

## **The EU's Strategy for the Danube Region**

- **new impulses from a 'macroregion' for multi-level governance in Central Eastern Europe?**

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### **Abstract:**

Promoted by the EU commission since 2009 and the Hungarian EU presidency in 2011, EUSDR is a new transnational initiative to promote regional cooperation in Eastern Central Europe. It aims to use the existing financial and institutional means to coordinate and improve the policies and investments of the EU in the context of intergovernmental cooperation in the region. The existing intergovernmental mechanisms are characterized by institutional complexity with different funding structures, policy mandates, political competences, territorial scopes, and membership, addressing diverse stakeholders, e.g. states, regions, local authorities, business interests, NGOs, civic society. Some of these actors have indeed forwarded common interests or various notions of shared identity. But despite a rich and diverse cultural heritage, the regional context is also one of wars, ethnic conflict, as well as deep socio-economic disparities. Thus distinguishing the EU as supranational regime of multi-level governance, as transnational actor in multi-level cooperation mechanisms, and as normative framework for political mobilization, the paper questions how EUSDR may contribute to regional integration. It takes stock of the EU's policy instruments, the existing transnational mechanisms between states and subnational actors, and various stakeholders' interests. The debates on multi-level governance, new regionalism, and constructivist IR serve to discuss the political rationale and conceptual implications of the new EU policy instrument of a 'macroregion'.

## **An EU 'macroregion': multi-level governance, new regionalism, transnational politics**

Promoted by the EU commission since 2009 and the Hungarian EU presidency in 2011, EUSDR is a new transnational initiative to promote regional integration in Central Eastern Europe. EUSDR aims to use the existing financial and institutional means to coordinate the policies and investments of the EU and thus improve the efficiency of the existing frameworks. Despite lacking any concrete policy tools, the initiative proposes to promote a 'macroregion' that may also reach out to other intergovernmental activities in the region. This macroregional strategy constitutes a new concept of EU policy which addresses the transnational, horizontal dimension of European multi-level governance. The promoted transnational region may strengthen the territorial cohesion of existing political cooperation at bilateral, multi-lateral, supranational, and subnational levels. However, the political rationale is so far very vague, as is its particular institutional form, and the term is also not reflected as a theoretical concept in the academic literature. Given the uncertain future of EU regional policy, the political limits of EU multi-level governance so far, the variety of institutional roles of the EU as well as conceptual complexity of the debate, EU multi-level governance so far, this poses the question of how EUSDR may affect regional integration in Central Eastern Europe. Although the Baltic region served as pioneering example, the complex and conflictive nature of the regional context in Central Eastern Europe poses EUSDR as a crucial case for evaluating the potential success of the 'macroregion' as a concept and policy tool across Europe.

The term of multi-level governance describes a tendency in European statehood toward increasingly complex political processes associated with the emergence of new actors and levels of government that compete with or complement states. In the context of EU integration, the Maastricht Treaty of 1992 has added a supranational level of regional policies and structural funding addressing mainly the sub-national level. The foundation of the EU supranational institutions resulted in a redistribution of political power by shifting political competences from the state to supra- and subnational institutional levels. The principle of tripartite partnership addresses subnational government authorities as well as private partners from business and civic societies as partners of EU regional policy. However, in practice the gate-keeping power of member states in the planning and administration of EU regional policy has shown EU multi-level governance limited. Mostly, the term is referred to a territorial diversification of social and economic policy based mainly on vertical cooperation between states, the EU, and subnational administrative authorities. The participation by private actors in horizontal forms

of cooperation is rather limited, as is the cooperation between member states in implementing joint territorial policy objectives and programmes (Marks, Hooghe & Blank 1996; Hooghe & Marks 2001; Bache & Flinders 2004; Jeffery 2000).

While initially proposing a solution to the intergovernmentalist versus functionalist controversy on European integration, the concept of multi-level governance also transferred the debate from the state to the subnational level of politics. The question is now whether sub- or transnational structures are merely produced and reproduced by changing functions of EU policy, or in how far they turn into more permanent arenas of political action and thus take on – to a certain extent separate - institutional structures. Apart from the normative, conceptual, and empirical questions about power remaining in the initial debate about EU policy networks, this travelling across contexts also results in a blurring of the concept itself. But despite the theoretical deficiencies, the term addresses a range of relevant contemporary phenomena that challenge us to think about politics and statehood beyond conventional conceptions of the national state.

