External Differentiated Integration in South-East Europe:

Third Countries and EU Macro-regional Strategies

Paper prepared for the EUSA Biannual Conference, Denver

May 9-11, 2019

WORK IN PROGRESS – DO NOT QUOTE

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Abstract: With the endorsement of macro-regional strategies (MRS), the European Union (EU) has introduced a new instrument at the interface of European Territorial Cooperation (ETC) and regional cooperation in Europe. Over the past decade, four EU MRS – the EU Strategies for the Baltic Sea, the Danube, the Adriatic-Ionian and Alpine Region – have been adopted covering altogether nineteen EU member states as well as eight partner countries, of which most are located in the South-Eastern periphery (e.g., Montenegro, Serbia, and Ukraine). Focussing on both ‘macro-regional’-level issues such as economic and infrastructure development or environmental protection of common pool resources, EU MRS aim to mobilize a wide range of actors from the public and private sector triggering a web of trans-governmental contacts and relations between EU member and partner countries. Conceiving of EU MRS as an instance of external differentiated integration, this paper focuses on the complex macro-regional architecture of governance which engages non-EU partner countries in processes of experimentalist external governance. Drawing on a rich set of semi-structured interviews conducted with representatives from non-EU partner countries, it first seeks to map the scope of involvement of partner countries and second examines to what extent external differentiation follows a functionalist or, alternatively, foreign policy logic vis-à-vis third countries. The paper then gauges dynamics of third country involvement in policy formulation, policy-making and implementation and shows that in most cases a foreign policy logic has superseded functionalist-driven technocratic networking between the EU and its neighbouring states.

Keywords: European Union; external differentiation; external and experimentalist governance; macro-regional strategies; EU partner countries; European Territorial Cooperation; functional cooperation
I. Introduction

For a long time, European integration has been grasped as a territorially confined process which would result in ‘an ever-closer union’ of its participating member states – as famously stated in the preamble of the Treaty of Rome. In the last two decades, however, ideas referring to ‘Europe as an empire’ (Zielonka 2006) which, in itself, is characterized by the emergence of ‘many Europes’ (Schmitter 1996) or ‘petites Europes’ (DATAR 2002, quoted in Dühr 2018) as territorial subunits, have become increasingly accepted in the scholarly debate. Such conceptions of Europe bode well with conceptions which see European integration enmeshed in a process of temporary, territorial and functional differentiation (Stubb 1996; 1997) rather than moving towards uniform integration (Holzinger and Schimmelfennig 2012, Kölliker 2001; 2006; Leruth and Lord, 2015; Leuffen, Rittberger and Schimmelfennig 2013; Schimmelfennig, Leuffen, and Rittberger 2015; Tuytschaever 1999).1

In sharp contrast to concepts of ‘flexible integration’, such as enhanced cooperation (see Kroll and Leuffen 2015) inside the European Union, ideas of ‘variable geometry’ and ‘differentiated integration’ are, in principle, open to both EU member and partner countries. Based on the thrust of EU treaties, they are formally possible only outside the EU treaties and aim at the establishment of functional regimes with sector specific differentiation. Thus, the idea of external differentiation embraces those partner countries which ultimately take part in such an EU-driven policy or strategy-building process. In this regards the concept of external governance (Schimmelfennig and Wagner 2004; Lavenex 2004; Lavenex and Schimmelfennig 2009) has been developed to grasp ‘the sector-specific extension of the acquis to non-member states’ (Holzinger and Schimmelfennig 2012, 294).

EU macro-regional strategies (EU MRS) clearly contain elements of external governance in that they seek to involve non-EU countries in routines of EU governance (Sielker, 2015), however, with less adaptive pressure when it comes to the recognition of EU legislation. These strategies have been

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1 With only very few exceptions, differentiation always translates into some kind of territorial aspect ‘as some countries or regions do not participate in integration’ (Holzinger and Schimmelfennig 2012, 296).
devised at the interface of European Territorial Cooperation (ETC), i.e. to manage spaces that are united by a physical feature and subject, e.g. to the same environmental pressures for functional cooperation (e.g. through INTERREG programmes) as well as established ‘regional cooperation’, such as Baltic Sea cooperation centred around the intergovernmental platform provided by the Council of the Baltic Sea States. Although geographically focused on a ‘macro-region’, such as the Baltic Sea, the Alpine mountain ridges or the Danube River area, EU MRS have been forged to specifically address ‘place-based’ challenges and opportunities, and to promote mutual learning processes through ‘experimenting’ with new forms of governance architectures (Gänzle 2017). With the exception of the EU’s Strategy for the Baltic Sea Region, all macro-regional strategies cover countries from the Western Balkans.

[Figure 1: The EUMRS, member states and partner countries, about here]

According to the European Commission, a ‘macro-region’ is ‘an area including territory from a number of different countries or regions associated with one or more common features or challenges’ (European Commission 2009a, 1, original in bold). In terms of their strategic focus, EU macro-regional strategies constitute a deliberative process between EU members and partner countries alike by which a set of objectives and measures is determined to address the challenges and opportunities of a macro-region; consequently, EU MRS develop a ‘governance architecture’ underpinned by ‘long-term political initiatives […] on cross-cutting policy issues locked in commitments about targets and processes’ (Borrás and Radaelli 2011, 464) without connecting them with some “end date” and thus de-coupling the from specific constraints set by the EU’s multi-annual budgets. The macro-regional governance architecture is built around agreed priority areas managed by a trans-governmental hub of policy coordinators together with steering committees made up from representatives of line ministries from EU member and partner countries. These transnational networks identify and support
projects and measures – through the adoption of action plans – to drive functional cooperation in their respective priority areas with the objective of better coordination and effective use of scarce resources.

