

## Non paper on governance of EU macro-regional strategies

### Introduction

Since the start of the Baltic Sea Region Strategy in 2009, Europe has seen a growing interest in macro-regional strategies. It is a new approach for a comprehensive development of a larger region, addressing crucial common challenges and potentials. It responds to matters such as

- the deterioration of the environmental state of the Baltic Sea,
- unused potentials for improved navigability and water quality for an attractive Danube Region,
- major economic, social and environmental diversities and fragmentation in the Adriatic Ionian Region, and
- territorial, economic and social imbalances between cities and rural areas in the Alps.

The added value of macro-regional strategies is concrete progress on the ground on these common issues. It is about moving beyond paper and declarations, to getting things done. It brings the EU closer to people on the ground.

Good practice examples of concrete actions already exist in the EU Strategy for the Baltic Sea Region and the EU Strategy for the Danube Region. The environmental status of the Baltic Sea is improving, through collective actions to reduce pollution with projects like CleanShip. Flood management is becoming more effective through Danube-wide flood risk plans. Innovations on clean tech and eco-innovation are developed through the BONUS Baltic Sea Research and Development Programme, with similar work under way in the Danube Region.

However, as work has gained momentum, attention has also focused on implementation issues.<sup>1</sup> This is about obtaining results. There is a need for clearer leadership, more effective decision-making, and a stronger feeling of ownership and input from people on the ground. Coordination needs to be improved. Professional technical support for day-to-day actions is crucial. These are requirements that allow macro-regional strategies to improve results and impact for citizens, without increasing regulations or administrative burden.

No radical overhaul is needed. In particular, the original injunction of no new EU institutional structures, as stated in the Commission report on the added value of macro-regional strategies, should be respected. Furthermore, different macro-regional and sea-basin strategies do not need to follow an identical model. Instead, good practice should be strengthened, taking into account regional differences. This is particularly important as new Strategies come on stream, such as the EU Strategy for the Adriatic-Ionian Region and the EU Strategy for the Alpine Region. Experience from sea basin strategies, such as in the Atlantic, should also be considered.

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<sup>1</sup> EC Communication concerning the European Union Strategy for the Baltic Sea Region, 23 March 2012; EC Report on the implementation of the EU Strategy for the Danube Region, 9 April 2013. EC Report concerning the added value of macro-regional strategies, 27 June 2013; Council Conclusions of 22 October 2013;

This Communication therefore delivers on the invitation of the Council to facilitate discussions on improving “governance” of macro-regional strategies, and to report by the end of 2014. It looks at the existing macro-regional strategies at four levels, namely:

- Political leadership: Who gives strategic direction, and in which configuration?
- Coordination: How to manage the overall implementation of each Strategy?
- Implementation: Who is leading day-to-day implementation of the Action Plans, who needs to be associated and how shall it be supported?
- Ownership: How to ensure identity, communication and accountability of the Strategies?

This Communication describes *how and by whom* joint actions are currently initiated, implemented, and financed, and addresses the need for improvement. “Governance” is used as an umbrella-term for all these questions. It essentially is about how to obtain results. It draws on previous Reports and Communications, identifying good practice, and developing recommendations and options, which now urgently need to be followed up.

## 1. Background

Macro-regional strategies are integrated frameworks for cooperation between EU Member States, regions, and non-EU countries in the same geographical area.<sup>2</sup> An Action Plan provides guidance for implementation. In both Baltic and Danube Strategies, more than 100 concrete actions and projects are identified. Examples include improving river navigability, supporting Danube-wide business opportunities by bringing SMEs of the Region together, promoting sustainable agriculture, and thereby reducing nutrient run-offs, or improving transport links in the Baltic Sea Region. Sea-basin strategies build on a similar approach from the maritime perspective.