Regional studies, on the other side, share an uneasy neighbourhood with the debate about European multi-level governance. While interested in territorial state-transformation and decentralization, the focus is rather on the subnational level of politics, for which EU integration serves as a context and opportunity structure rather than an end in itself. Regions can be cultural, political, or economic entities combining various functions, identity, and organizational structures. They can be sub-national organizations with more or less institutionalized territorial structures based on formal constitutional or at least administrative arrangements as well as a growing number of informal cooperation frameworks. Often regional political movements contest the dominance of national states and demand territorial autonomy based on claims for cultural difference preceding the nation state. More recently, also globalization and transnational economic competition – as well as in the context of the EU an discourse about a ‘Europe of the Regions’ - have given rise to diverse ‘new regionalist’ development coalitions. Sub-national actors find diverse channels for autonomous mobilization in Europe, to influence supranational EU policy as well as transnational cross-border cooperation. They may thus give up their subordinated positions as mere implementation arms of the central state and take on autonomous agency, which might transform statehood and create new territorial structures within and between the borders of states. However, these emerging territorial politics do not necessarily compete with state

institutions, but can also be complementary or integrated within state policies. European integration can be conceptualized as a complex and open-ended territorial process involving diverse actor constellations and power resources (Keating 1998; Paasi 2001).

Instead of looking at multi-level governance as function of a top-down EU policy, this process of state-transformation can be analysed from diverse perspectives based on various claims for territorial difference. However, the problem here is the choice of perspective which implies a normative decision in support of a specific claim for territorial unity based on relatively compact boundaries. Given the multifaceted theoretical concept and diverse empirical formations of regionalism, its realization in practice gives rise to a similar dilemma as the ideal model of the nation state. Thus interpreted as territorial politics, regionalism complements decentralization as a constructivist bottom-up approach to state-transformation based in normative legitimacy as well as political economy.

Situated within the new institutionalist approach in political science, the debate about multi-level governance bridges international relations and comparative politics, and presents a specific European variation of transnational politics. It comes to reflect the constructivist debate about IR being constituted not only by states or their intergovernmental institutions, but also by transnational advocacy networks of non-state actors and by social norms establishing transnational legitimacy frames of action (Wendt 1999). The EU constitutes a transnational integration regime (Bruszt 2007) between states which impacts domestic policy reform through the mobilization of transnational advocacy networks between governmental authorities – including at the subnational level - and private actors. The conceptual shift from government to governance refers to a differentiation of power structures which challenges the idea of state power as polity toward a more flexible conception of politics as process mediating various institutional structures with plural policy actions. Contrary to government as the ‘power over’ the concept of governance poses a ‘power to implement’, namely the capacity to coordinate diverse resources for the achievement of a specific political objective on the basis of horizontal cooperation including actors beyond the state (Stone 1993; Stoker xxx). Multi-level governance thus includes the dimensions of EU integration as a process of states deepening their cooperation at the supranational level as well as Europeanization as the domestic impact of the resulting supranational policies (Risse et.al. 2001). This tends to be limited to EU regional policy addressing member states. But as the provision of funds to EU accession candidates and partners of EU

neighbourhood is also associated with certain conditions for their allocation, particularly in the case of EU conditionality, EU multi-level governance can also gain an external dimension of exporting Europeanization – sometimes even in the form of decentralization - to the neighbouring countries (Keating & Hughes 2003; Hughes et.al. 2004) Moreover, the discourse about the 'Europe of the Regions' has also shifted the focus from functional aspects of EU policy to the political mobilization of territorial identity. Complementing EU multi-level governance by territorial politics, statehood can be conceptualized as plural, contextually differentiated and open-ended, political interaction process including sub- and transnational influences upon institutional change. Whereas most regional movements are based on subnational conceptions of regional identity, transnational regionalism implies the political mobilization of territorial unity across state borders, possibly including even multiple states (Keating 2003).

The literature on EU macro-regions and/or EUSDR is so far very limited, mostly comprising policy consulting papers with little theoretical framework (Dubois et.al. 2009; De Frantz 2010). Schymik (2011), the most recent and elaborate one, proposes that macro-region introduces a new intermediate and territorially differentiated level of governance situated between the EU and the member states. While not introducing any new political or economic instruments, it is legitimated by the European Council, but applies only to a part of the EU territory, including several - but not - all member states as a geopolitical entity. In 2008, former EU Commissioner Danuta Hübner introduced the notion of a macroregion as comprising several administrative units with sufficient common themes to justify a common strategic conception. An analysis of several EU policy statements mentioning the term results in a model of an EU 'macroregion' defined by (1) multifunctionality (2) transnationality, (3) symmetry, (4) and EU territoriality. Shymek also identifies various possible contributions to EU multi-level governance – the inclusion of new actors, of the EU external and neighbourhood policy field, and the emergence of the macroregion as a new relatively autonomous level of policy. The latter would depend on whether the present limitation of existing EU policy means could be overcome and new financial and legal provisions be allocated to establish a formal institutional framework. Alternatively, the macroregion could also develop as an informal cooperation process of loose policy networks exerting 'soft power' in the form of joint projects, exchange of best practices, or policy lobbying. However, whereas the Baltic Sea historically shares economic as well as social characteristics, the diverse and conflictive heritage in Central Eastern Europe leaves the joint natural resources of the Danube as a

main interest in regional cooperation (Shymek 2011). This adverse regional context poses EUSDR as a crucial case for evaluating the political potential of transferring macroregional strategies across Europe, and its theoretical contribution to EU multi-level governance.

