



EU Strategy for the Adriatic and Ionian Region (EUSAIR) facilitating the enlargement process of Western Balkans

Final Report



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EU Strategy for the Adriatic and Ionian Region (EUSAIR) facilitating the enlargement process of Western Balkans

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LIST OF ABBREVIATIONS

AII: Adriatic-Ionian Initiative

ALB: Albania

BiH: Bosnia and Herzegovina

CBC: Cross Border Cooperation

CEI: Central European Initiative

CFP: Common Fisheries Policy

CSO: Civil Society Organisation

DFIs: Development Finance Institutions of EU Member States

DG: Directorate-general

EEAS: European Union External Action Service

EC: European Commission

EIP: Economic Investment Plan

EPPA: Environment Partnership Programme for Accession

ESIF: European Structural Investment Funds

ETC: European Territorial Cooperation

EU: European Union

EUSAIR: European Strategy for the Adriatic-Ionian Region

FAO: Food and Agriculture Organisation

GB: Governing Board

GDP: Gross Domestic Product

ICM: Integrated Coastal Management

IFIs: International Financial Institutions

IO: International Organization

IPA: Instrument for Pre-Accession Assistance

IPARD: Instrument for Pre-Accession Assistance for Rural Development

ITS: Intelligent Transport Systems

JRC: Joint Research Centre

MAP REA: Multi-annual Action Plan on Regional Economic Area in the Western Balkans

MFF: Multiannual Financial Framework

MK: North Macedonia

MNE: Montenegro

MRS: Macro-Regional Strategy

MSP: Marine Spatial Planning

NGO: Non-Governmental Organization

NUTS: Nomenclature of Territorial Units for Statistics

OECD: Organisation for Economic Cooperation and Development

OP: Operational Programme

P: Pillar

PA: Partnership Agreement

PPE: Personal Protective Equipment

RCC: Regional Cooperation Council

R&D: Research & Development

R&I: Research & Innovation

SAA: Stabilisation and Association Agreement

SDGs: Sustainable Development Goals

SME: Small and Medium Enterprise

SRB: Serbia

TEN-E: Trans-European Networks for Energy

TEN-T: Trans-European Networks for Transport

TSG: Thematic Steering Group

UNIADRION: Association of Universities of the Adriatic-Ionian Area

WB: Western Balkans

WBIF: Western Balkans Investment Framework

ABSTRACT

This paper examines the complementarities between the EU Strategy for the Adriatic and Ionian macro-region (EUSAIR) and the enlargement process to the Western Balkan countries participating in the EUSAIR. It analyses the EUSAIR and the relevant EU documents, and explores the potential contribution of the EUSAIR to the WB integration process with a series of 37 in-depth interviews. Finally, it makes a number of policy recommendations in this field.

The paper highlights the assets that the EUSAIR may offer the enlargement process, such as: its horizontal cooperation; a regional dimension that connects the WB to the EU; the convergence of interests between member states and non-member states on enlargement; its cooperative nature; its capacity-building contribution; the emphasis on territorial cooperation and its inclusive approach.

The paper then shows how the EUSAIR may contribute to the enlargement process by: easing the adoption of the *acquis communautaire* in the WB countries; fostering administrative capacity with grounded, evidence-based policies, generating cohesion competencies in the WB countries; helping the implementation of EU policies and strategies beyond EU borders; offering a framework where different levels, processes, strategies, and funds may converge; promoting a strong involvement of stakeholders and participatory policy-making that increase the accountability of governments and consolidate democracy.

EXECUTIVE SUMMARY

This paper examines the complementarities between the EU Strategy for the Adriatic and Ionian macro-region (EUSAIR) and the enlargement process to the Western Balkan countries participating in the EUSAIR (Albania - ALB, Bosnia and Herzegovina - BiH, Montenegro - MNE, North Macedonia - MK, and Serbia - SRB). It does so with an extensive document analysis that looks at common points and synergies between the EUSAIR Communication, its Action Plan¹ and flagships and the related EU *acquis communautaire*, the new Enlargement methodology, the Stabilization and Association Agreements (SAAs) and European Commission's (EC) Progress Reports 2020, the *Economic and Investment Plan for the Western Balkans*, the *Green Agenda* for the Western Balkans, and other relevant financing instruments and EU programmes. Furthermore, it explores the potential contribution of the EUSAIR to the WB integration process with a series of 37 in-depth interviews with stakeholders carried out between January and March 2021. It features a table with a comparative overview of the EUSAIR objectives and *acquis* chapters; this table contributes to the identification of main directives, regulations, and initiatives relevant to EU enlargement and cohesion that the EUSAIR could support. Finally, the paper makes a number of policy recommendations to inform both the EC and the EUSAIR planning and future activities that may support the WB integration process.

The paper shows that the EUSAIR presents a number of assets in support of the enlargement process, and namely:

- a *horizontal* cooperation that allows greater ownership of the processes by the beneficiary countries;
- a *regional* dimension that connects the WB to the EU, fostering a regional sense of identity that goes beyond the WB as well as a Europeanisation process;
- a *convergence* of interests on enlargement, which is a priority topic across the EU Member States that participate in the strategy;

¹ SWD (2020) 57 final.

- a *capacity-building* approach, based on cooperation in different fields and at different levels, which enables the relaunch of enlargement out of traditional logics and narratives;
- an emphasis on *territorial cooperation* that stimulates positive dynamics between local authorities, the private sector, and other relevant stakeholders at the local, national, and transnational level;
- an *inclusive approach* that empowers stakeholders as active participants in the macro-region.

