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EU GOVERNANCE, 'EXPERIMENTAL UNION', AND BALTIC SEA COOPERATION: THE CASE OF THE EUROPEAN UNION'S STRATEGY FOR THE BALTIC SEA REGION

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Summary

In the past, Baltic Sea cooperation has been characterised by a plethora of region-specific actors and arrangements, covering a wide range of objectives and policies – with the City of Turku assuming a leading role quite regularly. Endorsed by the European Council in 2009, the European Union's (EU) Strategy for the Baltic Sea Region (EUSBSR), a new tool in the EU's repertoire of Cohesion policy and European Territorial Cooperation, was launched with a view to fostering cross-sectoral coordination and cooperation in policy areas which are of 'macro-regional' relevance and appeal such as transport infrastructure and environmental protection. Although placed under the 'Three No's', i.e. no additional EU funding, institutions and legislation, a lean governance architecture at the macro-regional level has emerged over time and the strategy mobilises actors from all tenets of the EU's multilevel governance system, i.e. the EU itself, its member and adjacent partner states, as well as subnational authorities and civil society. Drawing on the analytical lens of experimentalist governance, this paper shows that the EUSBSR ultimately seeks to rebalance both transnational and intergovernmental regional cooperation with a view to fostering territorial cohesion in the Baltic macro-region.

Yhteenveto

Itämeren alueen yhteistyölle on aiemmin ollut leimallista alueellisten toimijoiden ja järjestelyjen yletön määrä, joiden kautta on pyritty kattamaan mahdollisimman laajasti erilaisia tavoitteita ja politiikka-alueita. Turku on perinteisesti pyrkinyt ottamaan vahvan roolin yhteistyöverkostoissa. Vuonna 2009 lanseerattu EU:n Itämeri-strategia (EUSBSR) toi uuden välineen EU:n koheesio- ja alueellista yhteistyötä vahvistamaan pyrkivälle politiikalle. Keskeisenä tavoitteena oli vahvistaa eri sektoreiden välistä koordinointia ja yhteistyötä etenkin niillä politiikka-alueille, joiden puitteissa "makroalueellinen" yhteistyö katsottiin sekä tarkoituksenmukaiseksi että houkuttelevaksi. Näihin lukeutuivat muun muassa logistiikka-ala sekä ympäristönsuojelu. Vaikka strategian ei ollut tarkoitus lisätä EU:n tarjoamia resursseja, luoda uusia instituutioita eikä tuottaa uutta lainsäädäntöä, ajan myötä strategian tueksi on muodostunut matala hallinnollinen rakenne, minkä lisäksi strategia näyttää mobilisoineen myös monia EU:n monitasoisen hallintojärjestelmän toimijoita. Näihin lukeutuu EU:n itsensä ohella myös lähialueiden valtioita, alueellisia viranomaisia sekä kansalaisyhteiskunnan toimijoita. Tässä paperissa EUSBSR:n toteutumista tarkastellaan kokeellisen hallinnon teorian näkökulmasta, missä tarkastelussa keskeisiksi tekijöiksi nousevat pyrkimys tasapainottaa ylikansallista ja hallitustenvälistä, alueellista yhteistyötä ja sitä kautta vahvistaa alueellista koheesiota Itämeren muodostamalla makroalueella.

Introduction: The EU in the framework of territorial and cross-border cooperation

The city of Turku rightly prides itself "as part of the northern European growth zone, which extends from Stockholm through Turku to Helsinki, and onwards to St Petersburg" (Turku City Council, 2014, p. 2). The city is neatly situated on the doorsteps of the Baltic Sea, and Turku has in the past led several political initiatives that have altogether sought to improve 'Baltic Sea cooperation'. The term 'Baltic Sea cooperation' refers to the fact that the region is characterized by an unusually high number of both private and public actors from various levels of governance and across different policy sectors which engage in various forms of transnational collaboration. It has recently been estimated that more than 600 organizations promote some regional cause (Schymik, 2012, p. 71). The policy scope as well as institutional depth of cooperation in the Baltic Sea region has grown substantially over the past few years. While some political observers have dismissed regional cooperation in this part of Europe as "unstructured and 'messy'" (Herolf, 2010, p. 25), others have perceived it in far more positive terms. While some of these organizations were established during the hay-day of the Cold war, such as for instance the Helsinki Commission, founded in 1974, started most undertakings to mushroom only after the collapse of the Communist rule in Central and Eastern Europe (see Cottey, 1999; Schymik, 2012, 69ff.). Most notably, the Council of the Baltic Sea States (CBSS) emerged as a the pivotal "regional undertaking to promote new ideas for cooperation" (CBSS, 1992, p. 1) among it eleven member states of which nine are located on the shores of the Baltic Sea. The Baltic Sea States Sub-regional Cooperation (BSSSC) and the Union of Baltic Cities (UBC), in turn, sought to foster sub-national and municipal cooperation.