Appointed representatives in the participating countries, the Priority Area Coordinators (PACs), Horizontal Action Leaders (HALs), Pillar Coordinators and their Steering Groups coordinate and lead the implementation of these actions. National Contact Points (NCPs) ensure the national coordination and embedding.<sup>3</sup> The European Commission facilitates the process. Overall oversight is established in regular High Level Group meetings.<sup>4</sup>

## 2. What is needed for better implementation of macro-regional strategies

The following needs are based on inputs from the Baltic and Danube Strategies, experience from sea-basin work, the development work in the Adriatic-Ionian Strategy and the Alpine Strategy, as well as Council Conclusions and Commission Communications. They include:

- concrete political leadership and clearer responsibility for the Strategies by countries and regions, through recognising the Strategies as horizontal interests and responsibilities at every level of government;

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<sup>2</sup> EC Report concerning the added value of macro-regional strategies, 27 June 2013.

<sup>3</sup> These terms are under review, and do not need to be the same in all Strategies.

<sup>4</sup> EC Communication concerning the European Union Strategy for the Baltic Sea Region, 23 March 2012; EC Report on the implementation of the EU Strategy for the Danube Region, 9 April 2013.

- continued facilitation by the European Commission, in partnership with countries and regions, and macro-regional organisations where relevant, ensuring also a coordinated approach at EU level (European Parliament, EEAS, Council and Commission services);
- more use of existing regional organisations, such as the Northern Dimension, the International Commission for the Protection of the Danube River and the Regional Cooperation Council;
- a stronger management level, giving strategic coordination and monitoring implementation, with a common understanding of lines of accountability;
- clearly defined roles and responsibilities of key implementers, and formulation of these where needed;
- easily available funding for implementation, through better-focused use of existing funds and better coordination of sector-specific initiatives and programmes, including private sector levies and interventions of international financing institutions, where appropriate;
- durable and reliable support to key implementers, using especially the institutional and capacity-building support of newly-aligned transnational programmes 2014-2020;
- better publicity and communication about the work, and an improved listening to the specific needs of the population in the Regions;
- enhanced use of e-governance and information and communication technologies to facilitate modern, fast and cheap communication between stakeholders;
- stronger involvement of civil society, through national and regional parliaments and consultative networks or platforms, enhancing identity and awareness for the strategic objectives and timetable.

These can be addressed at the four governance levels identified above (political and strategic leadership, coordination, implementation and ownership). These levels do not operate in isolation, but interact with each other and the Region. This needs active facilitation and support.

### **3. Political and strategic leadership**

#### **3.1. The issue**

High-level political support is important, especially to give leadership and attention. It also must address crucial matters, such as the alignment of funding to the macro-regional approach. Political leadership also gives the necessary support to participating administrations, ensuring concrete initiatives, sustainable networks, and sufficient resources to key implementers, who need to be fully empowered and have a recognised status to fulfil their tasks. Without this, work on the ground cannot get done.

#### **3.2. Where are we?**

The current system relies particularly on the European Commission for overall strategic

leadership. It is clear that the Commission has a key role as an independent facilitator. It can ensure the EU dimension of macro-regional strategies. However, over-dependence on the Commission as driving force is not desirable. Macro-regional strategies are initiated by countries and regions involved. Durability is guaranteed only if they are fully committed. A more balanced leadership of the Commission and countries and regions involved is, for example, now foreseen in the forthcoming Strategy for the Alpine Region.

A welcome trend is that general leadership from countries has increased in the past years. Specific annual ministerial meetings in the Danube Strategy take place. High-level Baltic meetings in the overall cooperation frameworks (e.g. CBSS Summits, Baltic Sea Parliamentary Conference, etc.) refer to the Baltic Strategy. The Adriatic-Ionian Council meets on a yearly basis, and is a key driver for the forthcoming Adriatic-Ionian Strategy.

Holding ministerial meetings back-to-back with the Annual Fora of the Strategies can also ensure a direct link to implementation. In the Danube context, an additional meeting of ministers for regional development at the 2013 Annual Forum gave important direction with regard to the alignment of Structural Funds to the Strategy.

