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# **Assessing the rise of macro-regionalism in Europe: the EU Strategy for the Adriatic and Ionian Region (EUSAIR)**

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## **Abstract**

This article investigates the rationale and activities of the European Union Strategy for the Adriatic and Ionian Region (EUSAIR) established in 2014 with the objective of addressing macro-regional challenges – most importantly, the attempt to couple the protection of the Adriatic and Ionian seas with the area's economic development – while progressively integrating Southeastern European states into the European Union through multi-level governance programmes. The results of this scheme, however, have been so far unsatisfactory. Through an examination of two highly salient issues pertaining to its development, oil and gas exploration in the Adriatic Sea and the building of a highway linking Greece to Italy, this article shows how the EUSAIR influences only marginally, if at all, states' priorities and it does not yet contribute significantly to the building of cross-border cooperation and trust. Accordingly, the EUSAIR risks becoming irrelevant vis-à-vis the challenges that the macro-region is expected to confront.

**Keywords:** EUSAIR, macro-regions, Western Balkans, multi-level governance, European integration.

## Introduction

Since the adoption of the first macro-regional strategy in 2009, the European Union Strategy for the Baltic Sea Region (EUSBSR), several more macro-regions have been established: the Danube (EUSDR, 2011), the Adriatic Ionian (2014) and the Alpine (2015) regions. Others have been considered, including the Carpathian, North Sea, Black Sea, and Atlantic regions, as well as the western and eastern parts of the Mediterranean Sea (European Parliament 2015; Gänzle and Kern 2016b). This enthusiasm for regionalism is reflected in the work of several analysts. Indeed, a ‘new regional fetishism [...] seems to pervade a great part of the EU policy literature that supports the macro-regional fad’ (Bialasiewicz et al. 2012: 72). Since the mid-2010s onwards the difficulties with implementing macro-regional strategies have slowly contributed to lowering the enthusiasm among policymakers (European Commission 2016b), but the macro-regional scheme remains firmly on the European policy and research agenda (Gänzle et al. 2018).

Different types of regional cooperation have existed in Europe for decades (Dangerfield 2016). Macro-regions are an extension of the cooperation, as they seek to augment systematically the effectiveness of the European Union (EU) policies by using the existing structures and resources in a coordinated, cross-sectoral and territorially defined way. They provide for the rescaling and restructuring of the European space aimed at delivering an answer to the increasing difficulties in governing complex cross-border dynamics through national programmes alone. Westphalian territoriality and nationally based governance institutions are blatantly unable to manage the complexities of transnational economic processes, with their impact both on human communities and the environment. As John Agnew (1994) famously argued, the ‘territorial trap’, which includes the problematic assumptions that states are fixed sovereign units, that domestic and international realms are neatly separated, and that state borders contain and define society, is increasingly untenable and should be replaced by more realistic and historically sensitive forms of territoriality. By ‘including territory from a number of different countries or regions associated with one or more common features or challenges’ (Samecki 2009: 1), macro-regions aim at addressing some of the most glaring

limitations of Westphalian statehood. They involve sub-national and supra-national actors in a system of multi-level governance (MLG) with the objective of addressing complex policy challenges, with a particular regard for environmental issues (Piattoni 2016).

‘Macro-regional strategies’ both identify priority areas and set up governance tools to address these priorities. According to the European Commission, a macro-regional strategy involves three components: 1) an integrated framework relating to member states and third countries in the same geographical area; 2) the ability to address common challenges; 3) and the possibility to benefit from strengthened cooperation for economic, social and territorial cohesion (European Commission 2014a: 3). Accordingly, macro-regional strategies aim to involve stakeholders and improve cross-sectoral coordination in a variety of policy fields (including economic development, the environment, transport and infrastructure). They provide a framework of reference for both public and private actors in order to mobilise the existing funding schemes and tap into epistemic communities and stakeholders from all MLG tiers (for a discussion of terminological issues, see Gänzle and Kern 2016a). From these common components, each macro-regional strategy has developed according to its own characteristics.

The EUSBSR is the first of its kind. Despite being an intergovernmental strategy pushed forward by the European Commission and, above all, some member states (Metzger and Schmitt 2012), it is also a good example of how civil society and sub-national actors concerned about environmental issues can contribute constructively to agenda setting and implementation.<sup>1</sup> This strategy achieved some success in environmental protection programmes by increasing cooperation and coordination within and between countries and by contributing to the implementation of the existing legislation, such as the EU Maritime Strategy framework directive (Kern and Gänzle 2013). Accordingly, the European Parliament has promoted the EUSBSR as a ‘best practice’ to be replicated across Europe. By contrast, the EU Strategy for the Danube region displays poor governance and sluggish institutional and policy cooperation (Ágh 2016), while it is still too early to assess the successfulness of the implementation of the Alpine region strategy, which started in the first half of

2016 (European Commission 2016b: 9). The EU Strategy for the Adriatic and Ionian Region (EUSAIR), discussed below, is unique in that it involves an equal number of EU members (Croatia, Greece, Italy and Slovenia) and non-members (Albania, Bosnia-Herzegovina, Montenegro and Serbia), and aims expressly to support the processes of Europeanisation and European integration (European Commission 2014a: 3).

## Figure 1

The growing literature on macro-regions has investigated a number of important aspects involved in the process of macro-regionalisation (see, for instance, Dubois et al. 2009; Gänzle and Kern 2016b). Supporters of the new macro-regionalism, including the European Commission as well as national and sub-national actors who hope to capitalise electorally or materially from the scheme, have stressed the initiative's importance in furthering EU goals, above all those included in the Horizon 2020 Strategy aimed at strengthening territorial cohesion and cooperation (European Commission 2014c). By focusing on functional issues and common challenges and opportunities, macro-regional strategies have gained a reputation for being efficient. In addition, from a geopolitical perspective, the creation of macro-regions contributes to Europe's evolving multi-level governance structure. From this perspective, Europe is no longer conceived of as an entity based on 'concentric circles' (Keating 1998: 186), where power flows from Brussels and moves outwards towards the periphery, but as a post-Westphalian 'Europe of Olympic Rings', where various regional cores cut across borders and levels of authority and where governance and decision-making are dispersed and brought closer to the people (Browning and Joenniemi 2008; Antola 2009).

By contrast, critics, above all scholars who believe in the persisting centrality of the nation-state in international politics (e.g. Jessop 2016), suggest that the initiative's impact is overstated, that member states remain of utmost importance, and that the strategies add little to the existing territorial initiatives for greater cohesion. From this perspective, the creation of a new European regional order

and the presumed ‘hollowing-out’ of the nation-states have been overstated. National governments, as well as the European Commission, play a prominent role in the development of macro-regional strategies. In addition, a thorough assessment of the added value of macro-regional strategies for projects and programmes concluded that ‘the benefits of the macroregional strategies [...] seem often intangible or unrecognized’ (Interact 2017: 4). Macro-regional strategies display the same limitations of earlier initiatives, whereby cross-border cooperation remains strongly linked to the interests of territorial authorities and does not reflect the functional rhetoric that underlies it (Deas and Lord 2006; Nelles and Durand 2014). There is modest, if any, evidence of the emergence of a decentralised Europe. Perhaps more importantly, even if a ‘Europe of Olympic Rings’ were in the making, it would need to be welcomed with caution because of the regional disparities and unbalances its creation would likely deepen (Stocchiero 2015).