Turku is the host city to the highly active Sustainable Cities Commission of the Union of Baltic Cities (UBC), and it has initiated – together with the city of St. Petersburg, its long-standing partner city since the early 1950s, and the German city of Hamburg – the so-called 'Turku process' which sought to provide new impetus to the role of leading municipalities in the Baltic Sea region. In short, Turku has played an active role in regional cooperation, and has attempted to tie its regional engagement with its

wider network of European cooperation, as documented for instance in Turku being recognized as the European City of Culture in 2011.

From the perspective of Turku, taking aside the ongoing crisis with Russia due to Ukraine, a matter which affects Finland quite particularly, but also the EU at large, Baltic Sea cooperation still seems to be prospering. One may thus wonder why several countries of the Baltic Sea region, such as Sweden in 2009 for instance, have been quite active in 'bringing the EU' back into the game of regional cooperation. The question thus is, why has the perception prevailed that there is a need for the European Union in the regional and national cooperation of the Baltic Sea region?

The EU has a long history of functional collaboration in the framework of territorial and cross-border cooperation, and today, it is widely accepted that European Territorial Cooperation (ETC) is one of the cornerstones of European integration (Gänzle, 2016, p. 384). EU macro-regional strategies constitute the most recent addition to this toolbox of functional cooperation in a territorial context. Although geographically focused on a 'macro-region' – for instance the Baltic Sea or Danube areas – these strategies have been devised to promote mutual learning processes amongst stakeholders, as well as cross-fertilisation by 'experimenting' with new governance architectures with a view to establishing clearly defined objectives at the macro-regional scale. The EUSBSR is not only the first and oldest, but admittedly also the most advanced EU 'macro-regional project' to date in terms of its implementation. Comprising Denmark, Estonia, Finland, Germany[1], Latvia, Lithuania, Poland and Sweden, it is primarily conceived as an EU internal strategy. 'Partner' countries of regional cooperation in the Baltic Sea, such as Iceland and Norway have remained loosely 'associated' in the frame of the Economic Area Agreement (EAA) and the Northern Dimension (ND) (Bengtson. 2009; Salines. 2010; Interview#1). Moreover, relations with the Russian Federation, previously forged with the support of external relations instruments such as the European Neighbourhood Policy Instrument (ENPI) and the ND policy (Antola. 2009, p. 6), are virtually stalled for the time being – as a consequence of the so-called Ukraine crisis (Interview#2).[2]

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[1]That is, the German Länder of Schleswig-Holstein, Mecklenburg-Western Pomerania and Hamburg.
[2]The EU inward-looking focus of the EUSBSR stands in stark contrast to the three other EU macro-regional strategies that have hitherto been adopted by European Council. That is, the EU Strategies for the Danube (2011), Adriatic-Ionian (2014) and Alpine Region (2015) all exhibit a relatively clear

What are EU macro-regions… ?

A 'macro-region' is "an area including territory from a number of different countries or regions associated with one or more common features or challenges" (European Commission. 2009, p. 1). Macro-regions are certainly construed, albeit in the case of the Baltic Sea, the idea of regionness[3] (Hettne and Söderbaum. 2000) is possibly the most advanced given the well-established trajectory of regional cooperation in the wider Baltic and Nordic areas. In terms of their 'strategic' focus, EU macro-regional strategies involve a deliberative process by which a set of objectives and measures are determined in order to address the challenges and opportunities of a macro-region; thus they become 'long-term political initiatives […] on cross-cutting policy issues locked in commitments about targets and processes' (Borrás and Radaelli, 2011, p. 464).

… and EU macro-regional strategies?

By proposing macro-regional strategies, the EU aims to establish an "integrated framework to address common challenges, i.e. the urgent environmental challenges related to the Baltic Sea, and to contribute to the economic success of the region and to its social and territorial cohesion, as well as to the competitiveness of the EU" (Council of the European Union, 2009, p. 11). This may be supported by existing financial means from the European Structural and Investment Funds (ESIF). The core aim of these strategies is to define and advance coordination and integration of different policy sectors such as environment and agriculture in a comprehensive way. This goal, however, has been made subject to the principle of the so-called 'Three No's' which mean that the implementation of macro-regional strategies (1) should not result in any (major) additional costs, for example in terms of funding via EU Cohesion policy, (2) should not trigger the establishment of any new institutions, and

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external dimension, involving countries such as Switzerland, Lichtenstein, Serbia and Montenegro, as well as Moldova and Ukraine 'on par' in the macro-regional governance architecture (see Dubois et al. 2009; Dühr 2011; 2009).