Distinguishing the EU as supranational regime of multi-level governance, transnational actor in international relations, and normative frame of regional political mobilization, the paper questions how EUSDR may contribute to political cooperation in Central Eastern Europe. It takes stock of the EU's policy instruments, the existing transnational mechanisms between states and subnational actors, various stakeholders' interests and bottom-up initiatives. This contributes to develop an understanding of the complexity of transnational cooperation and to evaluate the relevance of the EU initiative as a paradigmatic case for European or as the fate of 'yet another' top-down policy added to the complex institutions in the region. The theoretical debates on EU multi-level governance, new regionalism, and constructivist IR serve to discuss the EU's 'macroregional strategy'.

### **The EU Strategy for the Danube Region in the context of Central Eastern Europe**

The EUSDR aims to use the existing financial and institutional means to coordinate the policies and investments of the EU and the other intergovernmental activities, as well as including the various stakeholders in the region. The EU's initiative draws on the *acquis communautaire*, incl. the mechanisms for negative market integration, supranational policies with various guidelines and funding instruments, as well as the EU's external relations with the accession candidates, with neighbours, and with third countries. These instruments of the EU meet various other intergovernmental cooperation structures existing in the Danube region, e.g. international organizations, cross-border regions, transnational associations and networks of governmental authorities. They address and aim to include a diverse range of stakeholders, including states, regions, local authorities, business interests, NGOs and civic society. These actors are engaged more or less and in different ways and extents with the various intergovernmental mechanisms, including those of the EU. The stakeholders' actions are motivated by and embedded within diverse identities, functions, and institutions, which unify and divide the region. The existing institutions of intergovernmental cooperation constitute part of this regional context of constraints and opportunities for joint initiatives and potential improvements of the EU's coordination role.

The Danube region is characterized by a rich heritage of dense and diverse histories, cultures, ethnicities, religions, markets, societies, and states. It is hardly unified by a shared regional identity or a bottom-up regional movement. The regional idea may be more the result of outside perceptions of shared political and historical developments, as well as a competitive response to integration processes in other parts of Europe. Within the region, a common interest may be conceived in bridging the political divides from shared historical conflicts. Some common challenges also stem from the geographical neighbourhood and shared resources of the river Danube. In this context, the political leaders' growing awareness of common interest give rise to efforts toward creating an EU macroregion following the Baltic model.

Historically, the cooperation between states developed immediately after WWII from the need to organize the navigation of the river Danube. Throughout the Cold War, navigation and transport, and increasingly also some cultural exchange programmes, constituted some important political constants linking Eastern and Western Europe across the Iron Curtain. During the 1990s, the region was characterized by deep political transformation, including postcommunist transition, national separatism and the foundation of new states, border conflicts, ethnic and religious conflicts, the international engagement in the wars in Ex-Yugoslavia, and various phases of EU enlargement. Navigation on the Danube was partly interrupted during and after the Balkan wars, and intergovernmental cooperation stagnated. But then the challenge of peacebuilding also drew international attention to the region and posed an occasion for improving intergovernmental cooperation. Along with the EU a range of international organizations such as the OSCE, the UN, NATO, and the Council of Europe became active players. Security, political cooperation, and institution building constituted some prime objectives. The environmental protection of the river's ecosystem and flood prevention posed additional challenges for joining forces between states. While being an important task, economic development has often served rather as a means to achieve political stabilisation in the context of multilateral cooperation.

States constitute the main actors of intergovernmental cooperation in Central Eastern Europe. EUSDR comprises the governments of eight EU member states (Germany - DE as founding member; Austria - AT since 1995; Czech Republic - CZ, Hungary - HU, Slovakia - SLO, Slovenia – SI since 2004;

Bulgaria - BG, Romania - RO since 2007), one EU candidate (Croatia - HR), three potential EU candidates (Serbia - RS, Bosnia Herzegovina - BH, Montenegro - ME), and two third countries (Moldova - MD, Ukraine - UA). Of the EU member states, Austria, DE, HU, CZ, and SLO belong to the Schengen area, BG and RO will join in 2011. AT, DE, and SI are part of the Euro zone, ME uses the Euro as official currency. BG, HR, CZ, DE, HU, RO, SLO, SI are NATO members, the others are NATO partner countries.