This article addresses these debates, which thus far have focused primarily on the Baltic and Danube macro-regions. In particular, it asks: to what extent has the EUSAIR contributed to political rescaling through its governance framework and new territorial space and actors? This article argues that two problems hinder the EUSAIR’s activities and limit its impact: first, its governance structure, discussed below, is hardly adequate to meet regional challenges. Political actors do not have the capacity to play the role in cross-border policy required by the challenges that the EUSAIR is expected to address. Given the fundamental problems of statehood that countries like Bosnia and Herzegovina are facing, the governance problems would likely persist in any other governance format. However, with its exceedingly horizontal and de-centralised structure the EUSAIR involves a wide range of actors in decision-making without providing avenues to streamline the policy process or to settle disagreements. Second, members of the macro-region display a limited interest for the cooperative, multi-level principles that underpin the initiative. The EUSAIR’s reliance on the idea that MLG and functional needs will soften or even overcome states’ self-interest has relegated the initiative to a marginal position vis-à-vis political debates involving important issues, such as economic development, energy security, and European integration.

The article is structured as follows: first, the rise of macro-regionalism and its supposed advantages are introduced and discussed; second, the article investigates the EUSAIR's governance structure, which is expected to support and stimulate MLG and functionalist politics thereby facilitating the western Balkans' process of integration into the EU; and third, two brief case studies on oil and gas exploration in the Adriatic Sea and on the development of infrastructure serve to demonstrate how the EUSAIR still has limited impact on states' interests and on meeting the challenges the Adriatic Ionian region faces. Methodologically, the analysis draws from document analysis and the critical reading of the growing literature on the topic.<sup>2</sup> A number of semi-structured and experts' interviews have been conducted between 2014 and 2017. This article draws in particular on 6 of these interviews with members of both the coordinating and operational levels within EUSAIR's governance who are involved in the management of the cases discussed below.

### **The development of macro-regionalism**

For most of the twentieth century ideas about both territory and politics have developed within a context dominated by the primacy of the nation-state. Theories of national integration and assimilation have long explained how the formation of strong national centres would progressively assimilate and absorb peripheries both politically and economically. The end of the Cold War witnessed a renewal of both the theory and the practice of territorial politics and management and supported the rise of 'new regionalism' as a novel field of study in a number of disciplines (Telò 2014). 'New regionalist' theories converge around a few basic ideas: they focus primarily on non-European cases of regionalisation emerging from the bottom-up as a result of the impact of neoliberal market forces; they do not privilege states as primary actors in regional processes; and they stress the significance of functional needs underpinning societal and institutional contacts and networks at the regional level (Söderbaum and Shaw 2003; Söderbaum 2018). In this context, national boundaries are not considered to be merely the sharp dividing lines between two geographical areas, but rather mutable elements artificially separating the borderlands where political, economic and social

interaction and exchange are frequent (Keating 1998: 109). To state this distinction more simply: where ‘old’ regional politics emanated from the centre and relied heavily on infrastructure, industrial development and tax breaks, ‘new regionalism’ results from a decentralised understanding of territorial politics emphasising regions’ self-reliance, informal forms of regionalisation and regional integration and inter-regional rivalry in an increasingly competitive environment. While the term ‘regionalisation’ (from the top) has been frequently associated with ‘old’ regional politics, ‘regionalism’ (from the bottom) has come to indicate spontaneous instances of intensified economic, social and cultural exchanges between individuals and groups living in distant or contiguous areas.

The idea of developing macro-regional strategies entered the EU’s terminology in 2004–2005, when members of the European Parliament from Baltic Sea member states gathered in a Euro-Baltic Intergroup (Gänzle 2017: 7). While preserving a (limited) role for top-down political processes with the involvement of the European Commission as a ‘facilitator’ and ‘strategic coordinator’ of macro-regional dynamics (European Commission 2014b: 25–33), macro-regions have assumed a number of new regionalist characteristics and objectives. First, macro-regions have promoted MLG as a promising solution to the crisis of government increasingly experienced in most of Europe. Perhaps more than any other policy issue, since 2015 onwards the migration crisis has mercilessly shown both the EU’s and member states’ inability to provide a coherent and effective response to structural, transnational challenges. Well before migration issues made headline news throughout Europe, MLG had come to be widely praised for its role in sustaining the passage from ‘government’ to ‘governance’ and thus in providing citizens with more efficient, transparent and participatory political, economic and social institutions (Kohler-Koch and Rittberger 2006; Piattoni 2010).

Hooghe and Marks (2003) famously distinguished between two types of MLG. Type I involves federalist concepts where jurisdictions are planned around communities, it is stable in time, and it bundles a limited number of competencies. Type II is characterised by jurisdictions focused on particular policy problems, it is functionally specific and can increase in number. Macro-regions straddle between the two ideal-types since they are neither general purpose (type I MLG) nor only



single purpose (type II MLG). Rather, several functions are carried out within the same territorial space but they do not possess general territorial jurisdictions with competence over a complete set of functions (Piattoni 2016: 89). While moving between the two ends of the continuum, macro-regional strategies include an assemblage of functional, problem-solving, task-driven jurisdictions involving both public and private actors without a clear hierarchy between them, and characterised by the prevalence of negotiation in the formulation of policy. From this perspective MLG is essentially as a process, whereby the involvement of multiple actors is thought to provide concreteness and effectiveness in policy formulation and implementation (European Parliament 2015). Forms of hierarchical, cooperative and competitive modes of interaction all play a role in MLG, but academic literature still recognises MLG's importance in advancing a pragmatic and instrumental approach focused on solving common problems (Blatter 2004: 531). Along similar lines, the notion of 'experimentalist governance' (Gänzle 2017) emphasises the 'trial-and-error' nature of macro-regional strategies, their procedural open-endedness and learning dynamics in policy cycles.

Second, macro-regional strategies aim at stimulating regional integration. Forms of territoriality across and beyond EU borders have existed for decades. Cross-border initiatives have prepared candidate states in Central and Eastern Europe (CEE) for EU membership by providing them with an opportunity to address common needs constructively and to promote common interests between two or more contiguous territories in different European states (Yoder 2003). The experience with the enlargement to CEE states, where the EU relied significantly on cross-border cooperation programmes, demonstrated the useful role regional strategies can play as a training ground for aspiring new members. In practice, the 'EU space' was extended across borders before any of the CEE states actually joined the Union (Popescu 2008: 424). In this process, the Commission supported the local (re)focusing on European objectives, in a progression appropriately defined as 'cultivated spillover' (Tranholm-Mikkelsen 1991). The cross-border dynamics involving the EU's neighbours constitute the further allure of macro-regions which, by including non-member states, are expected to facilitate their transition towards EU accession (Dubois et al. 2009: 9).