By proposing macro-regional strategies, the EU also aims to contribute to the Treaty of Lisbon objective of achieving territorial cohesion, alongside social and economic cohesion.² This ultimately requires the mainstreaming of the territorial dimension in future EU policy-making and implementation. In principle, the objectives are to be supported by hitherto existing financial means from the European Structural and Investment Funds (ESIF) and thus go far beyond the budgetary scope of ETC.³ The scope of the emerging macro-regional governance architecture, however, is constrained by the principle of the so-called “Three No’s” which call upon the implementation of macro-regional strategies (1) not to result in any (major) additional costs, for example in terms of funding via EU Cohesion policy, (2) not to trigger the establishment of any new institutions, and finally (3) not to give rise to specific EU legislation devised for the macro-region (European Commission 2009a, 5; see Schymik 2011, 5-6). The European Council introduced these principles in order to secure the support of those member states not covered by a macro-regional strategy and potentially suspicious about any form of territorially bound EU budget allocation.

The first macro-regional strategy, the EU Strategy for the Baltic Sea Region, was endorsed in 2009 at a time when the EU budget was already in operation for the 2007-13 financial perspective and therefore did not allow the inclusion of new budget lines. Thus, the creators of this new approach hoped to avoid competition for financial resources and rather aspired to use the “Three No’s” as a test-bed for new formats of governing transnational and trans-governmental cooperation – including the integration of third countries. This principle was upheld in the subsequent financial perspective (2014-20), too – whilst maintaining that EU macro-regional strategies need to be further

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² See Art. 174 TEU: ‘In order to promote its overall harmonious development, the Union shall develop and pursue its actions leading to the strengthening of its economic, social and territorial cohesion […]’.
³ ETC currently makes up for about 2.8 % of the European Structural and Investment Funds (ESIF).
mainstreamed in the existing ESIF. However, progress has been rather limited in that area. The next section will discuss macro-regional trans-governmentalism as the hotspot for unfolding processes of external and experimentalist governance and differentiation in the EU’s relationship with third countries and regions. It will then identify and discuss the logics – foreign policy versus functionalist logic – underpinning these processes before mapping and discussing third country participation in the EU’s macro-regional strategies.

II. Experimentalist external governance and trans-governmental hubs in EU macro-regional strategies

The then-Commissioner for Regional Policy, Pawel Samecki, remained remarkably silent on the issue of the involvement of partner countries when he sketched out the concept of EU macro-regional strategies. He referred to the definition subsequently used in the Strategy for the Baltic Sea Region (EUSBSR) defining the macro-regional strategy as ‘an integrated framework that allows the European Union and Member States to identify needs and allocate available resources thus enabling the Baltic Sea Region to enjoy a sustainable environment and optimal economic and social development’ (European Commission 2009a, 1; *italics* added by the author). Subsequently, however, the ensuing action plan for the EUSBSR made ‘clear that many of the issues can only be addressed in constructive cooperation with our external partners in the region, and in particular Russia’ (European Commission 2009b, 3) – and hence that macro-regional cooperation entails cooperation with non-EU partners of the macro-region. All other macro-regional strategies exhibit a strong involvement of non-EU countries, encompassing candidate countries currently negotiating the terms of accession – such as Albania (which is set to begin accession negotiations in June 2019), Montenegro and Serbia, along with potential candidate countries, like Bosnia-Herzegovina, and ENP or Eastern Partnership countries such as the Republic of Moldova and Ukraine (see figure 1).
Against this backdrop, we conceive of macro-regional strategies as forms of external horizontal differentiation by which non-EU countries are embraced as they belong to a territorial unit defined by functional needs for cooperation. Thus, the EU engages in a form of collaboration with these partners via ‘external governance’ (Lavenex 2004). The main focus of the external governance approach is on processes by which EU practices, norms and policies are projected onto non-EU member states. This practice is of particular interest to EU macro-regional strategies which, in their external aspects, ‘offer political frameworks for deepening relations with and among partner countries, based on the principles of mutual accountability, shared ownership and responsibility’ (European Commission 2018, p. 20) and extend significantly beyond the current territory of the EU. According to Lavenex and Schimmelfennig (2009), external governance can provide a mechanism for developing greater interaction and cooperation, thereby helping to move closer towards alternative forms of integration when regulative expansion is accompanied by the opening-up of organizational structures of policy-making.\(^4\) Hence, an external governance perspective on the EU’s macro-regional strategies strongly focuses on the participatory elements used to draw non-EU countries, sub-national authorities and societal groups closer to the EU. External governance focuses on the scope of permeability of transnational and trans-governmental interactions and structures – in particular accounting for their organizational features. They tend to be organized as both formal and informal networks based on horizontal ties between their members (Keohane and Nye 1974; Lavenex 2015; Slaugther 2004).