In addition to overall leadership, sector-specific ministerial meetings give impetus to advance on specific common issues. They have, for example been organised in the Danube Region, committing to enhanced maintenance of the River Danube (meeting of Danube region transport ministers in June 2012) or in the Baltic Sea Region, committing to take further actions to improve the quality of the Baltic Sea (HELCOM Ministerial Meeting in October 2013).

However ministerial meetings and their declarations are not enough. They are not yet sufficiently systematic, or specifically followed up by concrete action. Stronger strategic leadership- and follow-up- needs to be put in place. The gap needs to be closed between ministerial declarations and making sure the job is done.

This need for action is particularly evident for several acute and long-term common challenges. Devastating flooding in the Danube in 2013 was, for example, not followed up by a coordinated response. Political declarations need to be better linked to the Priority Areas and Horizontal Actions of the Strategies. Key implementers (Priority Area Coordinators, Horizontal Action Leaders, Steering Group Members), while often being experienced thematic experts, need to be closer to the political level, to provide effective follow-up. In addition, the interest at political level too often stops at national borders, not giving the much needed push for essential work together.

### 3.3. Recommendations

- **Ministers hosting the National Contact Point in each country** assume a general leadership function for macro-regional strategies, giving guidance to the implementation process, and evaluating the process on a regular basis.
- **Ministers** have a strategic national coordination function within their government. Building for example on good experience of coordination in Sweden, the Minister hosting the NCP regularly informs the government on on-going initiatives and challenges in macro-regional strategies, thus strengthening national/regional coordination and facilitating involvement of sector-policy ministers. The National Contact Point must be a key actor in facilitating this.

- A **rotation principle** for chairing meetings should be agreed.
- The **European Commission** continues playing a leading role in overall support. It proposes key topics for ministerial meetings, and provides reporting on crucial matters, e.g. sunset clauses. It ensures the EU dimension through participation and through the inclusion of the macro-regional approach in EU policies.
- The rotating chair, the national coordination level and the European Commission are supported by the **transnational cooperation programmes** and INTERACT.
- **National Contact Points and Priority Area Coordinators** provide the interface between the political level and the implementation. They make sure the political level addresses the real issues. They provide concrete recommendations to improve the decisions made and, where relevant, the necessary coordination among countries. They make sure the work is done.

#### Options

- *Following the example of the EU Strategy for the Baltic Sea Region, the country in the macro-region having an EU Presidency in the Council, or presidencies of macro-regional institutions, also has the strategic leadership for the macro-regional strategy, hosting the Annual Forum, and taking the general strategic leadership.*
- *Building on the experience of the EU Strategy for the Danube Region, ministers hosting the National Contact Point could meet annually, as part of the Forum.*
- *A special representative giving a dedicated overview of each Strategy could be appointed, to report to the ministerial meetings, to evaluate the progress, and to make recommendations for effective implementation. S/he should play a major role in advancing the concrete work.*
- *Policy related ministerial meetings could be held to address specific issues, or on a regular basis, solving specific problems, or more generally following up the Action Plans.*
- *Thematic meetings could also be held before or after sector Council meetings in Brussels or Luxembourg, to facilitate attendance and allow for linkages to EU wide challenges, such as the example of the ministerial meeting on transport in June 2012 for the Danube Strategy.*

## 4. Coordination

### 4.1. The issue

In addition to political support, a strong and operational macro-regional strategy also needs professional management and coordination, at both national and macro-regional level.

### 4.2. Where are we?

The strategies are currently developing a managerial **coordination level**, consisting of an EU-

28 High Level Group, and of the National Contact Points, acting together in the Region itself. This level can be strengthened, to give operational guidance, be the interface between the political level and the day-to-day implementation, and ensure that existing funding is made available for the implementation of the Strategies. It should also address the need to foster coordination and consistency between sector-specific policies and programmes, such as Horizon 2020 or Life+.

The **High Level Group**, with representatives of all 28 EU Member States, and non-EU countries as observers, has been set up for all macro-regional strategies, and meets on a yearly basis. Regional discussions are organised back-to-back to allow for exchange of experience and information. The role of the High Level Group and its links to other key actors needs to be reinforced. The forthcoming strategies for the Adriatic-Ionian and the Alpine Regions will make exchange at EU 28 level even more important.

