2020, the European Commission identifies the macro-regions as a politico-territorial model that “can further deepen the EU

integration and are able to reach the objectives of the new Cohesion policy 2014-2020.”

2. Macro-Regions Strategies in Europe - Conceptual Approaches

The Eastern enlargement of 2004 can be also considered a marking point and an indirect basis for the formation of the first two EU macro-regional strategies (Vogelsang, 2004) - the EU Strategy for the Baltic Sea Region (EUSBSR) and the EU Strategy for the Danube Region (EUSDR).

“Important innovation in the territorial cooperation and cohesion”, the macro-regional strategies have been designed as a coordinated response of different regions in different countries before the obstacles that oppose the development and exploitation of their potential and aimed at solving issues of regional interest in a framework that goes beyond the EU borders (SWD (2013) 233 final).

Integrated in the intentions of the Treaty of Rome in 1956, to eliminate the regional disparities in the EU, the first macro-regional strategies of the EU, the ones regarding the Baltic Sea and Danube region appear as a natural consequence of the evolution of the concepts of regional integration and cooperation, both within EU and outside its borders.

In fact, the macro-regional strategies were designed as a means to materialize the wishes of EU states to join forces to achieve objectives of common interest that cannot be sufficiently achieved in isolation. A macro-regional strategy is closely integrated to the vision on the European development in the existing political context - European, national, regional, local, pre-adhering and it focuses on the coordination and cooperation throughout the region, as well as cooperation of the decision-makers from EU and non-EU countries.

With mutual respect of interests of each region without creating new institutions in the decision-making, to modify the Community legislation or to allocate new resources, macro-regional strategies which allow a coherent approach to the established objectives and targets, thereby contributing to the achievement of the strategy objectives 2020 (figure 1)



Figure 1. The integrator strategies at EU level

Source: Vitchev, Charlina (2013). Think Baltic, think together. *The EU INTERACT EUSBSR News*, March.

Without a widely recognized acceptance, the core idea of a macro region and its strategy is among others to cooperate with other countries that have similar cultures, economies and geographic factors (Schymik, 2011). Each of the definitions emphasize certain traits that taken together, it essentially creates the concept:

- According to the information posted on the official website of European regional policy¹, “a macro-regional strategy is an integrated framework endorsed by the European Council, which may be supported by the European Structural and Investment Funds among others, to address common challenges faced by a defined geographical area relating to Member States and third countries located in the same geographical area which thereby benefit from strengthened cooperation contributing to achievement of economic, social and territorial cohesion”;
- According to Pawel Samecki, Interims Commissioner of DG Region in 2009, a macro-region strategy is “an area including territory from a number of different countries or regions associated with one or more common features or challenges (...) geographic, cultural, economic or other” (European Commission, 2009);
- Schymik and Krumrey (2009) consider that “Macro-regions basically consist of geographically associated states: partly Member States of the Union, partly third neighboring countries from the region. Macro-regions actually establish a new mezzanine level between the national (member state) and the supranational (community) level. Compared with traditional regional policies, the new governance structure and processes signify the primary innovation in this case.”

¹ http://ec.europa.eu/regional_policy/ro/policy/cooperation/macro-regional-strategies/

Initiated in the European Parliament in 2005, the concept of macro-regional strategy has taken on new meanings in the context of the EU Strategy for the Baltic Sea Region (EUSBSR) adopted in 2009 and the Danube region (EUSDR), adopted in June 2011, implemented on the basis conceptual principles able to promote highly innovative initiatives, focusing in particular on:

- Integration into the existing policy frameworks, financial programs and instruments;
- Coordination able to eliminate divisions between sectoral policies, actors and levels of government, development of mutually beneficial partnerships, coordination and governance at several levels;
- Changing mentalities able to promote regional cooperation among countries and different sectors;
- Multilevel governance;
- Development of partnerships between EU and non-EU countries.

The European Commission characterizes a macro-region as being “an area including territory from a number of different countries or regions associated with one or more common features or challenges”. (“Macroregional strategies in the European Union”, 2009), while a macro-regional strategy is “*an integrated framework*” that provides the necessary policy support to achieve this cooperation. (Dubois & all, 2009).