In this transition, ‘best practices’ are transferred from more advanced (EU) to less advanced (non-EU) states. These transfers among constituent members are fundamental objectives for all macro-regional strategies, and reveal the attempt to remake, and not simply involve, non-EU states into the existing EU programmes (Gänzle and Kern 2016a: 14; see also, more generally, Batory et al. 2018). Despite the risk that unaccountable experts may dominate the policy transfer process (Papadopoulos 2007), and that MLG could override democratic input and accountability mechanisms (Peters and Pierre 2004), both MLG and the functionalist paradigm support a participatory understanding of political relationships whereby the EU norms and institutions are transferred to aspiring EU members, and where all stakeholders have an opportunity to participate in policy formulation and implementation.

Because of these characteristics macro-regional strategies are widely considered an appealing innovation in European territorial politics. European institutions have stressed in particular the importance of two main aspects. First, macro-regional strategies help address local problems directly by involving a relatively small number of states thereby leading to better cohesion at the EU level. While macro-regionalism is not strictly an instrument of territorial cohesion, there are strong links between the two, since both are inclusive, place-based approaches requiring multi-level implementation and encouraging regions and municipalities from different states to work together (Samecki 2009: 3; McMaster and van der Zwet 2016). Second, macro-regional strategies present an important opportunity to promote democratic governance norms through functional cooperation. At a time when the perspective of membership for Western Balkan states is very distant, the EU’s accession conditionality has only limited effectiveness in stimulating change. In this context, functional cooperation and the deepening of horizontal ties between the EU and third countries can enable joint problem solving, progress in the quality of democracy and, as aforementioned, even increasing integration into the EU (Lavanex 2008).

Taken together, the application of MLG principles, the functionalist ethos and the integration perspective constitute macro-regions’ major added value. While policy-makers recognise these broad

normative principles as positive elements, stakeholders may have different perceptions of the value and impact of macro-regions and, accordingly, they may measure their success on the basis of different criteria. For example, the European Commission has endorsed MLG as a process and it mainly employs it to suggest the importance of partnership between different territorial levels (European Commission 2001), while civil society is expected to play a lesser role. By contrast, national and sub-national officials regularly cite non-state actors' substantive engagement in MLG as a defining aspect of macro-regional strategies.<sup>3</sup> Academic research has also shown how MLG can provide effective entry-points for civil society's mobilisation and advocacy (Piattoni 2010). Accordingly, MLG is not only a process but also a theory leading to a set of hypotheses and expectations about both actors' behaviour and policy development. In addition, the expected added value also differs from macro-region to macro-region. For example, in the Alpine region Switzerland and Liechtenstein (both non-EU members) are well integrated and have no intention of joining the EU. Thus, further integration and EU membership are a non-issue. By contrast, the EUSAIR places great emphasis on supporting regional integration and the process that should lead Western Balkan states to join the EU.

In general, whatever the focus of each macro-region, and the related added value assigned by its stakeholders, macro-regional objectives are expected to play out in the context of the EU's controversial 'three no's' rule: no new regulation, no new institutions and no additional funding (European Commission 2009). These strict limitations represent both a serious constraint and an opportunity.<sup>4</sup> On the one hand, the lack of a dedicated legislative framework and funding may push macro-regions towards irrelevance by drastically reducing their chances of planning and their implementation of concrete initiatives. On the other hand, the effective integration of the existing norms, institutions and funds in a transnational, 'integrated framework' (Samecki 2009: 2.1) and the rationalization of the existing resources and their more efficient use may constitute the major advantage of macro-regional strategies (Stocchiero 2015: 35).

Despite the positive outlook regarding the initiative, some critiques of macro-regions and, more broadly, the so-called ‘new regionalism’ exist. First, reliance on MLG and functionalist politics is a dubious strategy. Despite the existence of growing levels of interdependence in a number of different fields, the nation-state remains the most important entity in the organisation and management of political, economic, and social life (Jessop 2016). The prominent role of the nation-state is still visible in the formulation and implementation of macro-regional strategies. In addition, functional spill-over mechanisms are too indeterminate to provide reliable expectations about the integration process (Niemann and Schmitter 2009). Second, macro-regional strategies are thematically very broad and thus unlikely to develop into powerful policy tools while their focus on ‘projects’ is too narrow to sustain an intersectoral approach – as even the European Commission has reluctantly acknowledged (2013b: 17). Third, the macro-regions’ complex structure, which involves a large number of actors in an integrated approach, contributes to a limited sense of ownership. In addition, member states’ different institutional configurations and administrative experiences further complicate the coherence of macro-regional programmes (European Commission 2013b: 65). Finally, not having resources of their own, macro-regional strategies must rely on the possibility of receiving funds ‘diverted’ from the existing programmes. The EUSAIR is expected to mobilise the existing national and EU funding instruments, in particular the European Structural and Investment Funds (ESIF) and the Instrument for Pre-Accession Assistance (IPA) for 2014–2020. However, the EU budget for the period between 2014 and 2020 has been reduced compared to that of the previous funding period (2007–2013). The diminishing pool of resources cannot be transferred easily due to the array of required additional administrative and monitoring burdens and because of the perceived limited relevance of macro-regional strategies in relation to the existing initiatives (McMaster and van der Zwet 2016: 58–59).

Overall, the existing scholarship has by and large focused on the Baltic and Danube macro-regions, and has endorsed the functionalist ethos and the related focus on cooperation, rather than conflict and its management. However, the rescaling and restructuring of space is the outcome of struggles over territorial, institutional and functional configurations of power and interest. Thus,

regionalisation processes are essentially contested political projects (Hameiri 2013) but the growing literature on macro-regionalism has provided limited attention to the process through which potentially divisive and controversial issues are addressed (or not). In addition, while the study of MLG as a process, mentioned above, is well established in the literature, the possibility that both MLG in the context of macro-regions could lead to political mobilisation of sub-national authorities and civil society, as foreseen by sophisticated MLG theories (Piattoni 2010), has been given scant attention. The rest of this article discusses how divisive issues emerge and are dealt with within macro-regions, as well as the role sub-national authorities and civil society play in the process of regionalisation. It focuses on the EUSAIR, for two reasons. First, the EUSAIR involves an equal number of EU and non-EU countries. The external dimension is thus central and the effort to involve non-EU states in the European space, thus supporting their process of integration into the EU, is a unique concern. Second, because of its recent conflictual history, the Western Balkans remains a priority area for EU foreign policy. This region has been targeted by several policy initiatives aimed at bringing it closer to the European mainstream. The EUSAIR constitutes the most significant recent effort aimed at filling the gap between the EU and the Western Balkans in terms of economic and infrastructural development and environmental protection.