[3]Hettne and Söderbaum (2000, p. 461) define 'regionness' as 'the process whereby a geographical area is transformed from a passive object to an active subject, capable of articulating the transnational interests of the emerging region'.

finally (3) should not give rise to specific EU legislation devised for the 'macro-region' (European Commission, 2009, p. 5; see Schymik, 2011, p. 5-6). The lack of financial resources results from the fact that the first macro-regional strategy was endorsed at a time when the EU budget had already been approved for the 2007 to 2013 financial perspective, and it therefore did not allow for the inclusion of new budget lines. Thus, the creators of this new approach hoped to avoid the competition for financial resources and rather aspired to use the 'Three No's' as a test-bed for new formats of governing transnational cooperation in line with intergovernmental forms of collaboration.

This contribution proceeds as follows. First, it introduces the experimentalist governance approach as an analytical tool for assessing the dynamics of the EUSBSR. Second, it reviews the scope conditions for regional cooperation in the Baltic Sea Region (EUSBSR). Third, it analyses the governance architecture that has emerged in the light of propositions of the experimentalist governance. Finally, it addresses the core achievements and shortcomings of the strategy, and concludes with several practical policy recommendations.

Toward the EU Strategy for the Baltic Sea Region

Keeping the long trajectory of regional cooperation in the Baltic Sea region in mind, it does not come as a surprise that EU's first set of macro-regional strategies was devised for this region (Rostocks, 2010). After EU enlargement, the Baltic Sea became almost entirely part of EU 'territory', rendering the future of hitherto established formats of regional integration – e.g. in the frame of the Council of the Baltic Sea States (CBSS)[4] (Etzold, 2010; Lundin, 2013) – uncertain with regards to future purposes and directions.

Ever since the Hanse, an alliance of several Baltic cities formed to protect and defend the commercial interests of the cities during the middle ages, has the regional cooperation in the Baltic Sea area left traces in the collective memory of its inhabitants and contributed to the formation of 'region-ness' in the area. Drawing on cultural proximity, this triggered sensitivity for regional collaboration which, in the aftermath of World War II, first resulted in Nordic cooperation (Denmark, Iceland, Norway, Sweden and – later – Finland) along a wide range of policy areas such as the formation of a passport union. Second, informed the signing of the Helsinki Convention and the subsequent establishment of the so-called Helsinki Commission[5] as its body for steering intergovernmental cooperation with a view to protect the fragile marine environment of the Baltic Sea from all sources of pollution. The Helsinki Commission was one of the few examples of regime formation across the ideological blocs during the East-West conflict. Third, Baltic Sea cooperation was the first sub-regional cooperative arrangement along the borders of the former East-West dividing lines in the spirit of the Visegrád and Black Sea cooperation (Dangerfield 2016). However, in contrast to the latter formats, the Baltic Sea cooperation – as institutionalised in the CBSS in March 1992 – brought the participating countries

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[4]The members of the Council of the Baltic Sea States (CBSS) are Denmark, Estonia, the European Commission (now: the European External Action Service representing the EU), Finland, Germany, Latvia, Lithuania, Poland, Russia and Sweden. It was founded on a Danish-German initiative led by the then foreign ministers Uffe Ellemann-Jensen and Hans-Dietrich Genscher.

[5]Today, the contracting parties are Denmark, Estonia, the European Union, Finland, Germany, Latvia, Lithuania, Poland, Russia and Sweden. The Helsinki Commission is not to be confused with the U.S. Helsinki Commission (Commission on Security and Cooperation in Europe), which is an independent U.S. government agency created by Congress in 1975 to monitor and encourage compliance with the Helsinki Final Act and other Organisation for Security and Co-operation in Europe (OSCE) commitments.

from the 'both' sides of the former Iron Curtain to the discussion table; although strictly speaking several of the Nordic countries – i.e. Finland and Sweden – have to this day remained non-aligned. The growth of the cooperation at the national level among the states of the Baltic Sea region almost immediately translated into efforts improving the participation of both municipalities and other sub-national authorities in the region. Consequently, the Union of Baltic Cities and the Baltic Sea State Sub-regional cooperation (BSSSC) were both formed in 1993. And fourth, the prospect of EU integration – first with the admission of Finland and Sweden in 1995, and Estonia, Latvia, Lithuania and Poland in 2004 – made the EU not only a key actor of the region, but also effectively turned the Baltic Sea almost into a common EU sea. To accommodate the specific needs of the region, the EU sought to better coordinate its own instruments and policies for regional cooperation such as through the ND, endorsed in 1999 and renewed in 2006, which focuses on economic development, environmental protection, public health and transport (Catellani, 2000; Archer and Etzold, 2008).