**National Contact Points** of the Baltic and Danube Region are now meeting on a regular basis, more and more assuming a key management role – acting as an embryonic board - in implementation. Several NCPs are acting as the interface between their macro-regional strategy and Structural Funds in their country, such as in Latvia, and in Hungary. These are good practices and should be continued and strengthened. Several NCPs are well staffed to assume their key task, such as the National Contact Point Sweden, who has a support structure to facilitate the coordination work.

Most NCPs have also set up a **national coordination platform**, bringing together line ministries and other stakeholders to discuss implementation. The Austrian national coordination platform, for example, has been particularly active between the diverse federal and regional actors. The Polish national working team on the EUSBSR, consisting of line ministries, managing authorities of operational programmes, representatives of the regions, local associations and scientific institutes, is another good example.

#### 4.2.1. Recommendations

- The **High Level Group**, with high level representatives from all 28 EU Member States, should act more clearly as the general overall macro-regional “board”, meeting to exchange experience, and to ensure coherence. It could become a force for proposal when cross-cutting issues need to be tackled (governance, communication, thematic coordination, evaluation, etc.).
- During the course of implementation, the groups of **National Contact Points** in the Baltic and in the Danube Region have become more and more pro-active in steering the Strategies. The groups should be further strengthened, to fulfil a central coordination role, and to serve as the central management body. They can give operational leadership for each Strategy, in partnership with the Commission.

#### Options:

- *The group of NCPs should be chaired by the same countries/ regions as at the Ministerial level. They should ensure continuous coordination, regular meetings, good information flow to the implementation level and preparation of the meetings at political level. (cf. rotating NCP presidency in the EUSBSR).*

#### Tasks should include:

- *Agenda setting, in cooperation with the Commission;*
- *Monitoring and steering the implementation of the Strategy, including taking strategic decisions on the progress and added value of Coordinators (for Priority Areas, Horizontal Actions or Pillars), in partnership with the European Commission, and based on reports by the Coordinators;*
- *For the NCP chairing the group, organising a yearly parliamentary debate at macro-regional level on the Strategy;*
- *Ensuring links with funding and policies: National Contact Points should provide the interface to national and regional funding sources, in particular to the European Structural and Investment Funds, and for example could participate in Steering Committees for programmes, such as done by Latvia.*
- *Transboundary funding: National Contact Points should improve existing or set up new transnational coordination and cooperation mechanisms, to provide projects and results across countries (cf. Swedish example).*
- *Links with the implementation of the Action Plan: National Contact Points should be informed about the implementation in the Priority Areas, Horizontal Actions, and Pillars, monitoring their progress and give guidance and support to Coordinators (for Priority Areas, Horizontal Actions or Pillars);*
- *Taking the lead, assisted by the European Commission and the transnational cooperation programmes in hosting and organising the Annual Forum, including to combine the Annual Forum with other high-level political events;*
- *When National Contact Point chairing coincides with EU presidency, mainstreaming the macro-regional strategy into the relevant EU policies/agendas (e.g. addressing it in the different Council formations, increasing visibility in other EU institutional Fora).*

## 5. Implementation

### 5.1. The issue

A key feature of macro-regional strategies is to move from an *idea*, stronger cooperation, and a corresponding *plan*, Action Plan, to concrete work, through investments and new initiatives. This concrete work takes place in the thematic areas (Priority Areas, Horizontal Actions and Pillars). The key implementers (Priority Area Coordinators, Pillar Coordinators, Horizontal Action Leaders and their Steering Groups) therefore need adequate staffing and resources. They need strong positioning in political and administrative structures. They need institutional stability and political recognition.<sup>5</sup>

### 5.2. Where are we?

<sup>5</sup> EC Communication concerning the European Union Strategy for the Baltic Sea Region, 23 March 2012; EC Report on the implementation of the EU Strategy for the Danube Region, 9 April 2013. EC Report concerning the added value of macro-regional strategies, 27 June 2013; Council Conclusions of 22 October 2013.