Deliberation and policy-making usually emphasizes coordination of regional, national and EU legislative provisions as well as project development in the macro-regional framework. In contrast to engaging in the production or implementation of hard laws, EU MRS subscribe to the formation of soft law. Thus, EU MRS have been defined – from a legal perspective – as forms of EU soft law. De-emphasising potential conflicts, macro-regional transnational cooperation stresses the role of coordination, mutual learning and consensus-building – thus lowering ‘the hurdles for the

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\(^4\) This is possible particularly in areas subject to ‘network governance’ – governed by horizontal, participatory and process-oriented modes of policy-making (Filtenborg, Gänzle and Johansson 2002; Lavenex and Schimmelfennig 2009).
participation of non-EU officials and reduc[ing] the scope for adaptation pressure’ (Lavenex 2015, 838).

In order to fully capture the dynamics of trans-governmental inclusion, the concept of external governance needs to be complemented by the notion of experimentalist governance, which can be grasped as a mode of EU governance coming close to the open method of coordination (Börzel 2012). Experimentalist governance has been defined as ‘attempts to conceptualize the institutional innovations that actors in persistently uncertain domains have devised to make best use of the malleability of their circumstances while reducing the dangers it creates’ (Sabel and Zeitlin 2012, 424). Therefore, it can be understood as ‘a recursive process of provisional goal-setting and revision based on learning from the comparison of alternative approaches to advancing them in different contexts’ (Sabel and Zeitlin 2010, 1). Although macro-regional strategies do not seek to create regulatory politics, they follow a recursive experimentalist policy style in various respects (Gänzle 2017). For instance, macro-regional strategies constitute broad frameworks and joint endeavours decided among authorities at different territorial levels of both EU member and partner countries. The significance of macro-regional strategies from an experimentalist perspective lies in their capacity to mobilize institutional and non-institutional actors towards policy goals that have been identified as central to the macro-region, but which have somehow escaped the reach of the Union. The significance of macro-regions themselves also lies in other areas, such as in their capacity to recombine the institutional structures created at various levels to manage and implement these policies in novel but fluid ways.

Theoretically, trans-governmental bodies are – as laboratories for experimentalist governance – exposed to mutual influence in coordination. In practice, domination by individual EU/member states may occur (Plangger 2018); for some non-EU countries, participating in EU MRS is more geared towards capacity-building and rule transfer than genuine collaboration (Lavenex 2015, 839). Thus, collaboration may ultimately be underpinned by foreign policy or functionalist perspectives. From a
foreign policy perspective, a country would become involved in order to subscribe to the EU’s regulatory outreach (external governance) in matters of economic development as a way to promote stability, democracy and peace. In contrast, a functionalist logic would follow the idea of ‘creating Europe-wide epistemic communities whose technical truths transcend intergovernmental politics’ (Shapiro 1997, 281-2). Whereas organizational inclusion would reflect sectoral patterns of interdependence and discriminate between sectors rather than between countries here, a foreign policy logic would ultimately mirror the overall hierarchy of relationship between countries ranging from close-to-membership to minimal-prospects-of-membership – or, in the jargon of differentiated integration, concentric circles of European states versus the concept of a sectorally defined and driven variable geometry.

Clearly, given the character of EU MRS as tools to foster cohesion in a functionally-defined territory, one would expect a functionalist logic to prevail inside the macro-regional governance architecture. This is the core hypothesis that the remainder of the paper seeks to address.⁵ In terms of methodology, the paper draws on three pools for data: First, it is based on a thorough document analysis, such as progress reports from the priority areas; second, it will rely on an exploration of questionnaires and semi-structured interviews – conducted with approximately two dozens of third country officials engaged in the management and implementation of EU MRS as well as, third, participatory observation by the author at various meetings of EU macro-regional stake-holders, such as in the framework of the Council of the Baltic Sea States (CBSS), the Council of Danube Cities and Regions (CoDCR) and the annual fora of the EUSDR and EUSBSR (2012-2018).

⁵ One important restriction applies as the focus will primarily be on the direct involvement of non-EU governmental partners in the macro-regional governance architecture; hence, participation of non-EU civil society representatives in both projects, such as the transnational programs or civil society advisory boards (e.g. D-LAP, PA10 Institutional Capacity and Cooperation) will not be addressed systematically.
III. The development of EU MRS

The EU MRS developed from several institutional templates and policy roots (Gänzle 2016) in the realm of European Territorial Cooperation (ETC), the Community’s regional and structural policy more broadly, and various formats of ‘sub-regional co-operation’ (Cottee 1999, 2012; Dangerfield 2016) such as Nordic or Baltic Sea co-operation. However, the EU enlargement rounds of 2004/7, which prominently turned the entire Baltic Sea into an almost common EU sea, truly set in motion the development of the first MRS. After the idea was launched by the Inter-Baltic group of the European Parliament in 2005 (Antola 2009; Beazley 2007, 14), the European Council eventually invited the Commission in 2007 to prepare an EU Strategy for the Baltic Sea Region (EUSBSR).