In the wake of EU enlargement, many policymakers of the Baltic Sea region felt the urgent need to improve coordination amongst the plethora of institutions that had started to populate regional collaboration over the past few years, and to better integrate the EU member states participating in Baltic Sea cooperation (Aalto et al., 2016; Hubel, 2004). To achieve these goals, the ND was morphed into a common policy beyond the EU to include Iceland, Norway and the Russian Federation. The CBSS, in turn, was turned into a more project-orientated body, stripped off of its post-Cold War features, primarily geared towards ensuring a smooth return of the newly independent Baltic States on the diplomatic floor. Concomitantly, after the first post-enlargement European Parliament elections, a Euro-Baltic Intergroup was established in 2004 bringing together members of the European Parliament from various Baltic Sea Region countries, such as Alexander Stubb and Hendrik Ilves. In 2005, the group presented an initiative to the European Commission president in order to maximise the economic potential of the reunited Baltic Sea region (Beazley, 2007, p. 14), and to lobby for a more consolidated EU pillar of Baltic Sea states within the ND. Following a mandate by the European Council (2007), the European Commission subsequently adopted the initiative and started to develop a joint framework.

A Framework for Analysis – in a Nutshell

Since the 1990s, governance approaches, such as multilevel, network and external governance, have come to the fore of the research agenda in studies on European, as well as other forms of, regional integration (Jachtenfuchs, 2001; Kohler-Koch and Rittberger, 2006). Classical theories of regional integration – such as neo-functionalism and liberal intergovernmentalism – have been interested in disclosing the main driving forces of integration (Piattoni, 2016), whereas governance approaches are interested in procedural aspects and effects of the regional integration on the member states and regions. Terms such as 'network governance' and 'multilevel governance' pinpoint the specific ontological features of the processes of governance. Among these conceptual refinements of governance approaches, the multilevel governance approach presumably sticks out as the most popular and prominent one (e.g. Hooghe and Marks, 2003, 2010; Marks, 1992, 1993; Stephenson, 2013).

More recently, the concept of experimentalist governance has entered the vocabulary with a view of providing an additional tool for explaining European integration under the conditions of crisis and sustained uncertainty (Sabel and Zeitlin, 2010). Hence, 'experimentalist governance' is much more concerned about procedural aspects than policy outcomes. Sabel and Zeitlin have described experimentalist governance as "a recursive process of provisional goal-setting and revision based on learning from the comparison of alternative approaches to advancing them in different contexts" (2012, p. 1). Thus, the experimentalist governance approach analytically distinguishes four phases of the recursive process as follows:

> [F]irst, framework goals (such as 'good water status', safe food, non-discrimination, and a unified energy grid) and measures for gauging their achievement are established by joint action of the Member States and EU institutions. Lower-level units (such as national ministries or regulatory authorities and the actors with whom they collaborate) are, second, given the freedom to advance these ends as they see fit. Subsidiarity in this architecture implies that the lower-level units have sufficient autonomy in implementing framework

rules to propose changes to them. But in return for this autonomy, they must, third, report regularly on performance, especially as measured by the agreed indicators, and participate in a peer review in which their own results are compared with those pursuing other means to the same general ends. Fourth and finally, the framework goals, metrics, and procedures themselves are periodically revised by the actors who initially established them, augmented by such new participants whose views come to be seen as indispensable to full and fair deliberation (Sabel and Zeitlin, 2012, p. 3).

The authors state that experimental governance functions best under the following three conditions. First, there is an environment of strategic uncertainty, where policymakers do not know their precise goals or how to best achieve them *ex ante*. Under such conditions, "actors by definition have to learn what their goals should be, and while learning determine how to achieve them" (Sabel and Zeitlin, 2012, p. 9); second, "a multi-polar or polyarchic distribution of power, in which no single actor has the capacity to impose her own preferred solution without taking into account the views of the others" (ibid.); and third, the presence of diversity and interdependence which means that there is the motivation to find joint solutions to common problems, as it becomes impossible to impose or enforce uniform rules unilaterally. Moreover, experimentalist governance in the EU is not exclusively confined to those policy fields where the Union has weak competences, for example in issuing mainly non-binding guidelines, action plans, scoreboards and recommendations. In many cases, the experimentalist architecture may trigger revisions of EU law, or the elaboration of revisable standards mandated by law and principles that may eventually be given binding force. Furthermore, experimentalist governance does not only occur in the context of the EU, but can be observed in a wide range of international policies (Zeitlin, 2015) including antidiscrimination, competition, energy, environmental protection, employment and financial marker regulation. While a uniform pattern of experimentalist governance does not exist, experimentalist governance can entail "the possibility of a reversal to classic modes of governance" (Mendez, 2011, p. 521).

