

# **EU Macro-Regional Strategies – A Great Solution for a Better Future**

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Abstract: 'Prosperity through Diversity' is the new aim of EU macro-regional strategies for the current programming period 2021-2027. Raising the awareness of local/regional authorities as actors of development is also a duty of academia. Danubius University of Galati through DAIE conferences ensures yearly a substantive and continued policy dialogue on the topic of Danube region development. In this light, this research paper tries to increase the knowledge sharing and the engagement of relevant actors in defining the new path of development of this area towards a greener, smarter, carbon-free and more social region. Coordination in policy approach and cooperation through networks, platforms and alliances at different level of governance, will increase the capacity of Romanian public administration to respond to the new challenges of EU development on its three dimensions: economic, social and territorial. Strengthen the role strategic thinking is the main objective of this paper. Good economic governance, including fair and inclusive mobilization of internal revenues and transparent management of public finances and efficient and inclusive public spending will make this region a successful example, but strategic thinking is a necessity.

**Keywords:** Prosperity through Diversity; resilient region; EU priorities 2021-2027

JEL Classification: R11; O20; F63

#### 1. Introduction

Economic, social and territorial cohesion can (and must) be approached from several perspectives. The European Regional Development Framework is designed on enhanced cooperation between states and regions to address common issues and support socio-economic-territorial development in a balanced and equitable manner.

This paper aims to present briefly the main macro-regional strategies active in the European Union, these documents being extensively presented on the ESPON

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website (https://mrs.espon.eu/index.html); a larger space is allocated to the Danube Strategy.

The need for this study lies in the fact that the common goal of the EU Member States is to promote local and regional development, and the new context, post 2020, provided by the *New Framework for Regional Development and Cohesion Policy*, includes achieving ambitious transformation goals of the European space, as follows:

A greener, carbon-free Europe (through the implementation of the Paris Agreement and investment in energy transition, renewables and the fight against climate change);

A more social Europe (by achieving the European Pillar of Social Rights and supporting quality employment, education, skills, social inclusion and equal access to healthcare);

A smarter Europe (through innovation, digitalisation, economic transformation and support for medium-sized enterprises).

In this context, the development and implementation of mechanisms to strengthen the **coordination** at several levels of government, but also cross-sectoral, of European macro-regional policies, becomes a *sine qua non* condition.

Continuous changes in spatial governance and spatial planning systems require a change in *the way we communicate*, by increasing citizen involvement in decision-making (public consultation) and by creating cooperation networks between relevant stakeholders (recognizing the importance of local and regional actors in the decision-making process), the end result being the support of the decision-making local/regional/national authorities in achieving social, economic and territorial cohesion through **enhanced cooperation**.

Understanding the operation mechanisms of European macro-regional strategies and policies is essential, especially in the new political context that aims to make the European Union the first 'climate-neutral' economy, the innovation-sustainability-digitalization triad turning the European economy into a real circular economy.

The paper briefly presents the active macro-regional strategies at European level, a larger space being allocated to the Danube Strategy where our country is a participating state, hoping that Romanian decision makers will understand the need

for *complementarity and connectivity* between development policies (territorial and sectoral) at local, regional and national level, in order to **coordinate** funds, joint actions, multi-sectoral approaches; **cooperation** with stakeholders being absolutely necessary to achieve development objectives.

## 2. Macro-Regional Strategies – at a Glance

Macro-Regional Strategies play an important role in achieving the results set at European level and take the form of *policy frameworks for cooperation* targeting a specific geographical, transnational area.

EU Member States and neighboring third countries that *share a common vision* of territorial development reach *a cooperation agreement*, setting out *a common set of thematic priorities* to materializing subsequently in *joint actions*, aimed at contributing to the achievement of common goals.

**Cooperation** in a macro-region involves a continuous inter-regional dialogue on different dimensions: *political* (environmental policies, transport policies, etc.), *operational* (interconnection of Europe, conservation of UNESCO archaeological sites, energy efficiency, etc.) and *administrative* (sectoral governance, by thematic areas; interinstitutional cooperation, etc.). This cooperation shall be based on the principle of ensuring the **conditions for an equitable competitiveness**.

Macro-regional strategies are not mandatory, but, being the result of cooperation and permanent dialogue on areas of common interest, they are transposed into *Action Plans*, documents governing the approach to various development issues, as well as the projects that ensure the materialization of common strategic objectives of development. Funding for these projects can be achieved through European funds (through European territorial cooperation programs or European programs targeting different sectoral policies) or through national or regional initiatives.

The variety of thematic areas and implementation activities at the level of each macro-region gives macro-regional strategies a diverse character depending on the structure, the topics addressed, but also on the number of partner countries.