The strategy-making process was accompanied by an open consultation procedure launched by the Commission’s Directorate-General for Regional and Urban Policy (DG Regio). The authors of the draft Strategy tapped on academic and practical expertise from various stakeholder and interest groups as well as interested parties; sub-national entities and partner countries have been involved since the beginning (Schymik and Krumrey, 2009). Subsequently, an internal consultation among twenty Commission Directorate-Generals was started, and common challenges were assessed with regard to: 1) a clear need for public intervention; 2) the relevance of action at the macro-regional Baltic Sea Region level; and 3) the need for further action beyond existing initiatives (European Commission 2009b, 6). The EUSBSR subsequently resulted in the establishment of a three-pronged governance architecture: first, at the operational level, it built on both policy and horizontal action coordinators focussing on the implementation of jointly agreed objectives in the areas of the environment, infrastructure and economic development; second, it involved national coordinators as the coordination level assuring harmonization amongst participating countries; and third, it relied on the High-Level Group of Member States to provide strategic guidance at the EU-level.6

6 Clearly, there are other ways of involvement of non-EU partner countries such as through existing bodies of regional cooperation (e.g., Council of the Baltic Sea States (CBSS), the Nordic Council, VASAB and HELCOM in the Baltic Sea area), the establishment of transnational advocacy groups at a macro-regional level (e.g. the Danube
The *EU Strategy for the Danube Region (EUSDR)*, in turn, was inspired by both the creation of the EUSBSR itself and the Union for the Mediterranean in the latter half of the 2000s. It also received substantial support from Austria and Romania (Ágh, 2016). The EUSDR includes fourteen countries, of which nine are EU member states, three are (potential) candidate countries, and two are neighbourhood countries of the EU, altogether making close co-ordination with the Directorate-General for Neighbourhood Policy and Enlargement Negotiations (DG NEAR) indispensable. Furthermore, each of these three ‘membership’ categories translates into different funding categories with distinct legal bases: the European Structural and Investment Funds (ESIF) are reserved for member states; the Instrument for Pre-Accession Assistance (IPA), for candidate countries; and the European Neighbourhood Instrument (ENI), for neighbours. Within the European Territorial Cooperation (ETC), the three sources can be combined in transnational and cross-border programmes, thereby enabling cooperation projects at the EU’s periphery. One example is the Danube Transnational Programme of the ETC which was newly designed in order to comply with the geographic definition of the Danube region (European Commission 2016, 7). Most interestingly, the CBC ENI programs will be moved from DG NEAR to DG REGIO (European Commission 2018). At the operational level of policy coordination, two EUSDR members (e.g. Baden-Württemberg and Croatia for the policy area of competitiveness) jointly take responsibility for the management of policy areas.

The MRS were also considered in the field of enlargement and the European Neighbourhood Policy (Hahn 2014, 1), be it in the framework of the so-called Berlin process, a diplomatic initiative to revive regional co-operation, or the reports of the Commission on the review of the Neighbourhood Policy (European Commission 2017, 9). EU MRS have established a level-playing field with third countries, a feature that is ever more relevant in the EUSDR and in the EUSAIR.

With four out of its eight members from outside the EU (Albania, Bosnia-Herzegovina, Croatia, Greece, Italy, Montenegro, Slovenia and Serbia), the *EU Strategy for Adriatic and Ionian Region (EUSAIR)* Civil Society Forum), as well as stakeholders of various projects funded under the macro-regional umbrella. Yet, as these formations are not trans-governmental in character, they will not be addressed here.
exposes the highest share of non-EU countries. The initiative draws from the ‘Ancona Declaration’ adopted by the Adriatic-Ionian Council (AIC), the decision-making body of the Adriatic-Ionian Initiative (AII) (Cugusi and Stocchiero, 2016). The AII, in turn, was launched following an Italian initiative in 1999 as part of the Stability Pact for South Eastern Europe (Cugusi and Stocchiero, 2016, 173). Ultimately, the AII was established at the Summit on Development and Security on the Adriatic and Ionian Seas in May 2000, attended by the heads of states and governments of Italy, Albania, Bosnia and Herzegovina, Croatia, Greece and Slovenia. Subsequently, the foreign ministers of the participating countries signed the Ancona Declaration, which seeks to strengthen regional co-operation to promote political and economic stability. This Initiative was later extended to include Serbia and Montenegro.

Against the backdrop of this development path and somewhat rooted in the break-up of Yugoslavia (Cugusi and Stocchiero, 2016, 172), the need for an EUSAIR was reviewed by the European Commission in 2014 following a public consultation process conducted at the end of 2013. It was then endorsed by the European Council in September 2014. The objectives of the EUSAIR are organized in four mutually dependent pillars considered to be of strategic importance. These objectives include Blue Growth, Connecting the Region, Environmental Quality and Sustainable Tourism. In terms of its governance architecture, two main levels complement the political level of co-operation: a Governing Board at the co-ordinating level and thematic Steering Groups at the implementing level. The Governing Board co-ordinates the work of the thematic Steering Groups in charge of implementation through strategic guidance with respect to management and implementation of the EUSAIR and its Action Plan. The Governing Board is co-chaired by the country chairing pro tempore the AII. Each participating country is represented by two formally appointed national co-ordinators – one senior official from the Ministry of Foreign Affairs and one senior official from the line ministry responsible for co-ordinating EU funds – as well as two formally appointed pillar co-ordinators and representatives from the Commission, the European Parliament, the Committee of the Regions, the European Economic and Social Committee, the Permanent Secretariat of the Adriatic-Ionian Initiative and the Managing Authority of the Interreg Adriatic Ionian (ADRION) transnational co-operation programme.
Finally, four thematic Steering Groups cover each pillar. Special arrangements are in place under Pillar 2, with two sub-groups for transport and energy, respectively. The thematic Steering Groups are chaired on a rotating basis by two countries involving one non-EU and one EU member state per pillar.