### **The Adriatic Ionian macro-region**

The Adriatic Ionian macro-region revolves around its natural axis, the sea. According to the EU Committee on the Regions, there is a maritime dimension ‘in every major issue facing the Adriatic Ionian macro-region today, including environmental protection and conservation, energy, climate change, research and innovation, preservation of underwater and cultural resources, competitiveness and job creation, trade, transport and logistics’ (Committee of the Regions 2011: pa. 26). Some pressing environmental issues are considered to be extremely significant. Marine biodiversity is high, but a considerable number of species are endangered. While the Adriatic Sea basin remains an important area for fishing, fish stocks have suffered from overfishing. To make matters worse,

industrial and urban waste discharged into the water, as well as coastal tourism, have increased pollution levels. Offshore oil and gas platforms and terminals, discussed below, further damage the environment (European Commission 2014a: 19–21).

## Figure 2

The European Commission officially launched the EUSAIR on 18 June, 2014, in the form of a Communication and an Action Plan to help the region – which comprises 70 million residents – reap the benefits of closer cooperation in promoting the maritime economy, preserving the marine environment, completing transport and energy links and boosting sustainable tourism (European Commission 2014a). The EUSAIR builds on two previous initiatives. First, the pillars of the Maritime Strategy for the Adriatic and Ionian Seas, adopted by the Commission on 30 November, 2012, have been included in the new scheme (European Commission 2013b: 1–2). Second, all members of the Adriatic Ionian Initiative, established in 2000 under Italian leadership, became members of the EUSAIR. This background helps to explain the presence of landlocked Serbia, which does not appear to be an important contributor to the EU Maritime Strategy. Importantly, all members have also previously participated in European Territorial Cooperation programmes, which helped them to develop cross-border links and partnerships and to internationalise their sub-national administrations (Cugusi and Stocchiero 2016).

The EUSAIR embraces the underlying rationale and objectives of most macro-regional strategies and even adopts the three-tier governance system common to them. First, the political level should provide leadership and effective decision-making. Second, the coordinating level is represented by a Governing Steering Board, including EU and national representatives, as well as the Permanent Secretariat of the Adriatic Ionian Initiative and representatives of the Interreg Adriatic Ionian cooperation programme. Third, the operational level involves Thematic Steering Groups (TSGs) responsible for 4 interdependent pillars: 1. maritime and marine growth ('Blue Growth'); 2.

connecting the region (transport and energy networks); 3. environmental quality; and 4. sustainable tourism. Migration is a central issue for all EUSAIR members, but it is not included among the initiative's initial priorities because of its divisive nature.<sup>5</sup> Each TSG is chaired by two Pillar Coordinators (1 EU and 1 non-EU member) on a rotating basis. Coordinators belong to different bureaucracies, and face the difficult challenge of mediating between diverse institutional and political structures. Particularly noteworthy is the situation of Bosnia-Herzegovina (hereafter BH), which co-chairs with Slovenia the pillar on environmental quality: BH does not have a nation-wide Ministry of the Environment, but primary environmental responsibilities lie with the two entities (the Federation of Bosnia-Herzegovina and the Serb Republic of Bosnia). At the state level, minimal competences in this policy area are assigned to the Environmental Protection Department, with a staff of only 8 people, within the Ministry of Foreign Trade and Economic Relations.

In addition, the creation of a 'Facility Point' was approved in mid-2016 and was established within the Slovenian administration in order to support government actors and stakeholders – above all civil society organisations - during the implementation of the strategy. The main objective of the EUSAIR is to combine environmental protection, especially on and around the Adriatic and Ionian Seas, with the development of infrastructure for communication and energy.

This objective is pursued through the application of the broader principles emanating from 'new regionalism,' including MLG and functionalist politics. While in the case of the Baltic Sea macro-region the European Commission assumed a strong steering role and took the driving seat with regard to this new policy approach (Metzger and Schmitt 2012), the EUSAIR has relegated the European Commission to a relatively marginal position, relying instead on the development of bottom-up integrative processes. Bottom-up, civil society's involvement within a MLG structure is considered to be an important component in order to reach an 'integrated approach' to governance.<sup>6</sup> Since the late 1990s intense transnational interaction in the Adriatic and Ionian region has confirmed the existence of a lively and differentiated civil society. Accordingly, the EUSAIR hopes to capitalise on this experience in order to sustain the interest and involvement of a wider range of actors (European

Commission 2014a: 11). This approach is meant to both build support for the initiative and, more ambitiously, to strengthen and deepen the pacifying effects of interdependence. Indeed, the external projection of multi-level, multi-sector networks, which are both highly technocratic and depoliticised, can contribute to the creation of a ‘regional peace system’ (Ohanyan 2015) in Southeast Europe, which in the 1990s was riddled by bloody wars waged in the name of exclusivist nationalism.

In addition, the EUSAIR aims at keeping the Western Balkan region on the European Union’s enlargement agenda, though it does not engage explicitly in the politics of enlargement, and it seeks to contribute to the Europeanisation of non-EU states at a time when the promise of future membership in return of reforms seems distant and hollow. Indeed, when the European Commission President Jean-Claude Juncker took office in November 2014, he suggested that no further enlargement should be expected to take place within the timespan of the Commission mandate (that is, until 2019). His statement confirmed how politically and economically marginal the Western Balkans had become, placing the region at the ‘periphery of the European periphery’ (Bechev 2012). The blow also contributed to an increase in the region’s latent Euroscepticism (Belloni 2016).

In response to these dynamics, one of the EUSAIR’s major objectives is to contribute to the Western Balkans’ process of integration into the EU or, to quote the European Commission (2014a: 3) ‘to bring [...] Western Balkan countries closer to the EU by offering them opportunities for working closely with Member states’. Thus, the EUSAIR constitutes both a way to avoid enlargement and to continue it by other means. It avoids enlargement because, by establishing forms of cross-border cooperation, it postpones answering demands for full membership. At the same time, through its functional and multi-level approach the macro-regional strategy attempts to extend EU norms in its ‘near abroad’ and, by so doing, pave the way for integration. As programmes and projects are being implemented, both civil society and political actors from non-EU states will become increasingly entangled in a web of personal and institutional relationships which will socialise them into European norms and procedures (Taylor et al., 2013). This process may favour the formal



domestic adoption of European rules, and thus contribute to the region's journey towards membership in the EU.

### **Assessing the macro-region: two cases**

The evaluation of the impact of the EUSAIR, as well as of all other macro-regional strategies, is complicated by the fact that these strategies function as an umbrella for cooperation initiatives which had mostly existed before the strategies were established (European Parliament 2015: 79–84). In addition, macro-regional strategies compete for influence with other schemes. In the Western Balkans alone, more than 50 cross-regional initiatives and networks operate across a variety of common concerns (Minic 2013). With these caveats in mind, hypotheses on how the EUSAIR contributes to political rescaling and influences issues of environmental protection, economic development and European integration can still be formulated. The endorsement of MLG and functional politics leads to some expectations about the ways through which the EUSAIR should pursue its stated objectives. To begin with, the functional ethos suggests actors' readiness to tackle issues of common concern through the sharing of knowledge and expertise and by developing programmes involving all stakeholders. In addition, the MLG framework implies that both state and non-state actors at different levels – the local, national, regional, and supranational – should contribute to the reaching of shared objectives. In particular, MLG requires the simultaneous involvement of different levels of government in policymaking, participation of civil society actors at all levels and the establishment of non-hierarchical governance structures (Piattoni 2010: 83–101). Civil society's role should not be to simply rubber-stamp decisions taken by political actors, but to contribute to the shaping of policies, the forging of cross-border ties and challenge the gate-keeping capacities of their states.