The EUSBSR is interpreted here as an instance of experimentalist governance and a challenge to the (more formal) territorial cooperation of the EU's regional policy. Due

to the vagueness concerning the implementation tools and power dispersed across the EU's interdependent multilevel system of governance in general, and the consensual approach characterising EU regional policy, the EU's macro-regional strategies constitute paradigmatic examples of the experimentalist governance. Their significance resides in their capacity to mobilise institutional and non-institutional actors towards policy goals that have been identified as central to the Union, but which have somehow escaped its reach. In turn, the significance of macro-regions themselves lies in other areas, such as in their capacity to recombine the institutional structures that have been created at various levels to manage and implement policies in novel but fluid ways.

Understanding the EU Strategy for The Baltic Sea Region

EU macro-regional strategies, such as the EU Strategy for the Baltic Sea Region, constitute first and foremost broad frameworks and joint endeavours decided among authorities at different territorial levels of government (supranational, national and subnational) which over time tend to institutionalise consultation patterns, decision-making procedures, administrative roles and behavioural expectations, despite the so-called 'Three No's'. Second, macro-regional strategies provide public and private actors the opportunity to mobilise the defence of their own interests and to forge policies, as well as alliances and institutions that will accommodate them. In this process, actors at the 'lower' (national or subnational) levels are given some discretion in terms of implementation. Third, the main drive of macro-regional strategies is to encourage the implementation of a set of interconnected policies, originally pursued separately in response to distinct societal pressures, and to commit the member states to report regularly on the process and the results – thus encouraging "diagnostic monitoring" (Sabel 2016, p. 4). Fourth, based on these experiences and feedback, the framework is regularly revised and adjusted, before the cycle then repeats itself. Hence, one would expect some sustained forms of navel-gazing and evaluation-based revision of policy tools serving the implementation of macro-regional strategies.

Developing a joint framework for the EU Baltic Sea Strategy

Once the European Commission had taken the initiative from the European Parliament, it sought to include a wide range of stakeholders during the preparation of both the strategy and its accompanying action plan. To this end, a public consultation process which occurred between August 2008 and February 2009 was organised (see Bengtsson, 2009, p. 3; Rostoks, 2010, p. 15ff.). During that time, several hundred position papers and statements were prepared, issued from various corners encompassing different private and public actors from virtually all levels of Baltic Sea cooperation. After a synthesising analysis of the publicly available documents,

Schymik and Krumrey (2009, p. 15) concluded that "[t]he European Commission has by and large been able to draft an Action Plan that captures the essence of public opinion in the region." Eventually, the EUSBSR was presented by the European Commission in June 2009, and adopted by the European Council in October that year under the Council Presidency of Sweden. Sweden had turned the EUSBSR into a top priority, and ensured support among the targeted EU member states. Whereas the macro-regional strategy constitutes a broad and comprehensive framework, the Action Plan identifies "the concrete priorities for the macro-region" (European Commission 2010, p. 3). The Action Plan proposed the establishment of four pillars for 'macro-regional' cooperation. The EUSBSR aimed to (1) improve the environmental state of the Baltic Sea, (2) promote more balanced economic development in the region, (3) make the sea more accessible and attractive, and (4) increase macro-regional safety and security. Once included in the Action Plan, the action or project "should be implemented by the countries and stakeholders concerned … [and] be *illustrative, providing examples of types of projects or approaches to be more generally encouraged*" (ibid., emphasis added by the author). Whereas the macro-regional strategy itself constitutes the broad and comprehensive framework, the Action Plan identifies "the concrete priorities for the macro-region" (European Commission 2010, p. 3).

In the first major review report published in June 2011, the Commission stressed that the EUSBSR's overall impact had been successful, emphasising in particular that it "has led to concrete action, with a more streamlined use of resources … [where] [n]ew working methods and networks have been established, and many initiatives developed" (European Commission 2011, p. 3). Clearly, as the EUSBSR was launched in the middle of the 2007-2013 programming period, a great deal of financial resources had already been reserved for other projects. Nevertheless, a number of new projects began, such as the 'Baltic Deal', which makes strong references to the strategy. Members of the 'Baltic Deal' network would work "with farmers across the region to reduce nutrient run-off, and therefore eutrophication" (European Commission, 2011, p. 2) which is one, if not the key, challenge of the Baltic Sea. This project has often been used as a reference point to showcase enhanced awareness across different policy sectors and communities of the region. In 2013, the European Commission engaged in an evaluation exercise that included an extensive survey of more than one hundred key stakeholders, as well as independent assessments by

external experts. The evaluation concluded that macro-regional strategies have triggered clear results, "evident in terms of projects and more integrated policy making, although further improvements are essential in implementation and planning" (European Commission, 2013a, p. 11). At the same time, the document also identifies a set of problems, such as the lack of leadership in some corners of the macro-region. While the scarcity of administrative capacities and national resources may account for political disinterest in some countries, the complexities of the EUSBSR's governance architecture have not helped to make either its EU member states or partner countries wholeheartedly hail the new initiative.