Similarly, the preparations for the *EU Strategy for the Alpine Region (EUSALP)* – addressing Austria, France, Germany, Italy, Liechtenstein, Slovenia and Switzerland – started well before the Council invited the European Commission to prepare a macro-regional strategy for the wider Alpine region in December 2013. This macro-regional initiative emerged at the interface of ‘three separate but linked institutional contexts: The Alpine Convention, the Network of Alpine Regions and the Alpine Space Programme’ (Balsiger, 2016, 190f; see also Debarbieux et al., 2015). The origins of the Alpine Convention date back to the early 1950s. Signed in 1991 under international law by the seven Alpine states of the EU’s Alpine Strategy and Monaco, it is one of the oldest international treaties. In addition to this NGO-driven process, the Alpine states and sub-national authorities have been involved in co-operative platforms since the 1970s, such as the Arge-Alp (an association of ten ländere, provinces and cantons from Austria, Germany, Italy and Switzerland), COTRAO (an association of regions and cantons from France, Italy and Switzerland) or the Zurich Process of 2001, which brings together the transport ministers of Austria, France, Germany, Italy and (since 2005) Slovenia. Finally, the Alpine Space Programme has provided financial resources under the European Regional Development Fund since the late 1990s. All of these pre-EUSALP initiatives bring together different arrangements of institutional stakeholders, objectives and memberships. The macro-regional approach has been justified by creating a joint platform for addressing common and intersecting challenges and opportunities; after all, issues such as the ownership of water resources and (transit) transport cannot be solved without a concerted effort extending beyond the scope of the Alpine Convention, which is exclusively concerned with the mountainous parts of the Alpine region.

The EUSALP followed the script of the previously launched MRS vis-à-vis public consultation, which took place from July to October 2014; 300 contributions were received, three times more than in the
EUSDR. Drawing from the consultation, the European Commission adopted a communication and action plan in mid-2015, and the EU Council endorsed the EUSALP in June 2016. Like other MRS, the EUSALP priorities thematically include economic development (job opportunities and high competitiveness for the region), as well as accessibility and environmental protection, including renewable energy solutions and the establishment of a sound macro-regional governance model as cross-cutting objectives. Similar to the other MRS but differing in terms of terminology, the EUSALP is based on three interrelated levels: First, a general assembly at the political level, which sets forth political guidelines and leadership. It is composed of state representatives (including all regions that partake in the Strategy), the European Commission (as facilitator) and the Alpine Convention (as observer); second, an executive board of national co-ordinators, the European Commission, as well as the Alpine Convention and the Interreg Alpine Space Programme as advisors at the level of co-ordination; third, nine action groups, in which the EUSALP priorities have been organized, at the implementation level. Action Groups are composed of representatives from national, regional and local levels. As many capital cities are located far from the Alps, regions have become the main drivers of the process of EUSALP implementation. The political role of these regions is also expressed by the establishment of a General Assembly.

Across all macro-regional strategies in operation to date, the existing governance architecture provides three entry points for third country involvement. First, the group of national coordinators responsible for the coordination of the strategies admits representatives from all macro-regional member states, including non-EU countries of a given macro-region. Second, representatives from non-EU countries work as policy coordinators (EUSBSR), priority area coordinators (EUSDR), pillar coordinators (EUSAIR) and Action Group Leaders (EUSALP) at the strategic and operational level, responsible for the coordination and implementation of the strategy in a certain thematic field. Leaving the problematic example of the EUSBSR aside, 33% of priority area coordinators (EUSDR), 50% of pillar coordinators (EUSAIR) and 11% Action Group Leaders (EUSALP) are from non-EU states. With the exception of the EUSALP, the number of partner countries represented in these transnational
working structures reflects the overall strength of partner countries in these three macro-regional strategies (see table). Third, the steering groups support the tasks of the policy coordinators (EUSBSR), priority area coordinators (EUSDR), pillar coordinators (EUSAIR) and Action Group Leaders (EUSALP) and are open to participation of non-EU countries from a given macro-region, in particular the EUSDR, the EUSAIR and EUSALP.

IV. Participation of third countries in the EU MRS governance architecture

Non-EU partner countries – with the exception of the EUSBSR – participated in the consultation process leading to the subsequent drafting of macro-regional strategies by the European Commission. In the case of the EUSDR, a Moldovan official maintained: ‘Our proposals in the process of drafting the strategy have been taken into consideration’ (Interview with Moldovan official, April 30, 2014). The Ukrainian and Moldovan governments and other non-EU countries contributed policy proposals to the consultation (Dörrenbächer and Bochmann, 2011, 3). Subsequently, the annual fora of EU macro-regional strategies provide other regular opportunities for discussion, exchange and networking of stakeholders and officials dealing with EU MRS.