Two brief case studies on highly salient issues – oil and gas exploration in the Adriatic Sea and the development of transport infrastructure – reveal how the EUSAIR's rhetorical endorsement of MLG is overlooked in the processes of policymaking and implementation. Since the challenges associated with the building of energy infrastructures, in particular the Trans-Adriatic pipeline, are

both relatively well-known and extend well beyond the boundaries of the macro-region (Sartori 2013), the analysis concentrates on less familiar transportation and communication issues. These two issues have been selected for two reasons. First, their importance cutting across most pillars, as further explained below, makes them interesting cases to evaluate the overall impact of the strategy, even though some of the activities involved in the first case under investigation had started before the launch of the Strategy. Indeed, as noted above, the EUSAIR builds on two previous initiatives (the Maritime Strategy for the Adriatic and Ionian Seas and the Adriatic Ionian Initiative). As a result of these initiatives, as well as of participation in European Territorial Cooperation programmes, the EUSAIR members had already subscribed to the general principles involving the importance of preserving and protecting the maritime environment through cross-border, multi-level cooperation. The fact that the Strategy was presented when plans for oil drilling were being discussed, did not exempt the EUSAIR members from applying the governance principles they had previously endorsed and later re-affirmed by subscribing to the new macro-regional initiative.

Second, these two cases address (relatively) highly salient transnational issues. Proponents of macro-regional strategies typically argue that the strategies should focus on ‘low politics’, where cooperation is more likely. However, it is precisely with regard to ‘low politics’ issues that macro-regional strategies are less needed, since cooperation is likely to occur anyways without the instantiation of broader frameworks – as testified by the fact that these strategies for the most part attempt to streamline and maximise the impact of previously existing initiatives. Accordingly, it is by investigating slightly harder policy areas, rather than ‘easy cases’ of cooperation, that the impact of the scheme can be assessed.

### ***Oil drilling in the Adriatic Sea***

The EUSAIR involves a wide region sharing important economic, environmental and social challenges. For example, about one quarter of the world trade of hydrocarbons takes place on the Adriatic Sea, which demonstrates that it is a ‘functional region’ (Perkmann 2003: 156–157) with a

high degree of internal interaction. To address this type of functional challenges, the EUSAIR recommended that a shared and coordinated process is adopted to tackle problems affecting stakeholders across borders. Indeed, the EUSAIR ‘is designed to bolster a cooperative attitude among the countries and stakeholders of the Adriatic-Ionian Region, in pursuit of shared aims and responsibilities’ (European Commission 2014b: 25).

Oil and gas drilling constitute an important test for the EUSAIR’s ability to ‘foster a cooperative attitude’, since they raise problematic issues concerning three of the four pillars forming the macro-regional strategy: maritime and marine growth (pillar 1), environmental quality (pillar 3), and sustainable tourism (pillar 4). Macro-regional principles have been developed precisely to ensure that issues such as the exploitation of natural resources would not damage ‘Blue Growth’ on the Adriatic and Ionian seas. Participants to the stakeholder consultations preceding the formulation of the strategy highlighted how ‘individual countries would not be able to ensure sustainable use of deep water resources’, including ‘the exploitation of gas and mineral seabed resources’ (European Commission 2014a: 7) outside of a macro-regional framework. Moreover, ‘[e]ach country would forgo important economies of scale, should it pursue full energy independence and security of supply on its own’ (European Commission 2014a: 19).

Despite these principled statements, all Adriatic Ionian members attempted to achieve their own energy independence in contradiction to the EUSAIR principles. Once a state started to develop a plan to exploit its own resources, neighbouring states accelerated or reviewed their plans in order to preserve their own resources in a logic of intra-regional competition, rather than cooperation (Prontera 2017). Among the governments involved, the Croatian and Italian ones stood out as particularly active in the effort to exploit natural resources in the Adriatic Sea. According to their critics (Lega Ambiente 2015), their exploration and extraction plans are inconsistent with their ambition to protect the environment. A brief examination of Croatian and Italian activities may not lead to any reliable conclusion concerning the contention over the environmental impact of drilling,

but it does suggest the lack of any significant effort aimed at adopting a functional, MLG approach that involves civil society actors while also developing further partnerships across borders.

Croatia's enthusiasm for oil and gas was spurred by the 2013 announcement by the Norwegian company Spectrum that a large quantity of both elements was located all along the Croatian continental shelf. Spectrum estimated that the oil reserves likely amount to about 2.8 billion barrels (Spectrum 2013). Although it may not be high quality nor easily (that is, cheaply) extracted, it nonetheless represents a considerable quantity that carries significant economic potential for a struggling country like Croatia. Shortly following Spectrum's announcement Minister of the Economy Ivan Vrdoljak declared his intention to transform Croatia into a 'small Norway', making it into the energy giant of the Adriatic. Croatia's plan to develop an oil and gas exploration and exploitation programme proceeded apace. Showing little regard for multilateralism, Croatia undertook its own Environmental Strategic Assessment (ESA) with no consultation with its neighbours, who would potentially be affected by the environmental consequences of the extraction and commercialisation of hydrocarbons. In April 2014, while continuing to conduct its ESA, the Croatian government divided its territorial waters into 29 blocs of 1,000–1,600 square km and asked for oil company proposals for the research, development and exploitation of these sites. In January 2015 the government announced that 10 blocs, including the area in front of the ancient and touristic city of Dubrovnik, were assigned to 5 oil companies. These new sites would be added to the 9 already existing platforms for gas extraction there (Reuters 2015).

Following the government's announcement, a lively debate animated Croatian political life. In an apparent effort to include civil society's views, the Croatian government declared itself willing to consider all civil society comments and proposals. Between mid-January and mid-February of 2015, the government research and extraction programme was made available to the public, which could submit its comments to the Ministry of the Economy. Though this move was intended to signify the government's openness to the inclusion of civil society in its decision-making processes, the effort produced the opposite effect. Croatian officials sought ex-post facto legitimisation for their decisions

and thus discredited the concept of ‘participation’ in decision-making along with the related MLG rhetoric. When the government opened the consultation process up to the public, it had already identified the areas where drilling would take place, as well as the 5 oil companies which would receive the commission. Since the critical decisions about the matter had already been made, the process was little more than a parody of a public debate.<sup>7</sup> In response, a group of Croatian civil society organisations, in partnership with Italian organisations, gathered in the ‘ONE Adriatic Forum’ to campaign against drilling in the Adriatic Sea, and more generally against research and development concerning hydrocarbons (Lega Ambiente 2015). This form of ‘trans-nationalisation’ of civil society groups who opposed drilling in the Adriatic Sea cannot be seen as resulting from the impact of MLG principles, and thus as an indirect achievement of the Strategy. Indeed, against the expectations derived from the MLG framework (Piattoni 2010), these organisations targeted the Croatian government and, to an extent, Croatian public opinion, but not the officials in Brussels.