Entrusting lower-level units in Baltic Sea EU member states with autonomy

Despite the 'Three No's', the adoption of the EUSBSR was accompanied by the emergence of a lean governance architecture comprising a wide range of actors from the EU's system of multilevel governance. In this region, the member states assume a paramount role and are constantly compelled to assume political leadership of the 'macro-regional project'. In general, the success of the strategies is dependent on the political willingness, as well as the administrative and financial capacities of participating states. EU member states collaborate in the network of National Contact Points (NCPs), or national coordinators (NC), which have – over time – become the cornerstone of macro-regional strategies, assisting and coordinating their implementation at the national level. Participating states are linked to policy formulation by the so-called High Level Group (HLG), which also brings together all other member states at the EU level. EU member states that are not part of a given macro-region, however, do not actively participate in the HLG meetings (Interview#5).

The European Commission assumes overall responsibility for monitoring the implementation of both the strategy and its accompanying Action Plan. Together with EU member states in the Baltic Sea region, it has become the driving force behind the policy process leading towards the strategy's successful implementation. It assumes an important role in preparing strategy reviews, as well as in monitoring

its implementation and leading the overall coordination of the rolling Action Plan. Policy area coordinators (PACs) or horizontal action leaders (HALs) – later called policy or horizontal actions coordinators – from different member states and organisations coordinate each priority area (PA). Different member states or organisations are responsible for the PAs and Horizontal Action(s) (HA). Further, several organisations operating at the macro-regional level – for example, the CBSS, HELCOM and Vision and Strategies around the Baltic Sea (VASAB) – actively participate in the implementation of the strategy as either PACs, such as the CBSS for PA 'Secure', or HALs such as VASAB and HELCOM for HA 'Spatial Planning'. Furthermore, steering groups have been established, bringing together various interested stakeholders from other line ministries, subnational authorities and international organisations of the region. As one policy coordinator put it: "[w]orking in the capacity of PAC/HAL implies having to tackle a great deal of complexity. Besides, it often takes place in environments characterized by uncertainty (e.g. of mandates, agendas, possibilities) and ambiguity (e.g. unclear roles, poor information)" (Bergström, 2013, p. 2).

Regular reporting

Monitoring and reporting has developed into a yardstick of EU macro-regional strategies. In 2015, the Council decided that the European Commission was to evaluate all macro-regional strategies in a comprehensive way every other year. Thus, this aimed to avoid fragmentation, as well as "to make it possible to compare MRS (macro-regional strategies, *the author*) and will provide all institutions concerned with sufficient insights for an informed debate" (European Commission, 2016, p. 3). The reports themselves, of which the first was published in 2016, are based on contributions from the macro-regional strategies' stakeholders, European institutions, member state representatives, academia and experts. Interestingly, the presentation tools – e.g. the website of macro-regional strategies such as the EUSBSR and EUSDR – have converged with a view of strengthening the horizontal dimension of comparability between the macro-regional strategies. Furthermore, policy coordinators and horizontal action coordinators are compelled to report on a yearly

basis to the Commission on the implementation progress regarding the objectives and projects which have been agreed upon on the EUSBSR in 2012. As noted:

> There is increasing demand, not least from the Commission, for a stronger focus on the strategies' core priorities. In this regard, it is important to align the MRS with broader strategies for EU policy-making and to ensure regular reviews towards identified objectives, as this increases chances of delivering results. Without clearly defined indicators and targets, is difficult to assess how well the planned objectives have been met. A sound monitoring system based on results-oriented action is crucial to make it possible to measure, steer and report on each MRS to inform decision making (European Commission, 2016, p. 4).

With regards to its target-informed approach, the EUSBSR occupies a unique place amongst all macro-regional strategies. Still, it has remained difficult to assess the precise impact of the EUSBSR on specific policy developments in the region, such as eutrophication (EU Court of Auditors, 2016).