The implementation of macro-regional strategies needs to be more stable, better-embedded in national contexts, and less over-dependent on the personal engagement of appointed individuals. In the current situation, some **Coordinators** do outstanding work, while for others the Strategy-related tasks are done only in addition to their usual work. A good example is the Priority Area for People and Skills of the Danube Strategy, where the participation to Steering Groups is high and at the right level, which is the result of the professional work done to create a good network by the Priority Area Coordinators.

In both Strategies, most Coordinators have set up a **Steering Group** with national and regional experts in the respective fields, to ensure the implementation in the entire macro-region. Most Steering Groups meet twice a year. Several have impressive participation from the entire Region, such as in the Priority Area 8 “Competitiveness” in the Danube Strategy, or in the Priority Areas Safe or Ship in the Baltic Sea Strategy. This is good practice, and should be encouraged.

Currently, the macro-regional strategies also benefit from important assistance provided by the INTERACT programme<sup>6</sup>, to **support the work of the implementers**. However, the strategies lack sustainable support on a day-to-day basis. With this in mind, the Regulations for the Structural and Investment Funds for the period 2014-2020 now allow for the transnational cooperation programmes<sup>7</sup> to provide support to macro-regional strategies. It is crucial that sufficient support and resources are foreseen for this purpose in these programmes.

INTERACT will continue to provide conceptual and developmental assistance overall, and allow exchange of good ideas and approaches between regions.

### 5.3. Recommendations

- Ministers (or other organisations leaders) must be responsible for the conditions offered to key implementers (Priority Area Coordinators, Pillar Coordinators, Horizontal Action Leaders and Steering Group Members) to fulfil these tasks. Key implementers must be officially appointed and receive a clear mandate, along with enough time and financial resources to allow them to work under proper conditions.
- Insufficient staffing and inadequate political backing of key implementers, leading to concerns about progress on performance and added value of Priority Areas, should be addressed in the group of National Contact Points. Appropriate measures, such as sunset clauses or merging of themes (Priority Areas, Pillars, and Horizontal Actions), should be applied if necessary.
- Coordinators are at the interface between concrete projects and activities and the political level. Together with their Steering Groups they should be facilitated to act as the thematically competent body for the macro-region, advising policy level, and bringing the insights from the ground into the political and strategic debates.

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<sup>6</sup> INTERACT is an EU programme facilitating the work of cooperation programmes and macro-regional strategies.

<sup>7</sup> Transnational cooperation programmes of the European Structural and Investment Funds, such as the Baltic Sea Programme, or the Danube Region Programme.



- Steering Groups with representatives from all involved countries, should be established for all Priority Areas/Horizontal Actions/ Pillars. Where relevant, existing platforms should serve as a Steering Committee, in order to avoid duplication or overlapping with activities and responsibilities of already existing bodies.
- Key implementers should reinforce links to the relevant funding programmes, such as the European Structural and Investment Funds, Horizon 2020, LIFE, COSME, etc. and participate in the programme committees.
- Transnational cooperation programmes should be fully used to provide technical support (e.g. a technical point) for the group of National Contact Points, and organise the working relation with the key implementers (Priority Area Coordinators, Horizontal Action Leaders, Steering Groups) as well as with other relevant bodies in the macro-region.
- Transnational programmes should also support (joint) projects falling under the thematic objectives, to serve as model or showcase projects, to illustrate the type of projects to be replicated more widely, and should ensure the means for civil society, regions and parliaments to be more clearly involved in the work.
- Building on the experiences and skills and networks already developed, INTERACT should continue providing overall conceptual and developmental support to macro-regional strategies.
- This transnational and INTERACT support should fully exploit innovative approaches to networking, discussions and decision-making, including consultative or implementation platforms, and building on the experience of initiatives such as the Atlantic Forum.