In addition to marginalising civil society, Croatia’s exploration scheme did not account for the legitimate expectations of Croatia’s neighbours. The Slovenian Ministry of the Environment, for example, declared that it never received any information about Croatia’s plans, let alone an invitation to participate in the public consultations. Croatia violated the 2001 European Directive on Strategic Environmental Assessment (SEA), as well as the 2003 European Directive on ‘public participation in respect of the drawing up of certain plans and programmes relating to the environment’ (Directive 2003). These directives require member states to share information with the authorities of those territories – domestic and transnational – that may suffer from the environmental consequences of particular policy choices, beginning with the planning phase. Croatia’s plans also brought to the fore a long-standing dispute with Montenegro, which sent 4 protest letters to Croatia claiming the latter violated the 2002 protocol between the two countries concerning the disputed Prevlaka peninsula, located south of Dubrovnik. Blocks 27, 28, and 29 of the Adriatic Sea are located in whole or in part in the maritime area claimed by Montenegro (Tomovic 2015). In sum, while subscribing to the EUSAIR, Croatia made little effort to abide by the strategy’s transnational governance principles.

Eventually, in early 2016 Croatia placed a moratorium on its exploration plans (Milekic 2016). The government's officially cited reason for this decision included the need to cut investments in the energy industry due to declining oil prices.

In addition to Croatia, Italy also attracted attention for its attempt to develop an oil and gas exploration programme. The existing extraction platforms on the Italian continental shelf (totaling over 100) do not render enough to meet domestic energy demands. In its 2013 National Energy Strategy, the Italian Ministry of Economic Development put forward Italy's plan for its pursuit of energy security. The Ministry affirmed Italy's ambitions to 'exceed the European objectives of production of renewable energy' while doubling oil production by 2020 in order to satisfy up to 14% of the total domestic energy demand from the current 7% (Ministero Sviluppo Economico 2013: 27, 110). In this way, Italy was hoping to meet the so-called European '2020 targets', which call for a 20% cut (from 1990 levels) in greenhouse gas emissions, an increase by 20% of energy from renewable resources, and a 20% improvement in energy efficiency. In September 2014 the government adopted a law decree that centralised a state-run decision-making process in the energy sector in an attempt to overcome municipal and regional opposition to the development of its energy proposals (Ministero Sviluppo Economico 2013: 121). Thus, rather than promoting MLG, Italy actually shifted policymaking from an act of 'governance' back to a matter of the 'government'. As this Italian case confirms, governance and government are not actually in opposition to each other. Rather, the government formulates the conditions of participation for local level administrators and civil society actors (Goetz 2008; Jessop 2016: 164–85).

These conditions were immediately contested by local and regional administrators in Italy. For the first time in Italian republican history 9 regions, supported by several environmental organisations, requested a referendum to abrogate some of the norms that had reduced the powers of regional governments and had allowed for the possibility of renewing concessions on drilling activities within 12 nautical miles of the coast. The government reviewed some of the contested norms in order to avoid the referendum but could not elude the question on the promulgation of the

concessions within the 12 nautical miles. The referendum, held in April 2016, proved unsuccessful, with only 31.1 per cent of citizens actually casting their ballots. Though it failed to reach the required quorum, civil society did succeed in prompting the government to change its approach. It also drew public attention to the issue, giving information about both the pros and cons of the continuing use of fossil fuels (Prontera 2017: 401-403).

Overall, both Croatia and Italy have addressed oil and gas exploration issues by centralising the decision-making process into their respective government's hands, thereby disregarding MLG principles and side-lining both local administrators and non-state actors. Both governments' energy policies have retained certain elements included in the EUSAIR, but they conducted business without reference to the supra-national issues involved. At the same time, neither the Governing Board nor the TSGs have formally discussed oil and gas drilling because the issue is politically too charged and divisive, and the EUSAIR governance is poorly suited to address this type of problems. The co-chairs of the environmental quality TSG, who are tasked with coordinating the activities of the pillar, are Slovenia and BH who are both unwilling and/or unable to influence Italy or Croatia.<sup>8</sup> BH, with its weak central government and its meagre 20 kilometres of coastline around the town of Neum, finds itself in a politically subordinate position compared to its bigger coastal neighbours. As a result of the limits inherent in the EUSAIR's governance structure, the environmental TSG focuses on smaller projects proposed by national officials usually without any significant coordination with civil society actors, who are involved in policymaking only when the EU funding initiatives require it.<sup>9</sup> When state officials consult with NGOs and other organisations, they do so because they must comply with EU legislation regulating the distribution of those funds, in particular with regard to IPA II, and not because they have internalised the EUSAIR's soft governance principles.

### **Infrastructure development and the road to Europe**

The EUSAIR notes how '[t]he region has significant infrastructure deficits, notably between long-established EU Member States and the other countries, resulting in poor accessibility' (European

Commission 2014a: 4). In this context, the construction of new infrastructure is crucial for the linking of the Western Balkans to the EU both physically and politically. The increasing connection between the two macro areas would maximise their economic, political and cultural relationships. Accordingly, the EUSAIR aims at ‘promoting sustainable transport in the Region, and to prepare their integration in the Trans-European Network – Transport (TEN-T) network’ (European Commission 2014a: 31).

The EU Parliament rapporteur on the macro-region strategy has identified ‘the Adriatic Ionian corridor that will include a highway and other forms of infrastructural connectivity’ as the ‘most important [infrastructure] project’ for the region (Jakovčić 2015). Along similar lines, the EUSAIR is committed to ‘enhancing transport interconnections with the completion of the Trieste-Patras Adriatic Ionian Motorway’ (EUSAIR Ministerial Meeting 2017: 4). This motorway, frequently referred to as the ‘Blue Corridor’, starts from the Italian coastal town of Trieste and, once completed, will connect Slovenia, Croatia, BH, Montenegro, Albania and Greece. All states involved consider the highway to be essential for transport, trade, tourism and related economic activities. The Blue Corridor thus involves both the EUSAIR pillar 2 (connecting the region) and pillar 4 (sustainable tourism) and also calls into question pillar 3 (environmental quality) because of the impact its construction is likely to have on the environment.