Currently, in Europe, are active the following macro-regional development strategies:

1) EU Strategy for the Baltic Sea Region (launched in mid-2007, the EUSBRS is the first macro-regional strategy, its current form being approved in 2009);

- 2) EU Strategy for the Danube Region (EUSDR, approved in 2011);
- 3) EU Strategy for the Adriatic and Ionian Region (EUSAIR, approved in 2014);
- 4) EU Strategy for the Alpine Region (EUSALP, approved in 2015).

In all four macro-regional strategies the **governance structures** are set up and running on the three inter-related levels:

1. **political level** - is generally represented by the Ministers of Foreign Affairs and, in some cases, the ministers or authorities in charge of EU funds;

They provide the political and strategic direction.

The 'Trio presidency' system is put in place in the Danube, Adriatic-Ionian and Alpine strategies and consists in rotating presidency in driving the strategic direction of the MRS.

Trio format refers to consecutive presidencies (predecessor / incumbent / successor).

- 2. **coordination level** is done by the national coordinators which act as an interface between the *political level*, to which they report on implementation and submit proposals, and the *implementation level*, to which they provide strategic guidance;
- 3. **implementation level** is done by implementing bodies, such as: thematic/priority/policy steering or action groups. Implementing bodies are increasingly connected with civil society, because, by definition, the multi-level and multi-stakeholders governance system of the MRS involves different types of transnational, cross-sectoral and cross-regional actors in different types of activities.

Therefore, each macro-region has developed its own **governing structure**. There is *general intergovernmental coordination* through the national coordinators and the European Commission and a level of *thematic area-oriented intergovernmental coordination*, which is led by a coordinator / leader, decisions being taken for each thematic area together with representatives of relevant ministries from the coordination groups / action groups.

Through the European ESPON program, the mapping of macro-regional strategies was carried out, the development of this tool being extremely useful for understanding the regional space.

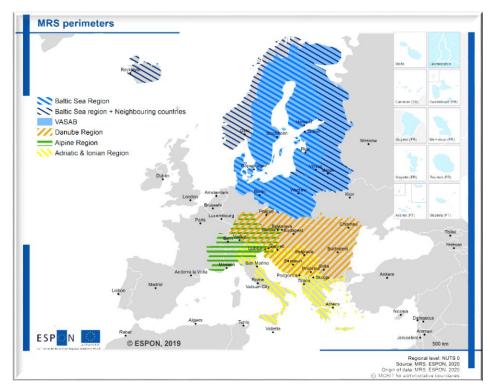


Figure 1. The Mapping of Macro-Regional Strategies through ESPON Programme Source: https://mrs.espon.eu/mrs.html

As it may be observed, some EU countries (Germany and Slovenia) are involved in three strategies, while Croatia, Italy and Austria are concerned with two. Regarding non-EU countries, three of them (Bosnia and Herzegovina, Montenegro and Serbia) are part of two EU macro-regional strategies.

Recently, on September 2020, was publish the *Report on the implementation of EU macro-regional strategies* (COM/2020/578 final), which assesses the state of play and progress on implementing the macro-regional strategies and examines possible ways forward. (https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=COM:2020:0578:FIN)

# 3. Case Study: EU Strategy for the Danube Region (EUSDR)

Since its creation in 2010, the EU Strategy for the Danube Region has successfully generated *structures*, *projects*, and *networks* to tackle common challenges of *nine EU member states* (Austria, Bulgaria, Croatia, Czech Republic, Germany, Hungary,

Romania, Slovakia, Slovenia), *three EU candidate countries* (Bosnia and Herzegovina, Montenegro, Serbia) and *two EU neighbour countries* (Moldova, Ukraine) – figure 1.



Figure 2. EUSDR – Participant Countries

Source: https://danube-region.eu/

Bringing together 115 million people, EUSDR addresses a wide range of issues, divided among **4 pillars** and **12 priority areas**, each priority area is managed by two countries as Priority Area Coordinators (PACs):



PA 1A Waterways Mobility (PACs: Austria, Romania);

PA 1B Rail-Road-Air Mobility (PACs: Slovenia, Serbia, Ukraine);

PA 2 Sustainable Energy (PACs: Czech Republic, Hungary);

PA 3 Culture & Tourism (PACs: Bulgaria, Romania, Montenegro);



PROTECTING THE ENVIRONMENT (clean and green)



PA 4 Water Quality (PACs: Hungary, Slovak Republic);



PA 5 Environmental Risks (PACs: Hungary, Romania);

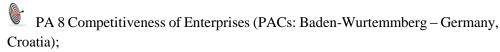
PA 6 Biodiversity, Landscapes and Air & Soil Quality (Bavaria – Germany, Croatia);



BUILDING PROSPERITY (smart, social and innovative)



PA 7 Knowledge Society (PACs: Slovak Republic, Serbia);





PA 9 People & Skills (PACs: Austria, Moldova, Ukraine);



STRENGTHENING THE REGION (effective, sound and safe)



PA 10 Institutional Capacity & Cooperation (PACs: Austria, Slovenia);



PA 11 Security (PACs: Bulgaria, Germany, Bavaria – Germany).