[Figure 2: Direct third country involvement in EUMRS policy areas, about here]

The first formal entry point for involvement is the group of national coordinators. It is open to partner countries, but not all of them have appointed national coordinators. For instance, Bosnia-Herzegovina is a member of both the EUSAIR and EUSDR but has not appointed a national coordinator for the EUSDR: ‘Bosnia and Herzegovina effectively participates only in the implementation of the EUSAIR. Although Bosnia and Herzegovina is a member of the EUSDR the implementation of the EUSDR is questionable, since the national coordinator and related structure have not been appointed’ (Bosnia-
Herzegovina 2018, 2). However, this seems to be an exception as most other partner countries have appointed at least one national coordinator. In some cases, the overviews published on the websites of the EU MRS not only refer to several persons, but also to persons who are not affiliated with a ministry. In Ukraine, the Ukrainian Institute for International Politics is mentioned in addition to a national coordinator based in the Ministry of Regional Development on the EUSDR website (accessed on 31 July 2018). However, not all of the national coordinators are seen as being very active:

‘Although the National Coordinator was appointed a couple of years ago, there is no real progress since then. The approach to the EUSDR is still formal: it’s declared that “the EUSDR is important to Ukraine”, but actually nothing has been done at the governmental level to foster Ukraine’s involvement in the EUSDR’ (Interview with Ukrainian NGO, 25 July 2018).

The second path towards direct involvement is provided by participation as one of the two or several priority coordinators, pillar coordinators or action group leaders. This needs to be decided jointly by the members participating in a macro-regional strategy and the European Commission. Whereas Serbia, for example, is represented by three pillar and priority area coordinators, Albania, Bosnia-Herzegovina, Moldova, Montenegro, Switzerland have nominated one (see figure 2). Their tasks provide ample opportunity for coordination and, perhaps even more, networking. In the works of one priority area coordinator:

‘For me it is a good experience that helped me to grow professionally. As PAC, my main task is establishing and maintaining the network of national counterparts relevant to the PAC (steering group), enlarging of network of stakeholders [...], providing information for initiation of new projects and initiatives, raising public awareness and information of stakeholders about ongoing activities of [our priority area]’ (Interview with Moldovan official, 9 July 2018).

Whereas some priority area coordinators from partner countries – in particular, Serbia – have been applauded by other members of the priority area, others have been found rather ‘reluctant to engage’ at times (Interview with member of EUSDR PAC 8 Steering Group, 30 January 2015). Serbia is one of
those members of EU MRS to have nominated ‘strong personalities’ (Interview with Serbian official dealing with EUSDR, 4 July 2018) as, for example, one of the priority area coordinators is a state secretary. Still, these positions are held in high esteem by those partners who have been able to secure one; the positions are seen as an important cornerstone for a country’s full integration into the EU MRS: ‘In my opinion we are integrated in EUSDR structure, as we are coordinating PA9, have NC, also we are included in the decision making body of EUSDR’ (Interview with Moldovan official, 9 July 2018).

In fact, some non-EU member countries perceive the lack of a position as a coordinator of one of the priority areas in EUSDR as ‘limit[ing] the room for more active participation’ (Interview with Montenegrin official, 9 July 2018). This may explain why some non-EU partner countries have been quite eager to secure positions of priority area coordinators for themselves in the future, such as in the case of the EUSDR:

‘The Commission noted that Ukraine is a second country wishing to assume the role of a PAC after Montenegro. In this respect, consideration should be given on how to meet these wishes and find a solution. A reminder was made about the Implementation Report 2016 which proposed a rotation of the PACs, but this was not accepted by the majority of the countries. However, the Commission underlined that a solution must be found to include countries which have the legitimate expectation to become PACs’ (EUSDR National Coordinators, 2018, 11).

Matching one EU member state with a non-EU country in assuming the coordination is found very useful as it ‘provides opportunity for learning’ (Interview Serbian official dealing with EUSAIR, 20 June 2018).

The third way for direct involvement is provided by participation in steering groups to support the work of priority area coordinators, particularly in the EUSDR. In fact, the EUSDR developed this organizational feature, which was then subsequently introduced in other macro-regional governance architectures. Attendance at steering group meetings, which usually take place twice a year, varies quite significantly between the countries – including the non-EU partner countries. In light of financial, institutional, and other challenges, a country’s specific needs may affect attendance. For instance,
Montenegrin representatives have been found ‘most active in the working groups within the priority areas of Strategy 2, 7, 8 and 9’ (Interview with Montenegrin official, 9 July 2018). These policy areas seem to be of more urgent need to the government of Montenegro.

V. Macro-regional ‘impact’ on the non-EU partner country of EU MRS

Although EU macro-regional strategies, in particular those adopted after the EUSBSR, have not been in operation for too long, it is possible to grasp their impact in several ways. Here, the focus will be on how non-EU partner countries have embraced EU MRS in terms of the own institutional set-up: How do Albania, Serbia, and Ukraine accommodate coordination needs within their own ministries? Have EU MRS become an integral part of the respective countries’ own regional development planning? Those two proxies will be used to somewhat elucidate the impact of EU MRS to date.

As a consequence of the crisis with Russia, which is presently defying Ukraine, and uncertainties concerning how to exactly engage with Ukraine as a whole related to matters of the EUSDR, internal coordination seems relatively daunting. One interviewee found that:

‘I would not say that coordination is good. First of all, because of the poor capacity of the Ministry of Regional Development and the National Coordinator to coordinate EUSDR related activities of these central bodies and the lack of a strategic vision of Ukraine’s involvement in the EUSDR’ (Interview with Ukrainian NGO, 25 July 2018).