Political conflicts concern above all the Balkans, where relations between the successor states of former Yugoslavia (e.g. HR, BH, ME, RS – Kosovo!), and with involvement of the EU, NATO, and the International Criminal Tribunal for the former Yugoslavia (ICTY) are still sensitive. Minor bilateral issues concern e.g. SLO and HU over their cross-border ethnic minorities, HU's offering dual citizenship to its expatriate minorities (e.g. in SLO, RO, RS), AT's protests against the nuclear power plants across the Czech border, the Sudet question between CZ and DE, and Polish animosities against DE's WWII war crimes. Though situated outside the Danube region, Russia is an important player (particularly in MD and UA), despite growing NATO influence in the region, and a 'special partnership' between Russia and the EU.

Various domestic regimes of states influence the stakeholders' capacities to participate in regional cooperation and EU programmes. The countries are characterized by different and more or less established traditions of rule of law, transparency, democracy, market economy, and generally political stability. The governments show varying degrees of decentralizations, with DE and AT as federal states with strong political autonomy of regional and local authorities. The other countries with postsocialist heritage are rather centralized with only administrative decentralized units. The institutional capacities are also affected by great differentials of economic output (e.g. Bavaria/Moldova), the fiscal power of public authorities, and the own resources of the private sector to co-finance EU-programmes.

EUSDR's stocktaking and consultation process has included a series of intergovernmental conferences at the state, sub-state, and with yet hesitant contributions of NGOs. AT, the only older EU member included with its whole territory and which holds the Interact East Secretariat in Vienna, has actively promoted the process leading to EUSDR's initiation. Recently also HU and SLO have engaged as organisers of EUSDR conferences, others have hosted a series of subnational conferences. Official



positions are being elaborated, with draft contributions published e.g. by AT, its four Eastern regions, HU, BG, Bavaria, SI. These have shown commitment from the part of the governmental authorities in question, but also different expectations about policy objectives (see Merkel, Euractiv 9 März 2010).

### **EU as transnational actor in EU neighborhood policy and multi-lateral cooperation**

The EU holds different bilateral arrangements with the various countries: HR (Accession Partnership since 2008, active negotiations), FYROM (Accession Partnership since 2008), BH (European Partnership and Accession Partnership since 2008, Stabilization and Association Agreement SAA, signed but not yet ratified), ME (European Partnership since 2007, SSA signed but not ratified), RS (SSA signed 2008, but not ratified due to ICTY condition), MD (ENP Action Plan based on Partnership & Cooperation Agreement PCA), UA (PCA, Association Agenda to replace ENP Action Plan).

Under IPA's five objectives (Transition Assistance and Institution Building; Cross-Border Cooperation; Regional Development; Human Resources Development; Rural Development), the CEC adopts multi-annual programmes in accordance with the multi-annual indicative planning documents (MIPD) following consultation with the beneficiary countries and other stakeholders. Implementation is organized by centralized (CEC headquarters in Brussels), or decentralized assistance (authorities of beneficiary country after accreditation), shared assistance (one member state in cross-border programme).

Multibeneficiary IPA programmes require collaboration among beneficiaries, e.g. regional structures, networks of experts or civil servants, tackle cross-border issues of a regional or horizontal nature. This concerns e.g. the regional cooperation process among the Western Balkans, or joint assistance with international organisations in institution building (e.g. TAIEX, SIGMA, OHR in BH, UNMIK Kosovo).

IPA Cross-border Cooperation programmes have established the following frameworks for 2007-13 (budgets indicated for 2007-9) in the Danube region: *Adriatic* (IT, GR, SI, €106 million, of which EU €90 million, managing IT); *BG-RS* (€13.6 million, of which EU €11.6 million, managing BLG); *BG – FYROM* (€7.8 million, of which EU €6.6 million, managing BLG); *BG-Turkey* (€11.8 million, of which EU €10 million, managing BG); *GR-FYROM* (€11,6 million, of which EU €9,1 million, managing GR); *HU-HR* (€24.3 million, of which EU €19.3 million, managing HU); *HU-RS* (€21.7 million, of which

EU €18.5 million, managing HU); *RO-RS* (€22.3 million, of which EU €19 million, managing RO); *SI-HR* (€18.5 million, of which EU €15.7 million, managing HR).

ENP framework policy schemes include e.g. the EU's *Eastern Partnership* (funded at €600 million) and the *Black Sea Initiative* engaging MD and UA as well as Georgia, Armenia, Azerbaijan, Belarus, and on the other side Armenia, Azerbaidshan, Georgia, Russia, Turkey. The former includes *Flagship initiatives* to mobilise multi-donor support, incl. IFIs and private investment, the latter a cross-border cooperation programme for local authorities and civil society organisations.