During the implementation of the new macro-regional strategies there were revealed aspects that brought an added value to them and turned them into a “*major emerging instrument of governance in the EU that involves a plurality of state and non-state actors around a series of functional problems in a given territory.*” (PDSCP - European Parliament, 2015)

3. Challenges and Lessons Learnt

Assessing the added value in the first four years from the initiation of the EU Strategy for the Baltic Sea Region and two years after the initiation of the EU Strategy for the Danube Region by the European Commission in 2013 (the European Commission report on the added value of macro-regional strategies) revealed positive results in terms of developing new projects and of boosting existing transnational projects and the difficulty in identifying indicators to quantify the specific contribution of strategies to programs, based on the general EU policy, including the Europe 2020 strategy. The main benefits of macro-regional strategies aimed mainly:

- developing new projects or boost the existing transnational projects;

- channeling national approaches through a more coherent implementation at EU level;
- the alignment with EU programs in order to work together on key common goals, by obtaining in the absence of additional funding, a better price-effectiveness ratio;
- greater integration and coordination between regions, including between local authorities;
- combating regional inequalities and promoting territorial cohesion;
- promoting multilevel governance;
- better cooperation with the neighboring countries.

The comparative analysis of the two macro-strategies, on defining aspects, is shown in Table 1.

Table 1. Comparative analysis of EUSBSR with EUSDR

	European Union Strategy for the Baltic Sea Region (EUSBSR)	European Union Strategy for the Danube Region (EUSDR)
Time Horizon	In 2009 the first Communication of the Strategy, accompanied by the first Action Plan was published and adopted. The time horizon is 2030.	The strategy was adopted by the EC in December 2010. The time horizon is undetermined.
Definition for geographical coverage	covers countries surrounding the Baltic Sea Region, having as a common denominator the Baltic sea basin. Challenges and opportunities related to the sea area were the starting point to augment cooperation among countries in the Region.	The Danube Region includes an area of approximately 800,000 km ² . The territory is linked by common challenges such as floods, improvement of the navigability of rivers, environmental and security issues.
Number of countries	Eight EU countries	Fourteen EU countries
- EU Member	Denmark, Estonia, Finland, Germany, Latvia, Lithuania, Poland, Sweden	Austria, Bulgaria, Croatia, the Czech Republic, Germany, Hungary, Romania Slovakia and Slovenia
-Non-EU Member	Norway, Russia and Belarus	Bosnia and Herzegovina, Moldova, Montenegro, Serbia and Ukraine
Leading countries	Swedish authorities played a key role in the first phases of strategy elaboration, and remain an important player together with Finland and Denmark	It was Austria and Romania who initially submitted a call to the EU Council which then formally asked the EU Commission to prepare an EUSDR by the end of 2010
Set-up	The EUSBSR currently has the following structure: – 3 Objectives (“save the sea”,	The DR Strategy is structured as below: – 4 objectives: connecting the

	<p>“increase prosperity”, “connect the Region”), each of which comprises 4 sub-objectives; – 17 Priority Areas (PAs), with a series of Flagship projects for each of them; – 5 Horizontal Actions.</p>	<p>Danube Region, protecting the environment; building prosperity; strengthening the Region; – 11 PAs³¹; – 129 actions with 400 projects³²; – 123 flagship projects.</p>
Key issues	<p>the enhancement of economic growth and environmental challenges of the Baltic Sea, the alignment of the strategies and actions of the numerous, well established transnational cooperation structures in the Baltic Sea Region.</p>	<p>mobility, energy sources and efficiency, water quality and quantity, biodiversity, socio-economic development, education and capacity, culture and identity, safety.</p>
Overview of policy issues addressed	<p>The Strategy focuses on the environmental issues, connectivity, attractiveness and prosperity, while seeking to coordinate the numerous cooperation structures and funding sources of the Region</p>	<p>The issues to be addressed are included in the policies as below: – Transport policy; – Environmental policy; – Education policy; – Security policy.</p>
Financial perspectives	<ul style="list-style-type: none"> - EU Structural and Cohesion Funds (e.g. ERDF); - ENPI programmes - Baltic Sea Region Programme; - International financial institutions (i.e. EIB); - Intergovernmental funds; - National, regional and local programmes; - Private sector. 	<ul style="list-style-type: none"> - EU Structural and Cohesion Funds (e.g. ERDF); - IPA II and ENPI programmes; - SEE Programme (Danube and South East Gateway Programme); - Balkan-Mediterranean Programme; - International financial institutions (i.e. EIB); - National, regional and local programmes; - Private sector.
Supporting transnational structures: - political - economic and/or - project-based cooperation	<ul style="list-style-type: none"> (1) Council of the Baltic Sea States, Nordic Council of Ministers, Baltic Sea Parliamentary Conference, VASAB, Baltic Sea States Sub-regional cooperation; (2) Baltic Sea Chambers of Commerce Association; (3) Baltic Sea Region Programme (transnational cooperation), South Baltic Programme (cross-border cooperation), Central Baltic Programme (cross-border cooperation). (4) the Union of the Baltic Sea Cities, (5) the Baltic Development Forum, (6) the Euroregion Baltic, (7) the Swedish Institute, (8) the ScanBalt fmba, 	<ul style="list-style-type: none"> (1) Institute for the Danube Region and Central Europe (IDM, 1953); (2) Danube Commission (1964); (3) Danube Rectors Conference (DCR, 1983); (4) Working Community of the Danube Countries (1989); (5) Central European Initiative (CEI, 1989); (6) Council of Danube Cities and Regions (CDCR, 1998); (7) International Commission for the Protection of the Danube River (ICPDR, 1998); (8) International Sava River Basin Commission (ISBRC, 2001); (9) Regional Cooperation Council