Options:

- *Countries should appoint Steering Group members (line ministries, agencies, other national/regional institutions). PACs and HALs could have the freedom to adapt the Steering Groups if deemed necessary for the implementation of the Action Plan.*
- *Regular meetings of Priority Areas, Horizontal Actions and Pillars take place in the setting of the Steering Group. To ensure good communication flows in between meetings, use should be made of information and communication technologies, such as videoconferences and professional social media networks.*
- *Clear links with sector-specific services in the Commission should be established, including by taking part in the Steering Group meetings.*

Options could include the setting up of a “technical point” (or equivalent) within the transnational cooperation programme to support the Priority Areas, Horizontal Actions and Pillars. Tasks could include

- *providing information on the implementation of the Strategy, related to projects (existing, on-going, planned, proposed), funding sources, and targets;*

- *supporting the work of the key implementers (Priority Area Coordinators/ Horizontal Action Leaders and Steering Groups) by helping to build up their network, moderating and following up the Steering Group meetings etc.;*
- *gathering information on implementation of the Strategy from the implementers, the European Commission, programmes, etc., structuring the information and making it available to the public;*
- *facilitating reporting;*
- *providing a platform for the involvement of civil society, regional and multi-governance levels, and parliamentary debate and or oversight;*
- *organising the Annual Forum.*

Options for INTERACT could include:

- *providing overall services to all macro-regional strategies, such as communication and evaluation activities;*
- *exchange of best practices and experience between existing and upcoming macro-regional strategies;*
- *facilitating the link between macro-regional strategies and funding programmes.*

## **6. Ownership**

### **6.1. The issue**

There is a need to enforce stakeholder's identity and awareness for the vision, targets, socio-economic objectives, and timelines of the Strategies in the countries and regions. Regular communication of results and concrete activities ensures an appropriate and permanent public debate on the approach, its potential and achievements, with a strong involvement of all media and social networks.

Key stakeholders are

- national, regional and local representatives, included via notably the national, regional and European parliaments,
- civil society, including entrepreneurs and employees organizations,
- academia, including research centres, and
- non-governmental organisations.

A strengthened involvement of these stakeholders should make the Strategies accountable for their work and impact, suggesting improvement or new focus.

## 6.2. Where are we?

Good practices already exist, such as informal meetings of Members of European Affairs Committees from EU and national parliaments of the Baltic Sea Region (developed, for example, during the Lithuanian Presidency or via a conference of Danube Region parliamentarians earlier the same year). This should be made more systematic. Civil society actors are involved, for instance, in the Steering Group of Priority Area 6 “Biodiversity” of the EU Strategy for the Danube Region, or in the steering group of Priority Energy in the EUSBSR. In all macro-regions, civil society actors are seeking to engage more and more actively with the work.

## 6.3. Recommendations

- Stronger involvement of national and regional parliaments, to oversee work done in the Strategies and to stimulate debate, awareness and monitoring of the macro-regional approach. A yearly parliamentary debate at macro-regional level should be organised by the National Contact Point, chairing the group of National Contact Points in the respective year.
- A consultative platform facilitating similar work at the overall macro-regional level and meeting e.g. at the time of the Annual Forum, should be envisaged, making continues and full use of modern networking options.
- Active involvement of civil society should be further envisaged, e.g. in Steering Groups, and major events, such as the Annual Fora.

### Options:

- *Involvement of local and regional players in implementing macro-regional strategies should be increased. Regular consultations of local authorities and civil society representatives could be encouraged;*
- *The above could be consolidated, with the parliamentary level in a consultative platform, linked to the Annual Forum;*
- *The Annual Forum offers a good audience to NGOS which are regularly invited to speak or organise workshops (cf. EUSBSR Annual Forum in Vilnius). This should become a rule in all annual fora.*
- *The role of universities should be explored, to facilitate raising awareness and disseminating information (actions proposed could include cooperation between universities and companies, strengthening current networks of students, etc.).*
- *Commission Delegations and Representations as well as the network of their info points should be fully used to inform about the Strategies (websites, newsletters, events)*
-