The Danube Cooperation Process (DCP), lounded by the OSCE, replaced the *Stability Pact for South Eastern Europe*, and in 2000 the *South East Cooperation Initiative* (SECI, founded in 1996). Created upon the initiative of AT, RO, the CEC, and SECI, the DCP includes the foreign ministries of all EUSDR countries as well as the CEC. DCP aims to improve political cooperation and the inland waterways transport within the Danube River Basin. Upon recommendation of a Senior Review Group incl. CEC in 2008, the *Regional Cooperation Council* (RCC) and its Secretariat were set up at an annual budget of €1 million, promoting activities in the areas of Economic and social development; Infrastructure and Energy, Justice and Home Affairs; Security Co-operation and Building Human Capital with Parliamentary Co-operation.

Other international organizations dedicated to intergovernmental cooperation are concerned mainly with the river Danube as a means to promote transport and navigation or as a shared ecosystem subject to environmental protection and flood control. These efforts to find joint solutions for common geographical problems and opportunities are organised by the *Danube International Commission* (established in 1964, convention of 1948, headquarters in Budapest, members: AT, BG, HR, DE, HU, SLO, RO, RU, UA, RS, concerning navigation); the *International Sava River Basin Commission* (ISRBC, established in 2001, headquarters in Zagreb, BH, HR, RS, concerning navigation, sustainable water management, hazard control); the *Corridor VII Steering committee* (established in 2001, headquarters in Vienna, members DE, AT, SLO, HU, HR, RS, RO, BG, MD, and the CEC, concerning navigation infrastructure); *International Commission for the Protection of the Danube River* (ICPDR, based on convention signed in 1994, in force since 1998, secretariat in Vienna, activities: protection and conservation of water resources, control of flood hazards, reduce pollution, and since 2006

transboundary aspects of EU Waterframework Directive).

OSCE's SECI-DCP, having advanced the building of international institutions (e.g. CEFTA, Energy Community Treaty, SEE Investment Committee, Sava River Commission), engages in the coordination of social policies, electronic SEE Agenda plus, e-governance, information & communication technology, common approach to fight against organised crime and corruption, exchange of best practices in the area of migration, cross-border activities of local authorities, technical and financial assistance for disaster preparedness and prevention.

### **The EU as supranational framework of multi-level governance**

The Danube region comprises in parts and in varying degrees an area of free markets, regulated by EU law, and by various bilateral agreements with the candidate and third countries. The multilateral Central European Free Trade Agreement (CEFTA) includes Albania, BH, HR, FYROM, MD, ME, RS and Kosovo.

The EU cohesion policy provides €95 billion from ERDF, ESF, and Cohesion Fund to the Danube region, based on the various National Strategic Reference Frameworks for 2007-2013:

(1) Convergence regions at NUTS 2 level include BG (whole territory), CZ (5 regions), HU (6 regions), RO (whole territory), SI (whole territory), SLO: (3 regions). AT's federal province of *Burgenland* has *phasing-out* status.

(2) Competitiveness and employment programmes cover the whole EU territory, with the Hungarian region of *Közép-Magyarország* enjoying specific *phasing-in* status.

(3) Under the territorial cooperation objective for 2007-13, more than 4,3 billion Euros from EU funds (ERDF, ENPI, IPA) and national contributions are available for cross-border, transnational and interregional projects in the Danube Region. Cooperation in the Danube Region has grown from four INTERREG I CBC programmes of an EU total of 31 programmes 1990-1993, to 42 ETCPs, IPA-CBC and ENPI-CBC programmes of an EU total of 94 programmes in 2007-2013.

The cross-border co-operation programme 'RO-BG' (15 NUTS 3 regions across both countries, managed by RO, €262 million, of which ERDF €218 million, 2.5% of ETCP 2007-2013).

Under transnational cooperation, the former INTERREG IIIB programme CADSES has been split into two separate programmes for 2007-2013: 'Central Europe' and 'South-East Europe'. '*Central Europe*' includes the CZ, DE's territories in the East and South, Italy's territories in the North-East, HU, AT, Poland, SI, SLO, UA's western part; The total budget is €298 million, of which ERDF €246 million, amounting to 2.8% of total ETCP. UA's participation is supported by ENPI and by own resources. '*South-East Europe*' comprises the whole territories of Albania, AT, Bosnia and Herzegovina, BG, RO, HR, Greece, HU, RS, FYROM, ME, SLO, SI, MD, and some regions of Italy and UA, with Managing Authority in HU. The total budget is €245, of which ERDF €206 million. In addition to the socio, economic, environmental, infrastructural priorities and technical assistance shared with various focus by the other ETCPs, this programme mentions specifically the preparation of EU enlargement toward the Western Balkans and ENP. The transnational programme '*Alpine Space*' covers DE, France, Italy, AT, SI, with participation from Liechtenstein and Switzerland, and Managing Authority in Salzburg/AT. The total budget is €130 million, of which ERDF €98, amounting to 1.1% of total ETCP); '*Mediterranean*' includes only SI and participation of HR and ME in the Danube region, otherwise, mostly 'Danube outsiders', with Managing Authority in Marseille/France. The budget is €256 million, of which ERDF €193 million, 2.2% of total ETCP.