The governance structures of EUSDR are set up and running on the three interrelated levels:

1. **political level**: *The European Commission* coordinates the Strategy at the policy level, assisted by a *High-Level Group*, which is made up of official representatives from all EU Member States. The Commission consults the High-Level Group for modifications of the Strategy and revision of the action plan, as well as for reports and monitoring. The High-Level Group also addresses policy orientation and prioritisation. EUSDR Presidency (*TRIO Presidency*) has a significant role in promoting effectively the EUSDR and its visibility during the meetings, conferences,

events and Annual Fora organised under their mandate by using the recommended guidelines and / or communication tools.

- 2. **coordination level**: The *Priority Area Coordinators* (PACs) are leading the *Steering Groups* (SGs), which are the expert drivers of a day-to-day implementation, coming from all involved countries and assigned for all priority areas. **Steering Groups** are acting as a link to other networks, such as international organisations (e.g. WTO, Carpathian Convention), NGOs, trade unions, chambers of commerce, universities, local authorities, thus helping to bring the Strategy 'closer to the people'. They also act as focal points, communicating the messages of the strategy at national level and expressing the specific national viewpoints within the Steering Group, facilitating and supporting the constant exchange of information between the national and macro-regional level. The **National Coordinators** (NCs) are the core strategic body within the governance structure. They have a strategic coordination function within their national or regional government.
- 3. **implementation level** The PACs, together with the *Steering Groups*, ensure the implementation of the EUSDR (e.g. by agreeing on planning, with targets, indicators and timetables, and by ensuring wide contacts between project promoters, programmes and funding sources, and by providing technical assistance and advice). Their work is trans-national, inter-sectorial and inter-institutional. PACs and Steering Groups also support the reporting and evaluation of the EUSDR – they identify progress related to the improvements that the actions and projects deliver and achievement of targets. Danube Strategy Point (DSP) has the responsibility to ensure overall coordination of the EUSDR Communication Strategy by managing the EUSDR webpage (www.danube-region.eu), uploading content and sharing information relevant for EUSDR on the social media channels, maintaining a general and up-to-date list of NCs, PACs, EUSDR stakeholders with names, organisations, contact details, planning the yearly events and also presenting information on actual PA Steering Groups. Danube Strategy Point (DSP) has the responsibility to ensure overall coordination of the EUSDR Communication Strategy by managing the EUSDR webpage (www.danube-region.eu), uploading content and sharing information relevant for EUSDR on the social media channels, maintaining a general and up-to-date list of NCs, PACs, EUSDR stakeholders with names, organisations, contact details, planning the yearly events and also presenting information on actual PA Steering Groups.

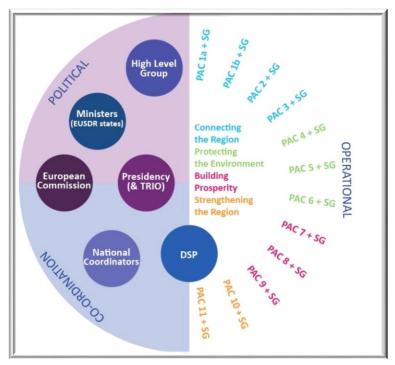


Figure 3. EUSDR – Governance Source: https://danube-region.eu/

The revised *Action Plan of the Danube Strategy* was published on April 6<sup>th</sup>, 2020. (https://danube-region.eu/wp-content/uploads/2020/04/EUSDR-ACTION-PLAN-SWD202059-final-1.pdf) and aligns the strategy with the new priorities and challenges of the region and better links the Danube strategy's actions with the *new EU priorities* like the European Green Deal, SMEs, as well as tourism and cultural heritage. The revised EUSDR Action Plan has the goal to help unlock the full potential of the Danube Region, by mobilising funding possibilities that have not yet been realised and building networks, offering mutual learning, striving for harmonisation, aligning policies, building capacities, strengthening civil society and voluntary service, and more.

Moreover, the final version of "EU Strategy for the Danube Region Governance Architecture" published on July 22<sup>nd</sup>, 2020 envisage the importance of *Danube Transnational Programme* for the implementation of the EUSDR. In the 2014-2020 period Danube Transnational Programme provided financial support to the PACs, to the DSP, and to the Annual Forum and is expected that projects and activities funded

by the Danube Transnational Programme shall be fully aligned with the EUSDR in the programming process 2021-2027.