Thus, inter-institutional coordination, which is an implicit objective of EU MRS, seems to be rather undeveloped inside Ukraine. But, this challenge plagues other non-EU partners, too. With regards to Moldova, there is ‘still to work a lot, because it is a problem not just in relation with EUSDR, but internal collaboration between ministries is still weak’ (interview with Moldovan official, 9 July 2018). Even within the span of several years, improvement seems to be rather minimal, as illustrated in an earlier interview:
'But [...] the space of improvement, the interaction with the inter-ministerial group, formed of experts of each PA [priority area] and the coordinating minister, here we can have much tighter coordination, so that not just the ministry of regional development promotes the strategy but also the rest of the concerned institutions. It’s about to become more involved and to take more responsibility, and on the national level, increasing the visibility of the strategy’ (interview with Moldovan official, 30 April 2014).

Inter-institutional coordination seems more advanced in countries that enjoy a closer association with the European Union, i.e. Serbia. This EU candidate country seems to be experimenting with new forms of civil society participation as part of their internal coordination set-up: An inter-ministerial working group (e.g. “Working Group on the Cooperation with the EU in the Danube Region”) ‘considers expanding to also include civil society chambers of commerce, universities. Furthermore, all line ministries are currently involved in the revision of the action plan of the EUSDR’ (interview with Serbian official dealing with EUSDR, 4 July 2018).

Another proxy for impact is to explore to what extent EU MRS have influenced national strategies for regional development planning – which would further be enhanced by commitments in the realm of regional policy in the framework of ongoing accession negotiations with candidate countries. Again, the findings are rather diverse across the board of non-EU partner countries. Some interview partners and close political observers, in the case of Moldova, question whether national strategies exist at all: ‘Nothing is used. If advised from the EU – that would help. In the West-Balkan countries it’s more advanced. They don’t coordinate often (in Moldova) – it’s all on paper. They never meet with counterparts from the other countries.’ (interview with Slovenian official, 4 July 2018). Others affirm that EU MRS are taken into account when ‘there is a fit’ – such as in the case of the Alpine-West Balkan freight corridor which was pushed by Serbia. Thus, existing national strategies are mainstreamed with EU MRS rather than replicated in an alignment strategy of its own (Interview Serbian official dealing with EUSAIR, 20 June 2018).
VI. Conclusion: From functionalist to foreign policy logic

‘I think this [the EUSDR] is important for my country, which wishes to join EU. In this context, my government approved participation of Moldova to the EUSDR. [...] Still, participation in the EUSDR is happening due to the initiative of some people’ (Interview with Moldovan official, 9 July, 2018).

Although many interviewees maintained that there is a general loss of interest in EU MRS, in particular amongst EU partner countries, many representatives perceive these strategies as vehicles for drawing non-EU partners closer to the European Union. However, the functionalist drive has waned quite considerably – and seems to be absorbed by a foreign policy logic. Although EU MRS have departed from a functionalist-territorial core for collaboration, ultimately a foreign policy logic determined by the quality and scope of the associational relationships structures prevails. Put differently, regardless of the functional need for cooperation, what ultimately defines a non-EU partner in EU MRS is whether it is being considered a credible candidate, a potential candidate, or an ENP country with no immediate prospect of joining the EU, if at all. Still, EU macro-regional strategies function as test-beds of forms of external differentiated integration, underpinned by trans-governmental relations.

Clearly, the scarcity of material resources and capacities (Ukraine and Moldova), internal divisions (Bosnia-Hercegovina) and the lack of strategic vision constrain the involvement and furthering of several non-EU partner countries. In countries that have considerably advanced towards EU membership, such as Montenegro and Serbia, a selective approach persists, favouring elements of the respective EU MRS that serve the ‘national’ interest best, including accession negotiations. Interestingly enough, most of the non-EU partner representatives emphasized the role assumed by of pillar coordinators and priority area coordinators, who are seen as loci for mutual learning and sharing best practices and experiences and as important elements of trans-governmental cooperation and coordination in the macro-regional framework. Inter-ministerial working groups, somewhat mirroring the logic of trans-governmental governance architectures internally, seem again to be most advanced in countries currently negotiating the terms of EU accession.
The lack of strategic vision in partner countries also has important implications for the European Union and should serve as a reminder that functionalist needs are important stepping stones towards future integration; however, the functionalist logic needs to be underpinned both materially and immaterially. The foreign policy logic, in turn, reminds us of the interests of certain EU member states with particular interests in the Western Balkans, such as in particular Austria, Germany, and Italy. In the aftermath of European Commission President Juncker’s declaration in 2014 to freeze expansion over the next five years, macro-regional strategies still provided some evidence of the EU’s commitment vis-à-vis the countries of the Western Balkans in the shape of external differentiated integration. From that perspective, EU MRS need to be understood in a more geopolitical context as means to counter the investment interests and initiatives of Gulf States, Russia, Turkey and, in particular, China in the Western Balkans by bringing regional and external policies closer together and reproducing European integration as ‘petite Europe’ on a smaller territorial scale.


Bosnia and Herzegovina (2018). *Responses to explanatory note for national coordinators – EUSAIR*. 2nd report from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions on the implementation of EU macro-regional strategies (mimeo).