Inter-regional cooperation programmes are available across the whole EU territory. INTERACT II provides management and training services for all territorial cooperation programmes. In the Danube region, there are presently more than 30 programmes, and more than thousand projects have been managed since the introduction of INTERREG in the 1990s. Under URBACT II & INTERREG IVC, the EU initiative 'Regions for Economic Change' supports regional and urban networks for developing best practices in economic modernisation. These have resulted in a range of projects designated for annual RegioStars award of Fast Track initiatives enjoying direct support from the CEC. Some of these projects are situated in the Danube area, but those success stories are relatively few compared to those in the more experienced EU member states. Among the new members, SI ranks highly among Europe's best practices (see projects listed below under Concrete Actions).

***EU funded projects:*** INTERACT Point Vienna organised a discussion forum on EUSDR (16-17 March Bratislava 2010), initiated and coordinates a working community of cooperation programmes (TCPs,

and Objectives 1-2) in the Danube Region, to meet after the first draft of EUSDR.

The ETCP 'Regions for Economic Change' stars the following projects in the Danube region: two projects out of 24 *Regiostars Finalists 2010*: Cat 2: Successful integration of Roma children, Ljubljana, SI, Cat 4: One Stop Shop for Companies, SI; No winners among *Regiostar Finalists 2009*: Cat 1: Centre of Excellence 'Nanoscience and Nanotechnology', Central SI; Cat 2: 'The EU Funds (The Dog)', CZ; Cat 3: "It's good to be proud", HU;

*INTERREG IVC Fast Track Networks* in the Danube region: C2CN – Cradle to Cradle Network (Theme 1.10 Moving to a recycling society); ERIK Action (Theme 2.2 Bringing innovative ideas to the market more quickly); RAPIDE (Theme 2.2);

*Urbact II Fast Track Networks*: Theme 3.6: M.I.L.E. – Managing migration and integration at local level; ROMA-NET – Integration of Roma population; Theme 4.3: HERO – Heritage as opportunity: Sustainable management strategies for vital historic urban landscapes;

*Interreg IIIC pilot Fast Track networks*: Theme 2.2: CLOE - Clusters linked over Europe.

### **The EU as normative frame of regional political mobilization from the bottom-up**

Bottom-up initiatives include cross-border regions, subnational associations, and NGO networks.

Euroregions set up in the area of EUSDR cover almost all borders, in great quantity particularly at DE's and AT's borders, and partly geographically overlapping: e.g. Via Salina (DE, AT; 1997), Zugspitze-Wetterstein-Karwendel (DE, AT; 1998), Werdenfels, Seefelder Plateau, Außerfern, Inntal (DE, AT; 1998), Salzburg – Berchtesgadener Land – Traunstein (DE, AT; 1994), Inn-Salzach (DE, AT; 1994), Bayerischer Wald – Böhmerwald – Unterer Inn/Šumava-Bavorský les (DE, AT, CZ; 1994), Donau-Moldau (DE, AT, CZ, planned for 2011, Euregio Egrensis (DE, CZ), Erzgebirge/Krušnohoří (DE, CZ; gegr. 1992), Elbe-Labe (DE, CZ; gegr. 1992), Neiß-Nisa-Nysa (DE, CZ, PL; gegr. 1991), Adria-Alpe-Pannonia (EU-Zukunftsregion – IT, SO AT, HR, HU, RS; 2002), Steiermark–SI / Graz – Maribor (AT, SI), West/Nyugat Pannonia (AT, HU; 2001), CENTROPE - Mitte (AT, CZ, SK, HU; 2003), Weinviertel–Südmähren–Westslowakei/Pomoraví–Zahorie–Weinviertel (AT, SK, CZ; 1997), Silva

Nortica (AT, CZ; 2002), Donau-Moldau (DE, AT, CZ, planned 2011), Beskydy (PL, CZ, SK), Glacensis (PL, CZ), Karpaten (PL, HU, SK, RO, UA; 1993), Silesia (PL, CZ), Danube-Kris-Mures-Tisa - DKMT (HU, RO, RS), Thrakia (BG, GR, TR, 2007).