(9) the Baltic Institute of Finland,	(2008);
(10) the Baltic Sea Non-Governmental Organisation (NGO) network.	(10) Danube Tourist Commission (DTC).

Source: Adaptation after Policy Department Structural and Cohesion Policies European Parliament - New role of macro-regions in European Territorial cooperation, Veronica Favalli (2015). Macro-regional Strategies in Territorial Cooperation: The future of European Regional Policy. www.pecob.eu.

The report identifies some of the directions that require improvements in the implementation process of macro-strategies at European level:

- identifying the appropriate targets, in terms of priority areas concerned;
- maintaining political commitment;
- adequate human resources policy, in order to provide the necessary expertise and for each field;
- alignment of policies and funding the established targets set to increase the impact of the available funding.

In terms of obtained results the EUSBSR and EUSDR constitutes into best practice models for initiating new macro-regional strategies. At the end of 2015, at European level they were in various stages the following macro-regional strategies:

Table 2.

No	stages of implementation	under consideration
1.	- the European Strategy for the Baltic Sea Region (EUSBSR – started in 2009)	- a strategy for the Carpathian Region
2.	- the European Strategy for the Danube Region (EUSDR – started in 2011)	- a strategy for the North Sea area
3.	- the European strategy for the Adriatic and Ionian Region (EUSAIR – started in October 2014)	- a strategy for the Black Sea
4.	- the European Strategy for the Alpine Region (EUSALP – accepted in June 2015)	- a strategy for the Atlantic Region or Atlantic Arc
5.		- a strategy for the Mediterranean Sea

A study of Policy Department Structural and Cohesion Policies - European Parliament (2015) notes the view of the European Commission on areas where macro-regional strategies could create added value:

- Results in terms of projects, actions, decisions, networks;
- Improved policy development;
- Improved value for money;

- Greater integration and coordination;
- Tackling regional inequality and promoting territorial cohesion

Analyzing the role of the macro-regional strategies, European Parliament has emphasized, in 2010, that “the European added value of macro-regions lies in greater cooperation between states and regions” and that “territorial cooperation and macro-region strategies could also be useful instruments for identifying and combating regional disparities, e.g. in access to education and employment, and for promoting convergence between European regions” (2012).

4. Conclusions

The official reports achieved at the level of European decision-making, the analyzes and studies of various specialized European or local institutions, and the individual specialized works, are unanimous in assessing the achievements of the EUSBSR and EUSDR experiment, accentuating the positive results - lessons learned - and identifying, in the preparing, launching and implementation processes, future paths to follow.

The European Commission report on the added value of macro-regional strategies in 2013 identifies issues to consider in launching new strategies:

- launching new initiatives only in the situation of specific needs for improving cooperation at high level, where the EU involvement is appropriate and the existing EU horizontal policies are strengthened;
- the existence of willingness to turn the political commitment into administrative support;
- the macro-regional approaches and sea basin strategies to respond to similar strivings;
- intensifying the cooperation and integration should be adapted to each situation.

For the implementation phase, the Policy Department Structural and Cohesion Policies - European Parliament (2015) recommends a number of measures, among which we mention:

- foster the creation of regional and local representation structures (on the model CDCR);
- coordinate activities within government through a national actor platform, including relevant ministries, local and regional layers and civil society;
- include local and civil society activities in the programme of the MRS Annual Forum (on the model of the Participation Day piloted in June 2014 in Vienna);

- clarify the way in which funding from the different sources can be used in combination, and simplification of the procedures concerning the mobilisation of funds that operate with different management methods;
- national coordination of territorial cooperation and MRS should be done through centralized stakeholder platform on the model of INTERACT;
- Pre-financing for macro-regional structural projects rather than to countries.

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