Feedback-loop to inform the governance architecture of the EU's Baltic Sea Strategy

The EUSBSR Action Plan was conceived as 'rolling' which fundamentally implied that it would quickly absorb 'lessons learned' and engage in a recursive process of experimentalist governance. Therefore, it was revised in 2010 and 2013 respectively (European Commission, 2013c). The Action Plan had originally proposed the establishment of four pillars for 'macro-regional' cooperation along the lines of the four challenges identified for the macro-region. These areas have subsequently been turned into fifteen different so-called PAs that have been assigned a set of highly relevant projects (also known as flagship projects) as the showcase for the EUSBSR. The original four overall strategy pillars have been streamlined and transferred into just three objectives: (1) to save the sea; (2) to connect the region; and (3) to increase prosperity. Concomitantly, however, the number of PAs was increased from 15 to 17,

which at the time raised doubts amongst some observers 'whether the Strategy will in practice become more focused and more effective' (Etzold 2013, p. 11). The horizontal actions (cross-cutting themes such as 'Neighbours' with the aim of integrating stakeholders in neighbouring countries) have been reduced quite significantly from 13 to five, and subsequently to four, now including 'Sustainability', 'Neighbours', 'Climate' and 'Capacity'.

Several of these horizontal actions are directed by regional organisations such as the umbrella of civil society organisations '*Norden'*, the Union of the Baltic Cities (UBC) and the CBSS. Whereas the CBSS did not occupy any central role at the beginning, it was gradually recognised as an important player in the revised Action Plan of February 2013 when it started to manage several macro-regional projects and contribute to the governance of the strategy. Since then, the CBSS has, amongst other things, co-coordinated a PA focused on civil contingencies and two horizontal actions, namely 'Neighbours' and 'Sustainability'. In addition, annual fora for the EUSBSR have strengthened stakeholder involvement and participation, the first of which was held in Tallinn in 2010, followed by Gdansk (2011), Copenhagen (2012), Vilnius (2013), Turku (2014), Jūrmela (2015), Stockholm (2016) and Berlin (2017). By bringing together both policymakers and stakeholders, these meetings provided a platform for networking, discussions and an exchange of views about the EUSBSR and its implementation.

Conclusion and Policy Recommendations

In contrast to previous EU attempts to reinforce regional cooperation, such as the 'Union's Approaches to the Baltic Sea Region' (European Commission, 1994) or the Northern Dimension of 1999 (Council of the EU, 1999; Arter, 2000; Catellani, 2000; Archer and Etzold, 2008), the EU has sketched out a framework that addresses common challenges and opportunities not only in a more comprehensive manner, but also in an EU-centred manner. Most importantly, because of launching similar initiatives in other 'macro-regions', macro-regional cooperation allows for cross-(macro-)regional competition and – possibly – transfer of best-practices. Regional cooperation below the EU level has been characterised in the past by a plethora of region-specific actors and arrangements, covering a wide range of objectives and policies (Aalto et al., 2016). The EUSBSR, therefore, serves as a facilitator of coordination in the Baltic Sea region with significant effects beyond its territorial boundaries. As such, the 'Baltic example' has been accepted as a 'model' in other macro-regional set-ups such as the EU Strategy of the Danube Region (Interview#4). This paper has shown that EU macro-regional strategies such as the EUSBSR in particular aim at the alignment of objectives and resources of both transnational and intergovernmental cooperation. Macro-regional strategies after all support the implementation of EU-level strategies – such as the ones expressed in Europe 2020 – as part of the ESIF on a macro-regional scale (Roggieri, 2015). By this, EU macro-regional strategies aim to substantiate the objective of territorial cohesion introduced by Article 174 of the Treaty of Lisbon with a view to complement the principles of social and economic cohesion.

The EUSBSR is one of the most advanced EU macro-regional strategies and can be captured as an instance of experimentalist governance. This is not to say that implementation is smooth and effective throughout the board of EUSBSR policies. Eutrophication of the brackish waters of the Baltic Sea remains an issue of concern (Schumacher, 2012; European Court of Auditors, 2016; Interview #6) – however, this is to a significant degree triggered by the Belorussian and Russian regions of the Baltic Sea drainage area. This signals a twofold dilemma of the EU internal recalibration of intergovernmental and transnational cooperation in the Baltic macro-region. On the one hand, cooperation cannot be sealed off from the wider political

developments affecting regional collaboration – such as the fallout of the bilateral Russian and EU sanction regime in the wake of the so-called Ukraine crisis. On the other hand, there is the need to sufficiently involve non-EU countries in the development of new formats of cooperation (Browning, 2010, p. 407f.), whereas regional cooperation inside the EU is increasingly framed as 'macro-regional' cooperation. Rather than emphasising diplomatic functions of communication, EU macro-regional strategies seem to be more concerned about output-orientated objectives and the effective reshuffling of existing organisational structures in order to justify their existence.