EGTC - European Groupings on Territorial Cooperation with legal personality under EU law are registered with the EU Committee of the Regions, the following in the Danube region: *Ister-Granum* was set up in 2008 with partners from HU and the SLO Funded by Urbact, the cities of Esztergom and Štúrovo are located on the HU-SLO border, marked by the rivers Danube and Ipoly/Ipe; *Karst-Bodva* also includes partners from HU and SLO. EGTCs under preparation: *Ulm-Vienna- Budapest* with partners from DE, HU and AT, since 2006; *Comune di Gorizia (I), Mestina Obcina NOVA GORICA(SLO) e Obcina ŠEMPETER-VRTOJBA (SLO)* with partners from IT and SLO; *BG-RO* on common navigation on the Danube, with budget from ERDF and Cohesion Fund was allocated by RO and BG; *Donauhansé*, transnational network of towns and cities along the Danube; *Alpen-Adria* evolving from and deepening existing structure ‘Alpen-Adria’ (IT, AT, SI, HU, HR); *Europaregion Donau - Moldau* between Bavaria (DE) and the CZ, *Bratislava – Niederösterreich* with partners from AT and CZ; *Euroregion Corridor VIII* between IT and BG to link the Adriatic-Ionian regions with the Balkan regions and the Black Sea countries (not Danube, but Black Sea); *Ung-Tisza-Túr-Sajó (UTTS)* and *Ung-Tisza-Túr (UTT)* between HU, SLO, RO, UA.

The Working Community of the Danube Countries, founded in 1990 after eight years of preparations, comprises the governments of regions and states under permanent chairmanship of the Chief Executive of Lower Austria, and cooperates closely with other organizations, e.g. DCP. Projects include the ‘Danube Culture Route’ (culture, environment, zoning, bicycle paths), ‘Portino’ (secondary harbours), ‘Donauhansé’ (Danube Cities and Harbours), youth contact seminars etc.

The Council of Danube Cities and Regions (CDCR) was founded in 2008, following previous conferences in 2003, 2005, 2007, in few of joint interest representations to EU institutions and acquiring EU funding, expressively in the framework of the EUSDR process.

NGO and business networks are yet little organised to represent their interest to EUSDR. Established associations such as *Eurocities* or the *Assembly of European Regions* have not published any official

positions yet. Associations, NGOs, initiatives active in the Danube region include *Foster Europe*, *International Scientific Forum 'Danube - River of Cooperation'*, *Institute for the Danube Region and Central Europe – IDM*, *The East West Institute*, *The Open Society Foundation*, *The Central European Initiative* etc. The *Danube Tourist Commission* (established 1970, headquarters in Vienna) represents national tourist associations from DE, AT, SLO, HU, HR, RS, RO, observer MD.

### **Conclusion: a European macro-region in the making?**

The intergovernmental mechanisms available to EUSDR are characterized by institutional complexity with different funding structures, policy mandates, political competences, territorial scopes, and membership. This includes various EU policy fields, e.g. common market policy, structural policy, neighbourhood policy, bilateral and multilateral cooperation. The EU mechanisms are diverse regarding their treaty foundations, programme guidelines, budgets, and the intergovernmental procedures on the programming decisions and implementation. They are administered by different DGs in the CEC with different policy mandates and funding sources. The National Strategic Reference Frameworks are programmed and implemented in partnership with member states and subnational actors, so that project outcomes depend very much upon the various institutional structures and gatekeepers of the national governments. IPA and ENPI are instruments of the EU's External Relations, governed by specific decision mechanisms between EU member states and subject to agreements under international law with the accession candidates and third states. Also, there is Community funding available directly to subnational actors, e.g. in the areas of culture and research (ERASMUS, Twinning, Framework Programmes etc.). All areas of the Danube region are covered by some EU programme and eligible for funding, and links are established also outside the macroregion, particularly with the EU members Italy, Greece, and Poland (as a partner from the Baltic). Overall, these structures offer multiple and complementary policy instruments to address different stakeholders with varying interests, capacities and territorial functions. The differentiated nature of these institutional mechanisms may contribute to the elaboration of a comprehensive governance approach that responds to diversity as a main characteristic of the 'macroregion in the making' in a flexible way.

The EU's activities meet a diversity of other intergovernmental cooperation frameworks, e.g. NATO, OSCE, UN, and other transnational and bilateral bodies. These frameworks are characterized by different funding structures, policy mandates, political competences, territorial scopes, and

membership, addressing diverse stakeholders, e.g. states, regions, local authorities, business interests, NGOs, civic society, think tanks. The EU institutions - particularly the CEC and the CoR, with the support of the EC and the EP - cooperate with most of these other existing intergovernmental bodies. Growing organisational ties include e.g. membership of or funding support from the CEC. Programme cooperation is available to stakeholders not only across different EU member, accession, and associated states participating in EUSDR. Also the future roles of Turkey and Russia as external partners are being considered. Frameworks for cooperation with IFIs are available under IPA for the Balkans, and may be revised following the fiscal crisis of some EU members (HU, GR). The states' varying membership in the EU or relations with the EU constitute different institutional arrangements, which influence the economic or political interests in the relations with the CEC, between the states, and in multi-lateral cooperation. EU accession negotiations also influence the interest constellations in a range of policy fields, even where they are not directly concerned by the *acquis*. The social and economic transactions across the various borders between states are regulated by various regimes based on the states' different EU status, their bilateral and multi-lateral agreements, and any other political issues arising ad hoc.