This highway is expected to bring considerable benefits to all states involved in terms of increased competitiveness, employment and GNP growth (see, for example, Holzner et al. 2015). Sections of the highway are currently being built (or upgraded), but there are some disagreements concerning its future route and the relative benefits it might bring to the states involved. One of the debates concerns where the highway intersects the short strip of Bosnian territory at Neum, situated just a few kilometres from the Croatian city of Dubrovnik. Two main possibilities are available to connect the Croatian territory: the connection could exist entirely on Croatian territory through the Pelješac Bridge, which is expected to be 55 meters high and 2.4 kilometres long, or it could cross the Bosnian space at Neum, constituting the economically cheaper option. The matter has given rise to a



polemics between all major Croatian political parties, each wanting to capitalise electorally on the issue (CeSPI and Osservatorio Balcani e Caucaso 2015, 63-69).

BH opposed the plan to construct the bridge because of its potential environmental costs and because it might hinder access to the open sea. However, because of its internal political/administrative divisions BH did not provide further detailed explanations of its reasons for its opposition. In 2014 the Bosnian Ministry of Foreign Trade and Economic Relations received from Croatia its Strategic Environmental Assessment (SEA), which included an appraisal of the bridge's estimated impact on Croatian territory and territorial waters but, oddly, not of the Neum harbour, which could be severely damaged by the construction and its future traffic. The Bosnian Ministry forwarded the SEA to both entities for their comments. As of mid-2017, however, neither entity has responded: the Serb Republic of Bosnia does not recognise BH's central institutions and thus it engages only in part, if at all, in institutional relations with them, while the Federation has only limited technical capacities to engage in a structured dialogue on this topic.<sup>10</sup> In other words, BH's divided governance hinders its ability to play a role internationally in environmental and other issues. After several years of uncertainty and debate about both the costs and benefits of each alternative route, in June 2017 the European Commission allocated 357 million euro of Cohesion Policy funds (85% of the total cost) to build the bridge in Neum, which is expected to be completed by 2022. Thus, while not formally taking sides on the issue, the European Commission endorsed the Croatian view. In practice, because Bosnian territory is going to be bypassed, its impact on supporting the process of EU integration of candidate and potential candidate countries such as BH is likely to be minimal. Perhaps most significantly, the dispute reveals the continuing influence of ethnic and political tensions between Croatia and BH (Latal 2017).

The controversy over the bridge reveals the limited capacity of the EUSAIR in influencing important policy decisions. While the EUSAIR intends to develop and strengthen functional links among states and, by so doing, provide a stimulus for the European integration process, in practice it remains a marginal tool overshadowed by each state's competing political, economic and social

interests. The discussion over the bridge shows how the EUSAIR has little to say about how contentious political issues emerge and are solved – or not. Moreover, the EU’s willingness to finance the construction of the bridge does not guarantee the completion of the Adriatic Highway. Indeed, within the EUSAIR and other multilateral frameworks Slovenia has been attempting to delay and obstruct the construction of the highway because, once finished, it will likely boost tourist and commercial traffic through Croatian ports at the expense of their Koper port.<sup>11</sup>

The construction of the Adriatic Highway, and more generally the activities of the EUSAIR, are expected to support the process of Western Balkan integration into the EU. However, the EUSAIR’s ambitions are overshadowed by the so-called Berlin process, which began as a high-level conference held in Berlin on 28 August, 2014, and involves all of the former Yugoslav republics, in addition to Albania and Kosovo, as well as Austria, France and Germany. Representatives of the European Commission and of international financial institutions also participate. The overall purpose of this initiative is to support economic development and regional cooperation in the Western Balkans with particular attention devoted to infrastructural work. Funding is provided by the programme IPA II, although it is expected that matching and other funds will become available through institutions like the European Bank for Investment, the European Bank for Reconstruction and Development, the World Bank and others (European Parliament 2016).

One of the key objectives of the Berlin process is to identify the investment priorities concerning transport and energy infrastructure. In particular, the so-called ‘Connectivity Agenda’ consists of infrastructure and transport projects and investments aimed at enhancing regional cooperation and linking Western Balkan states to European transport networks (Cooperation and Development Institute 2016). At the Vienna Summit held in August 2015, the EU backed a list of infrastructural projects aimed at better connecting the Balkan region, both locally and to the EU, including the building of the ‘Blue Corridor’. While the overlap with the EUSAIR is clear, there is no coordination between the two initiatives.<sup>12</sup> The ultimate impact of the Berlin process, which is scheduled to last until 2018, remains to be seen, but the resources it makes available (about 1 billion

euro specifically for infrastructure development) seems to be more effective than macro-regional principles in supporting some degree of cooperation among Western Balkan states (European Commission 2016a). While the EUSAIR appears to have limited capacity to mediate disputes, the Berlin process' reliance on financial incentives is quite effective. In order to access European economic support, the Western Balkan states agreed to refrain from 'misusing outstanding issues in the EU accession process' and welcomed EU assistance in resolving bilateral disputes (BiEPAG 2015).

### **Concluding discussion**

Macro-regional strategies represent an innovative tool to overcome the 'territorial trap' (Agnew 1994) by bringing together stakeholders within a common framework, providing a context for the implementation of a jointly agreed upon agenda, and addressing common issues and problems in a particular transnational space. Macro-regional strategies also allow state and non-state actors from different contexts, with diverging and sometimes conflicting priorities and interests and with distinctive bureaucratic and administrative traditions, to discuss within a common framework important issues pertaining to the environment, transportation, tourism and energy.<sup>13</sup> While dialogue and confrontation do not necessarily lead to effective policymaking, they may sustain the development of trust, some degree of policy-transfer and policy-internationalisation and, in some cases, even the elaboration of effective initiatives to address common challenges (European Commission 2016b).

The case of the EUSAIR shows the limits of this scheme, however. To begin with, macro-regions are endowed with inadequate governance structures operating with no reference to a normative framework clearly setting the boundaries of their activities. In this context, participating governments have displayed little interest in investing political and economic resources in the initiative. The Commission (2016b) has denounced a 'persistent lack of resources from participating countries, delays in the designation of members and poor attendance at steering group meetings'.

Unsurprisingly, the EUSAIR's governance mechanisms function poorly. For example, attendance at the TSG on environmental quality was at times so modest that the quorum was not achieved and no formal decision could be taken. As a result, rather than addressing the highly salient issues facing the region, EUSAIR focuses on the 'lowest common denominator',<sup>14</sup> essentially using its capacity to implement uncontroversial projects that bear limited impact (see, for example, Interreg ADRION 2017).

This apparently contradictory behaviour, whereby governments both support macro-regions and seem to undermine them, reflects the conflicting logics underpinning the initiative (Popescu 2008). On the one hand, macro-regions abide by the territorial logic of the nation-state which conceives of borders as sharp dividing lines. As shown above, energy politics highlights the sovereign prerogatives of nation-states and makes MLG and transnational cooperation difficult to achieve. Both oil and gas research and development programmes in the Adriatic Sea and the construction of the 'Blue Corridor' are discussed almost exclusively as national concerns over which governments attempt to assert their own views and impose them on other stakeholders – both internal and external. On the other hand, cross-border cooperation is also required to address policy challenges. For example, the development of transport infrastructure necessitates supranational collaboration. Accordingly, policymakers express their openness to transnational cooperation and formally subscribe to macro-regional strategies. These conflicting logics explain why national governments may simultaneously promote and undermine macro-regions. While supporting the development of cross-border links, their ultimate goal is to use macro-regions to tackle the limits of Westphalian sovereignty and, in the case of the Western Balkans, to sustain the process of European integration, rather than creating integrated territorial entities.

