

SWP Research Paper, September 2009:

BLUEPRINT FOR A MACRO-REGION

The EU Strategy for the Baltic Sea

Executive Summary

Introduction

The EU Strategy for the Baltic Sea, which is scheduled to be endorsed by the European Council during the Swedish presidency of the EU in October 2009, is associated with great hopes. It shall not only address the most imminent problems of the region concerning the environment, economy, infrastructure and security, but also gain relevance for the EU as a whole, as it is seen as a model test for a new level of governance – the macro-region. The research paper examines the EU Strategy for the Baltic Sea in view of its suitability as a blueprint for other macro-regional strategies in the EU and as a possible nucleus of a new level of governance in the Union between the member state and the supranational community.

Research design

The paper starts with a discussion of the term ‘macro-region’ from a theoretical point of view, followed by a summarising account of the emerging EU Strategy for the Baltic Sea Region. The introduction prepares the ground for an analysis of the Strategy as a model test of macro-regional governance in the main part of the paper. The analysis focuses on three dimensions of the Baltic Sea Strategy: policy, politics und polity. In respect of the policy dimension, the basic assumption is that the Baltic Sea Strategy can become exemplary if it is successful, which means that it has to yield added value in the sense of positive change in the policy areas it concerns. Added value also needs to be produced by the Strategy in the sense of a political process. This would be the case if the Strategy succeeds in overcoming the recent stagnation of the Baltic Sea cooperation and in providing this cooperation with a new and lasting impetus. Regarding the polity dimension, the model function of the Strategy depends on its compatibility with the political system of the EU. A macro-region needs to be designed in such a way that it can be incorporated into the multi-level system of governance in the EU without causing major legal or political objections. Moreover, for more macro-regions to emerge, it must be possible to identify regions in the EU that have certain basic features in common with the Baltic Sea Region.

Conclusions

The main findings of the analysis of the EU Strategy for the Baltic Sea Region are as follows:

Policy: The Baltic Sea Strategy largely has what it takes to become a success. Its policy priorities – environment, economy, infrastructure, security – are reasonably well chosen and largely in line with the issue agenda as it is perceived by regional stakeholders. Indeed, significant parts of the Strategy, in particular its environmental pillar, are the result of a regional cooperation that developed prior to and independent of the EU. At the same time, the Strategy corresponds nicely with such EU policies as the Integrated Maritime Policy, the Lisbon Strategy or the Trans-European Network programmes. In short, the diagnosis of regional challenges is sound, as is the prescription offered by the Strategy to cope with them.

However, it is questionable whether the EU Strategy will be fully implemented. Neither insightful analysis of regional problems nor proposals for their solution have been in short supply in the past. Yet words have often not been followed by action. The main obstacle does not seem to be a lack of financial resources. Although the Baltic Sea Strategy fails to receive additional funding from the EU budget, the existing funds have the advantage of being available even under the changed circumstances of the global financial and economic crisis. Rather, it is decisive to generate the political will to implement the Strategy. This conclusion underscores the relevance of politics as a precondition for the Strategy to become a successful model test.

Politics: The process that led to the EU Strategy for the Baltic Sea Region has provided promising evidence of a revival of regional cooperation. More precisely, the public consultation launched by the European Commission and the firm commitment to the Strategy by the Swedish government created a new momentum, which also activated stakeholders in the region, who had previously not been at the forefront of regional cooperation. The question is how this new dynamism can be sustained beyond the end of the Swedish EU presidency.

Two observations speak in favour of the possibility to maintain a high level of activity in the framework of the Baltic Sea Strategy. First, the European Commission will assume, to a greater extent than initially intended, responsibility for the implementation of the action plan and the further development of the Strategy. Second, several governments have already put forward proposals with the aim of pushing ahead with the Strategy once the Swedish EU presidency is over. Finland has declared its intention to host a Baltic Sea ‘Action Summit’ in February 2010. Poland is ready to oversee a first review of the Strategy in the second half of 2011. Both initiatives will probably lend continuity and direction to the Strategy process. On the other hand, there has hitherto been no response to calls for a joint signal of support from the highest political level, i.e. from the governments in the region, who could demonstrate their commitment to the Strategy by holding summit meetings on a regular basis.

The dynamics of the external dimension of the Baltic Sea Strategy, which has Russia as its main target, seem less promising. The EU has abandoned its original plan to make the Northern Dimension the basis for cooperation with Russia in the framework of the Baltic Sea Strategy. Instead, Russia shall be involved in the implementation of the Strategy in flexible ways and different formats, thereby effectively continuing the standard practice of collaboration with Russia in the Baltic Sea Region. It is possible to praise this approach as realistic and pragmatic, but it can hardly be characterised as a visionary advancement of the EU-Russia relationship. Thus the model test of the Baltic Sea macro-region is unlikely to provide an innovative impetus at the interface between the domestic and foreign spheres of EU politics.