With EUSDR, the EU aims to foster and consolidate its existing measures of supranational policy as institutional framework for intergovernmental cooperation in Central Eastern Europe. In the year 2010, 45 percent of the total EU budget of €141.5 billion were allocated to the objective of Cohesion and Competitiveness for growth and employment. This may shift the focus of intergovernmental cooperation in the Danube region toward economic development, as well as stressing the social, territorial, and sustainable dimensions of growth formulated in the Lisbon and Gothenburg strategies. It may give an impetus for complementing political cooperation by infrastructural development. EU cohesion projects mostly aim to achieve other – economic, social, or technical - objectives, but positive experience of cooperation results in indirect effects on governance through learning, the building of trust, exchange of good practice. Focusing the EU funds on macro-regional policies, EUSDR aims to offer stakeholders a more efficient and coordinated approach to acquiring EU funding, identifying synergies with other institutional mechanisms, and cooperating on common projects. The macroregional strategy may in particular add a focus on improving the cooperation between member states in jointly planning and implementing national framework programmes with regard to their cross-border dimensions. Moreover, in the context of the planning for Europe 2020, EUSDR may stress the territorial and cross-border dimension of socio-economic development as well as an improved



coordination between the EU's regional policy and neighborhood policy.

Guided by the EU's principles of subsidiarity and partnership, the consultation of key stakeholders may help to turn intergovernmental cooperation between states into a bottom-up process of multi-level politics that grounds EUSDR within the region. Thus linking intergovernmental activities with various bottom-up activities may bring Europe closer to the citizens, facilitate territorial cooperation, and thus helps to build a macro-region. However, great differences of political bargaining power and institutional capacity between the states, between different levels of government, and between the subnational authorities of different states, as well as between urban and rural areas add to deep social, economic, and cultural disparities. The resulting interest conflicts may give rise to different expectations and diverging policy objectives concerning EUSDR. For example, the environmental protection and the economic development of the rivers' resources may be two conflicting priorities. Also, the current consultation process includes subnational stakeholders mainly as governmental authorities of territorial entities. Efforts to include also social interests and NGOs, bring EUSDR closer to the citizens, and ground it in bottom up activities are still little systematic. Overall, the institutional complexity of intergovernmental cooperation risks to give rise to deficits of democratic accountability, of political and administrative transparency, of efficiency of management and programming. The diversity of stakeholders in the process may result in conflicts and increase institutional fragmentation. This may undermine the stakeholders' commitment to cooperation, on one side, as well as feeding a feeling among the public of yet another elite project added to the existing bureaucracy.

The question is thus whether various functional frameworks will be complemented by a shared feeling of territorial identity. Some actors have indeed forwarded common interests emerging from the shared geographical space and the joint resources of the Danube river. Also a rich and diverse cultural heritage has given rise to various notions of regional identity, associated less with a shared culture than with the historical and contemporary function as an open cross-border region in Europe's middle, bridging East and West, North and South. However, these positive associations with the region's diversity meet the hard political and economic realities of wars, ethnic conflict, as well as deep socio-economic disparities (post-socialist transition, Cold War, Balkans, NATO-Russia, ethnic minorities, separatism, borders, bilateral tensions etc.). Only gradually, and particularly since the mid 1990s, the states have engaged in security and political cooperation, economic development, joint transportation and infrastructural investments, and environmental protection of the Danube river basin. The umbrella of an 'EU macro-

region' may complement the outside perception of a region tied by the political challenges of its history and the opportunities of an emerging market by a joint institutional framework. Given the diverse and conflictive history, this may not be a unitary notion, but rather a feeling of common interest in responding to external opportunity structures associated with EU funding and constraints associated with the competition for such funds with other European regions.

Reviving and adding to the fading discourse of the 'Europe of the Regions', the EU agenda of a 'macro-region' thus establishes a new normative claim for political mobilization that may foster the transnational dimension in addition to the subnational level of multi-level governance. This normative frame of political mobilization may well help to foster the bottom-up dimension to the EU's efforts to coordinate its various existing policy measures. While possibly strengthening the functional and political basis of cross-border cooperation between states and subnational actors in the region, this process of territorial politics does not necessarily result in any kind of shared notion of a politically consolidated transnational region. While none of this justifies the formalization of an institutional framework at the EU level at this point, the continued discourse about an EU macroregion in the Danube as well as the Baltic may well initiate competitive responses in other parts of the EU. In the long term, this political dynamic may contribute to foster the territorial consolidation of macro-regional political cooperation in European politics. However, this will depend also on the future experience with this policy tool in Central Eastern Europe, which poses an important strategic site of diverse challenges and opportunities to contemporary EU integration. In order to evaluate its present potential more accurately, more in-depth research will be required on the various stake-holders' interests and strategies.

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