Interviews

Interview with Serbian official at EU Mission, March 14, 2014 (conducted and transcribed by Karsten Aust).

Interview with Moldovan official, Mission of the Republic of Moldova to the EU, April 30, 2014 (conducted and transcribed by Karsten Aust).

Interview with Member of Steering Group, PAC 8, Phone, January 30, 2015 (notes).

Interview with Serbian official dealing with EUSAIR, Ministry of Foreign Affairs, Serbia, June 20, 2018 (notes).

Interview with Bosnian-Herzegovinian official dealing with EUSAIR, June 2, 2018 (transcribed).

Interview with Moldovan official, Mission of the Republic of Moldova to the European Union, July 3, 2018 (transcribed).

Interview with Slovenian official dealing with EUSDR, EUSAIR and EUSALP, Ministry of Foreign Affairs, July 4, 2018 (transcribed).

Interview with Serbian official dealing with EUSDR, Ministry of European Integration, Serbia, July 4, 2018 (notes).

Interview with Ukrainian NGO dealing with EUSDR, July 5, 2018 (transcribed).

Interview with Albanian official dealing with EUSAIR, July 6, 2018 (transcribed).

Written response by Montenegrin official dealing with EUSAIR, Ministry of European Affairs, July 9, 2018.


Written response by Ukrainian NGO dealing with EUSDR, July 25, 2018.

Other

Email exchange with official from Bosnia-Herzegovina dealing with EUSALP, June 13, 2018.
Annex

Figure 1: The EUMRS, member states and partner countries

<table>
<thead>
<tr>
<th></th>
<th>EUSBSR</th>
<th>EUSDR</th>
<th>EUSAIR</th>
<th>EUSALP</th>
</tr>
</thead>
<tbody>
<tr>
<td>EU members:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Denmark, Estonia, Finland, Germany, Latvia, Lithuania, Poland, Sweden</td>
<td>Austria, Bosnia-Herzegovina, Czech Republic, Croatia, Germany, Hungary, Montenegro, Romania, Slovenia, Slovakia</td>
<td>Croatia, Italy, Greece, Slovenia, Austria, France, Germany, Italy, Slovenia,</td>
<td></td>
<td></td>
</tr>
<tr>
<td>EU partners:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Belarus, Iceland, Norway, (Russia)</td>
<td>Moldova, Montenegro, Serbia, Ukraine</td>
<td>Albania, Bosnia-Herzegovina, Montenegro, Serbia</td>
<td>Lichtenstein, Switzerland</td>
<td></td>
</tr>
<tr>
<td>Number of EU members</td>
<td>8</td>
<td>10</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>Number of EU partners ([% of EU MRS members])</td>
<td>4 (3+1) ([33%])</td>
<td>4 (28,5%)</td>
<td>4 (50%)</td>
<td>2 (28,5%)</td>
</tr>
<tr>
<td>Typology of EU-partner country association</td>
<td>2 EEA 1 ENP (not Eastern Partnership)</td>
<td>2 Candidate countries 2 ENP (Eastern Partnership)</td>
<td>2 Candidate countries 2 Potential candidate countries</td>
<td>1 EEA 1 Bilateral</td>
</tr>
</tbody>
</table>

*Own compilation.*
Figure 2: Direct third country involvement in EUMRS policy areas

<table>
<thead>
<tr>
<th>Policy Coordinator/Priority Area Coordinator/Pillar Coordinator/Action Group Leader from EU member state</th>
<th>Policy Coordinator/Priority Area Coordinator/Pillar Coordinator/Action Group Leader from non-EU country</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>EUSBSR</strong></td>
<td>EU member states and regional organisations</td>
</tr>
<tr>
<td><strong>Share of non-EU partner countries MRS governance: 0</strong></td>
<td></td>
</tr>
<tr>
<td><strong>EUSDR</strong></td>
<td></td>
</tr>
<tr>
<td>1B: Rail, road and air links</td>
<td>Slovenia</td>
</tr>
<tr>
<td>PA 7: To develop the knowledge society (research, education and ICT)</td>
<td>Slovakia</td>
</tr>
<tr>
<td>PA 9: To invest in people and skills</td>
<td>Austria</td>
</tr>
<tr>
<td><strong>Share of non-EU partner countries MRS governance: 3/12 (33%)</strong></td>
<td></td>
</tr>
<tr>
<td><strong>EUSAIR</strong></td>
<td></td>
</tr>
<tr>
<td>Blue Growth</td>
<td>Greece</td>
</tr>
<tr>
<td>Connecting the Region</td>
<td>Italy</td>
</tr>
<tr>
<td>Environmental Quality</td>
<td>Slovenia</td>
</tr>
<tr>
<td>Sustainable Tourism</td>
<td>Croatia</td>
</tr>
<tr>
<td><strong>Share of non-EU partner countries MRS governance: 4/4 (50%)</strong></td>
<td></td>
</tr>
<tr>
<td><strong>EUSALP</strong></td>
<td></td>
</tr>
<tr>
<td>AG 5: To connect people electronically and promote accessibility to public services</td>
<td>Italy</td>
</tr>
<tr>
<td><strong>Share of non-EU partner countries MRS governance: 1/9 (11%)</strong></td>
<td></td>
</tr>
</tbody>
</table>

Own compilation.