Polity: The Baltic Sea Strategy has deliberately been designed to avoid any kind of legal or political objection to it. Hence it stands a good chance to become endorsed by all member

states of the EU. The Strategy does not, at least for the time being, call on the EU to create new budget lines, new institutions or new legislation. The emerging macro-regional cooperation in the Baltic Sea Region will thus keep a low profile in the overall framework of multi-level governance in the EU. However, this does not rule out that the Baltic Sea macro-region can eventually make an impact on decision making processes on the EU level, for instance in connection with the upcoming review of the Common Fisheries Policy or the TEN programmes, or with a view to the next Financial perspective from 2014. Whether macro-regional influence will make itself felt in the EU largely depends on the Baltic Sea member states or, more precisely, on their ability to identify common interests related to the Strategy and to join forces with a view to bringing common positions onto the agenda of the EU.

From the point of view of integration theory, the possible emergence of a macro-regional level of governance will follow the example of the Nordic cooperation. As a model of governance, the macro-region will first and foremost strengthen the intergovernmental element of the EU, but without being in contradiction to competing paradigms of integration. To the contrary, neo-functionalists can point to the crucial role that the Commission is set to play in the implementation process of the Strategy and appreciate this as a strengthening of the supranational element of the EU. Federalists can make sense of the macro-region as a means to enhance subsidiarity, as decision making in the EU will increasingly take into account regional views and interests. Its paradigmatic neutrality makes the macro-regional concept principally acceptable and even attractive in the discourse on future reforms of the EU political system.

The Baltic Sea Strategy has already become a blueprint for the Danube Strategy, which the Commission is requested to draft by 2010, and it can principally become a model for similar macro-regional strategies elsewhere in the EU. However, it is improbable that the macro-region will become a concept for the EU as a whole. Three reasons speak against it: First, the Baltic Sea Region is defined on the basis of a functional understanding of macro-region, with the marine ecosystem at its core. Certainly, it is possible to identify similar macro-regions, be it seas (e.g. North Sea), rivers (e.g. Rhine) or mountains (e.g. the Alps). However, other areas in the EU – especially within bigger member states like France, Spain or Poland – are difficult to ascribe to any macro-region in a meaningful way, at least if such a macro-region should be transnational in scope. This points to the second reason that confines the transferability of the concept to the EU at large. The Baltic Sea Region consists of a comparably large number of relatively small member states, a constellation that is not to be found everywhere in the EU. A macro-regional strategy for the Pyrenees, for instance, would de facto come down to a bilateral cooperation between Spain and France. Third, it is characteristic of the Baltic Sea macro-region that it has virtually become a sea internal to the EU, which also makes the EU Strategy an internal Strategy of the EU, despite the involvement of third countries (Russia, Norway etc.). Other European sea areas, such as the Mediterranean or the Black Sea, are predominantly bordered by states that are not members of the EU. Macro-regional strategies in those areas would thus be external in essence. This is even true for smaller functional units like the Adriatic Sea, where the majority of rim countries has not (yet) become EU members.

Recommendations

The analysis suggests the following recommendations:

(1) Benchmarking: The action plan of the Baltic Sea Strategy needs further fine-tuning with regard to deadlines, funding sources and responsible lead partners. Its greatest weakness though is a lack of measurable objectives or benchmarks, which would facilitate the progress review of the Strategy. Even if the Strategy becomes effectively implemented it will be difficult to demonstrate its success to the general public. Therefore, since the action plan remains a working document that needs to be revised on a regular basis, it could be worthwhile to consider the inclusion of a system of success control or benchmarking. So far, benchmarks are only to be found in the environmental pillar of the Strategy, at least to the extent that this pillar is based on the HELCOM action plan for the Baltic Sea.

(2) Annual Forum: The success of the EU Strategy for the Baltic Sea requires a strong impetus for regional cooperation, a new dynamism that cannot be built upon the prospect of acquiring additional funding or creating new institutions. Nevertheless, the present Strategy contains a promising element – the ‘Annual Forum’. The idea of an annual forum should be seen as an opportunity to address one of the problems frequently referred to by regional stakeholders, namely the confusing multiplicity of regional networks and organisations, many of them working towards similar goals. Such a forum will not necessarily reduce the number of institutional actors in the region, but it could be instrumental to make the regional discourse more structured and focused. It could become a rallying point for the entire Baltic Sea Region. More than just a single summit, the annual forum could grow into a major event taking place over several days and involving a variety of networks and organisations active in the region: intergovernmental organisations like the CBSS, BSSSC or UBC, parliamentary assemblies like the BSPC, NC or BA, but also non-governmental networks like the NGO Forum, BASTUN or BDF.

(3) Russia: The role of Russia in the context of the EU Strategy for the Baltic Sea still is unclear. In contrast to Norway, Russia did not participate in the consultation process, and it has not given an opinion about the Baltic Sea Strategy. Russia’s involvement thus remains a matter of discussion and a challenge for the EU and its member states in the Baltic Sea Region. It would be useful to examine the present state of affairs of EU-Russia relations in the region, based on the question to what extent Russia must, can or may participate in the Strategy in order to make it a success. In light of such an analysis it could be considered to offer Russia a comprehensive partnership in the framework of the Baltic Sea Strategy.