In order for the EUSDR to fully contribute to the implementation of EU policies, Europe's recovery from the COVID-19 pandemic and to the social, economic and territorial cohesion of the EU, the need to use the momentum for a better **compatibility** of the EUSDR Revised Action Plan with other programmes and funding instruments, mainly: the *Cohesion policy programmes* such as national/regional/territorial programmes under the European Regional Development Fund (ERDF), European Social Fund (ESF), Cohesion Fund (CF), and the European Maritime and Fisheries Fund (EMFF); *other EU funding instruments and programmes*, like Instrument for Pre-accession Assistance (IPA), European Neighbourhood Instrument (ENI)/ Neighbourhood, Development and International Cooperation Instrument (NDICI), Connecting Europe Facility (CEF), LIFE, Horizon Europe, etc.; and last, but not least important, the *national/regional/local funding of the Danube countries*.

#### 3.1. Homework for Romania

Environment protection, sustainable transport, faster ITC connectivity, competitiveness of businesses, security in the region need to be backed by sustainability, supporting circular economy and led by knowledge-based and information society. In this context, integrating EUSDR efficiently and effectively into the European Structural and Investment Funds in the 2021-2027 programming period becomes an obligation.

It obviously that the **decisive role** in the incorporation of EUSDR into EU financial instruments will primarily be played by the national institutions responsible for the overall coordination of EU Funds in the Danube Region, precisely programming and managing authorities of national mainstream and cross-border programmes. The Interreg cross-border cooperation programmes unlike transnational programmes, will have crucial funding at their disposal. The subsequent Interreg Danube Transnational Programme will also play an important role, in the area of governance of the Danube Strategy (support for Priority Area Coordinators, Danube Strategy Point and support for the preparation of Strategy-relevant projects).

Therefore, it becomes clear the importance of *capacity-building*, *clear-cut and* results-oriented governance of EUSDR in order to **optimise governance** aspects that will ensure effective involvement of national/regional/local stakeholders, citizens 170

and civil society and will enhance coordination, exchange of experience and transfer of best practices.

The Romanian institutional context should be improved in an accelerating pace in order to adapt rapidly to the new context of EU development under the aegis of *European Green Deal*, *EU Digital Strategy*, *Territorial Agenda 2030*.

### 4. Dive Deeper: The Future of Macro-Regional Strategies

The world is changing at a fast pace, and the macro-regional strategies should keep in line with new priorities of mid-to-long-term economic recovery, because the crisis caused by the unprecedented COVID-19 pandemic is having severe economic, fiscal and social impacts on European society.

In order to ensure the economic recovery and the prosperity of the participating countries, the 'embedding' process of 2021-2027 national/regional EU funding programmes and the relevant priorities of macro-regional strategies must be successfully completed, in accordance with the vision of EU development, stated by:

- ✓ *The European Green Deal* (https://ec.europa.eu/info/strategy/priorities-2019-2024/european-green-deal\_en);
- ✓ *The European Digital Strategy* (https://ec.europa.eu/digital-single-market/en/content/european-digital-strategy);
- ✓ 'An economy that works for people' (https://ec.europa.eu/info/strategy/priorities-2019-2024/economy-works-people\_en);
- ✓ 'A stronger Europe in the world' (https://ec.europa.eu/info/strategy/priorities-2019-2024/stronger-europe-world\_en).

The macro-regional strategies are cross-sectoral, stakeholders inclusive and involve different governance levels. Hence, macro-regional strategies provide a ready and operational cooperation framework able to ensure better coordination of actions, investments and projects within their territories. So, all of these features can be the key solution in delivering EU priorities: a *smarter Europe* through innovation; a *greener*, *carbon free Europe*; a more *connected Europe* (with strategic transport and digital networks); a more *social Europe* (delivering on the European Pillar of Social Rights and supporting quality employment and skills) and, a *Europe closer to citizens* (with the support of locally-led development strategies and sustainable urban development).

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## 5. Final Remarks - The Great Realignment for a Better Future

Macro-regional strategies aim at addressing challenges and opportunities specific to certain geographical area (which are too local to be of direct interest to the whole EU, but on the other hand too broad to be efficiently dealt with at national level) and define a set of shared, long-term objectives agreed by the participating countries. Macro-regional strategies rely on a **coordinated approach** and **synergy effects**: optimal use of existing financial sources, better implementation of existing legislation, and better use of existing institutions.

Member States have now the unique opportunity to promote the inclusion of relevant macro-regional strategies priorities in their 2021-2027 EU national and regional programmes, embedding being expected to increase programmes impacts through better cooperation and coordination, in addition providing the macro-regional strategies with the means (European Structural and Investment Funds - ESI Funds; European Agricultural Fund for Rural Development - EAFRD; Instrument for Preaccession Assistance – IPA; Neighbourhood, Development and International Cooperation Instrument - NDICI) to achieve their objectives.

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