Our analysis clearly demonstrates that the EUSBSR has come a long way and is underpinned by a logic of experimentalist governance. In line with the call for 'no new institutions', a governance architecture has been established that strongly draws on existing and tested institutions which have been integrated into the texture of EUSBSR-informed cooperation. The strategy-making and the implementation of strategy-related objectives can be grasped as recursive processes that subsequently allow the mutual learning of all participating actors and stakeholders. In this vein, the Baltic Sea Fisheries Forum, to give one more example, has been transformed into a permanent fisheries forum that "is embedded into the everyday cooperation work of the Ministries of the region … thus [representing] … a permanent change brought about by an EUSBSR Flagship" (EUSBSR Policy Area Bioeconomy, n.d.). Gradually, transnational institutions are redesigned, becoming constitutive elements of macro-regions, including hybrid arrangements of governmental and non-governmental actors (Joas et al., 2007). It remains though to be seen how sustainable these processes ultimately are. For the time being, their weak point from an experimentalist perspective concerns the third element of the experimentalist cycle, that is, the diagnostic monitoring of implementation, as well as reporting against agreed indicators, peer review, evaluation and the revision of local plans. Without such in-depth monitoring and comparative reviews of implementation experience, the two-way recursive feedback between conception and execution at central and local levels remains flawed, and there is a risk that the architecture becomes an empty shell. However, the EUSBSR has addressed this concern by reinforcing its monitoring procedures quite substantially.

In general, EU macro-regional strategies seek to support the regionalisation of a number of EU policies via the activation and mobilisation of relevant stakeholders and actors. Consequently, the European Commission has emphasised the importance of this form of 'regionalism' inside the EU for the entire Union. Conceived "as building blocks in reaching European objectives" (European Commission, 2013, p. 20), macro-regions have become "integral aspect[s] of the essence of the Union" (Joenniemi, 2010, p. 33). Moreover, by applying the label of macro-regional strategy, different macro-regional territories can be easily compared with each other, thus rendering competition for best possible practice. By forging both a comprehensive and integrated framework for the Baltic Sea region, the EUSBSR ultimately aims to realign complex politico-social, regulatory and ecosystem boundaries, framing itself as a legitimate form of regionalisation inside the EU. Clearly, the EUSBSR remains by and large an intergovernmental strategy (Sielker, 2016) in which the member states are of paramount importance. Hence, the political will of member states to support this form of European governance remains decisive. Yet, it is important to ensure that partner countries, subnational authorities and civil societies continue to have a voice in order to make the macro-regional experiment sustainable. Towards the backdrop of these findings, the following five policy recommendations can be defined[6]:

1. A further clarification of responsibilities and tasks is needed in order to make the Strategies successful in the future. Marco-regional strategies, like the EUSBSR, rely on a highly complex and dynamic transnational governance architecture. In this regard, the experimentalist approach can help raise awareness about a responsive system with mutual information flows between a strategy's formal and informal patterns, with the latter being crucial especially in view of the absence of macro-regional legislation, institutions and funding.

2. The concept of macro-regional strategies needs to be embedded in all of the sectoral policies for every participating country in order to strengthen not only the bottom-up process, but also the top-down capacity of the macro-regional strategies. This means that they need to be considered in national ministries once governmental programmes have been negotiated and they should also

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[6]These recommendations draw from a contribution to INTERACT involving the author of this working paper.

play a stronger role in the future European legislation, especially in the European Structural and Investment Funds regulations and other legal bases for European investment. Macro-regional strategies provide a new order in so far as they trigger the cooperation between the administration of regional policy and political initiatives and also contribute to the coherence of different funds and policies, with the potential of breaking the organizational 'silos' that have emerged after several decades of implementation of the regional policy of the EU.

3. Macro-regional strategies are long-term and need to be understood as long-term endeavors aimed at incremental change; they are not a mere duplication of existing programmes. As macro-regional strategies, they bear the capacity to contribute to the capitalization of EU programmes and projects, thereby feeding back into the policy level.

4. Macro-regional strategies might become a forum that provides room for criticism referring to the shortcomings of the existing regional and urban policy of the EU, as well as insight into the real needs on the ground.

5. Despite various challenges related to the ongoing crisis with Russia, the city of Turku should capitalize on its strong place in the macro-regional governance architecture – the 'Turku Process', UBC Environmental Commission Secretariat etc. – and draw from its characteristics as one of the hubs of Baltic sea cooperation.

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Interview #2: Swedish official, 11 January 2017

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Interview #4: Representative of the Council of Danube Cities and Regions, 22 January 2013

Interview #5: Horizontal Area Leader, Stockholm, 30 June 2013

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