In addition, the case of EUSAIR confirms that cross-border cooperation is strongly linked to the interests of territorial and national authorities and that functional cooperation is undermined by conflicting priorities and interests. As the ups and downs of the European integration process teach us, and as seen in the cases of oil drilling in the Adriatic Sea and of infrastructure development along

the Adriatic coast, public policy eventually turns into a matter of debate or even dispute. The EUSAIR's focus on cooperation rather than competition and on the benefits of regional competitiveness rather than aporias and conflictual interests makes it largely irrelevant to local political debates. Press accounts rarely mention the EUSAIR nor do they take into consideration the possibility that the macro-region could provide strategic direction and facilitate a coordinated approach to addressing common problems (CeSPI and Osservatorio Balcani e Caucaso 2015). In sum, by focusing on the production of collective benefits, macro-regions adopt a 'problem solving bias' (Goetz 2008: 271) poorly suited to address conflicting interests.

This 'problem solving bias' has sustained successful cooperation within other macro-regions, most notably in the case of the Baltic where the EUSBSR has led to concrete action and a more streamlined use of resources and, despite its essentially inward-looking nature, it even has been 'conducive to processes of socialization of government officials [...] including non-members such as the Russian Federation' (Gänzle and Kern 2016c: 136). It is useful to consider briefly the reasons for the different impact and effectiveness of the two strategies – the EUSAIR and the EUSBSR. While a systematic comparison between the two strategies is beyond the scope of this article, a brief analysis of key elements may help tease out the scope conditions under which macro-regionalism succeeds or fails. Both strategies developed out of effective, pre-existing cross-regional cooperation and both adopt a similar three-tier governance structure. In addition, inclusion of non-EU member states is a common characteristic of both (as well as of EUSDR). The EUSBSR involves EU member states (Sweden, Denmark, Estonia, Finland, Germany, Latvia, Lithuania and Poland) and two partner countries in Northeast Europe – Norway and the Russian Federation. However, two important differences exist between the two. First, the EUSBSR can almost be understood as an EU internal strategy (Gänzle and Kern 2016c) while the EUSAIR displays a very significant external projection aimed at supporting the process of European integration of the Western Balkans. Second, and relatedly, the EUSAIR's members exhibit both very significant imbalances in institutional and administrative capacities and display considerable discontinuities in GDP per capita distribution

between EU and non-EU members. As a result, the EUSAIR's experiences a paradox: while the need for territorial cohesion policy is compelling, the actual capacity to devise and implement relevant programmes is limited.

In such a context, the EUSAIR's support to the process of European integration, which is one of the key objectives of the initiative, risks being marginal. The EUSAIR is likely to reinforce a situation of 'muddling-about' (Niemann and Schmitter 2009) in the Western Balkans: cross-border cooperation and increasing economic and social ties may develop in the region but, rather than preparing the grounds for European integration, they may actually buttress the status quo. Given these limitations why, then, have a number of institutional and civil society actors endorsed the initiative? While there are likely a number of reasons for this choice, the fact that macro-regions come at no cost constitute a decisive advantage. Moreover, narrow political interests may explain grandiose statements about meeting regional challenges, since local administrators eagerly support the initiative looking to capitalise on the opportunity to gain electorally from it. Despite the EUSAIR's limited popularity among the general public, policymakers still desire to respond to the perceived imperative to rescale governance through innovative measures. Lastly, the avoidance of controversial, easily politicised issues such as migration have contributed to the acceptance of the scheme. Despite policymakers' optimism, it remains to be seen whether or not the EUSAIR will eventually succeed and have a positive influence on the challenges it has set out to address.

## Notes

- <sup>1</sup> The Union of Baltic Cities and the Northern Development Plan testify to the existence of bottom-up efforts to influence post-Cold War cross-border relations (Deas and Lord 2006: 1851).
- <sup>2</sup> Much empirical information on the cases analysed in this article can be found on the website of the *Osservatorio Balcani and Caucaso* ([www.balcanicaucaso.org](http://www.balcanicaucaso.org)), the only think-tank and media outlet that has provided extensive and consistent coverage of macro-regional issues.

- <sup>3</sup> As confirmed by the interviews conducted for this article.
- <sup>4</sup> Interview with Luca Fraticelli, EUSAIR National Contact Point, Italian Ministry of Foreign Affairs, Rome, 19 June 2017.
- <sup>5</sup> The Final Declaration of the EUSAIR Ministerial Meeting in Dubrovnik (12 May, 2016) and Ioannina (11 May, 2017) mentioned the migration problem and even planned to ‘strengthen governance mechanisms relative to migration and refugees’. However, transit countries in the Western Balkans have different priorities from the arrival countries like Italy. These differences greatly limit states’ effectiveness in addressing the problem. Interview with Lodovico Gherardi, Interreg Adrion Projects, Emilia-Romagna Region, Bologna, 11 May 2017.
- <sup>6</sup> Interview with Luca Fraticelli, EUSAIR National Contact Point, Italian Ministry of Foreign Affairs, Rome, 19 June 2017.
- <sup>7</sup> Interview with Mira Morović, Institute of Oceanography and Fisheries, Split, 13 November 2015. See also Morović et al. (2016).
- <sup>8</sup> Interview with Senad Oprasić, Pillar Coordinator for Environmental Quality, Sarajevo, 27 June 2017.
- <sup>9</sup> Interview with Midhat Džemilović, Head of Department, Directorate for European Integration of Council of Ministers of BH, Sarajevo, 28 June 2017.
- <sup>10</sup> Interview with Senad Oprasić, Pillar Coordinator for Environmental Quality, Sarajevo, 27 June 2017.
- <sup>11</sup> Confidential interview with Croatian public official, Split, 5 July 2016.
- <sup>12</sup> Interview with Midhat Džemilović, Head of Department, Directorate for European Integration of Council of Ministers of BH, Sarajevo, 28 June 2017.
- <sup>13</sup> Interview with Luca Fraticelli, EUSAIR National Contact Point, Italian Ministry of Foreign Affairs, Rome, 19 June 2017.
- <sup>14</sup> Interview with Lodovico Gherardi, Interreg Adrion Projects, Emilia-Romagna Region, Bologna, 11 May 2017.

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- Luca Fraticelli, EUSAIR National Contact Point, Italian Ministry of Foreign Affairs (personal interview by author, Rome, 19 June 2017).
- Lodovico Gherardi, Interreg Adrion Projects, Emilia-Romagna Region (personal interview by author, Bologna, 11 May 2017).
- Mira Morović, Institute of Oceanography and Fisheries (personal interview by author, Split, 13 November 2015).
- Senad Oprasić, Pillar Coordinator for Environmental Quality (personal interview by author, Sarajevo, 27 June 2017).

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