Thus, it discusses how the EUSAIR may contribute to the enlargement process focusing on four main aspects:

1. by easing the adoption of the *acquis communautaire* in the WB countries;
2. by fostering administrative capacity with grounded, evidence-based policies, especially generating cohesion competencies in the WB countries;
3. by offering a framework where different levels (multi-level governance), processes, strategies, and funds (EU and non-EU) may converge;
4. by promoting a strong involvement of stakeholders and participatory policy-making that increase the accountability of governments and consolidate democracy.

The EUSAIR Action Plan identifies two cross-cutting issues: a) capacity-building, including communication, for efficient implementation and for raising public awareness and support; b) research and innovation to boost high-skilled employment, growth, and competitiveness, and cooperation within transnational networks to bring ideas to markets and help develop new products and services. When dealing with cross-cutting issues, the EUSAIR supports its participating countries from the WB in developing administrative capacity and financial management, particularly facilitating their alignment with chapter 5 on public procurement, chapter 18 on statistics, and chapter 32 on financial control - all belonging to cluster 1 of the new methodology (known as the "fundamentals").

Capacity-building is also relevant in view of adopting chapter 22 (Regional policy and coordination of structural instruments), which consists of framework and implementing regulations that define the rules for applying, approving, and implementing Structural Funds and Cohesion Fund programmes. Negotiations under this chapter are relevant to prove the country's absorption capacities. Advancements in chapter 22 are also related to the (horizontal and thematic) enabling conditions for cohesion policy.

The EUSAIR may offer such a crucial contribution to the improvement of planning, managing, monitoring, etc. capacities while working in the four pillars. This, in turn, may help candidate countries to make progress with other chapters. Advancements on chapter 22 are also linked with the increasing participation of stakeholders. Advancing in chapter 22 means to establish in WB countries open, interconnected networks of stakeholders. To pursue structural change, it is important to create local, national, and transnational ecosystems conducive to it, as the EUSAIR is in the position to do. However, in order to take full advantage of the potential of the EUSAIR in this field it is necessary to improve its implementation mechanisms.

The comparative analysis of EUSAIR pillars with relevant *acquis* chapters identifies possible processes and policies that could support the EU integration while increasing the administrative capacity, political commitment, and policy implementation of the MRS. The analysis focuses on information available in the last Annual Progress Reports published by the EC for each EUSAIR WB participating country. For each pillar, actions proposed, projects, and flagships are analysed in the light of EU integration. Each pillar is also paired with the investment flagships proposed in the Economic and Investment Plan for the Western Balkans, the Green Agenda for the Western Balkans, and IPA III thematic windows, the cohesion funds, and other financial instruments. Similarly, the projects implemented under the first three calls of Interreg Adria are described, in order to identify their support for the achievement of the EUSAIR objectives and in particular for the facilitation of the EU enlargement process to the WB.

EUSAIR Pillar 1 “Blue Growth” is linked to chapter 13 (Fisheries) and chapter 25 (Science and research) of the *acquis*. The Action Plan highlights how actions in the sectors of fisheries and aquaculture, as well as in the blue technologies, need to build on the Smart Specialisation Strategies developed at regional and national level.

As fishery activities in the Adriatic and Ionian Seas are predominantly small-scale, they are vulnerable to global competitiveness. The Action Plan points to the need to enhance cooperation among the coastal communities and to widen stakeholders’ involvement. The Smart Specialisation approach may increase cooperation and facilitate the advancing and implementation of innovation. Furthermore, the good governance of (national and regional) Smart Specialisation Strategy is one of the thematic enabling conditions for European Cohesion Policy. The S3 approach can therefore contribute to the enlargement process thanks to its connection with chapter 22 of the *acquis*. Advancements would support the creation of innovation ecosystems, facilitating the approximation to EU norms and practices. The S3 approach (moving to S4, in order to encompass the sustainability dimension) may also be a good instrument to develop networks among different stakeholders, encouraging the involvement of academia in the decision-making process and stimulating its dialogue with the private sector and policy-makers. All pillars may indeed benefit from the S3 approach, as innovation, through its participatory approach, encourages a concerted, harmonious development.

Pillar 2 “Connecting the Region” is related to chapters 14 (Transport), 15 (Energy) and 21 (Trans-European Networks) of the *acquis*. EUSAIR has the potential to provide a considerable contribution to the enlargement process. The legislative and physical connectivity of the WB with the EU is a precondition for enlargement and serves as the basis for economic growth and people to people relations. However, it is equally true that the Balkans’ transport and energy infrastructure is still at an underdeveloped stage, and countries are considerably dependent on international funding for large-scale projects. EUSAIR flagships on transport are complementary to the Economic and Investment Plan for the WB. The EUSAIR could support legislative alignment, enforcement monitoring, data collection, and simulation modelling in transport networks. The EUSAIR Action Plan should be updated by foreseeing the cooperation with the Transport Community and including the railways sector. In line with the Economic and Investment Plan’s flagships on the transition from coal and completion of the gas pipelines, the EUSAIR could be a platform to work on corrective measures for the economic effects of the transition from coal to green energy.

Pillar 3 “Environmental Quality” is connected to chapter 27 (Environment) of the *acquis*. The convergence of this pillar with the current European strategies is strong but alignment, specifically in the realisation of the connected infrastructures, is expensive. Various WB countries estimated that the costs for the adoption of the whole environmental *acquis* for each of them would exceed the sum allocated through IPA for the whole Balkan region. However, results in this sector could be used to prove absorption capacity and gain more support for common goals.

Instead, the *acquis* in the area of protection of ecosystems, habitats, and biodiversity is not particularly expensive, but it is rather time consuming and requires the engagement of experts and cooperation with NGOs, academia, and research institutes. The EU, through IPA direct and indirect management and other budget lines, has supported several projects in this area. Other donors also work in this area (e.g. UNEP). Between 2016 and 2020, ADRION supported several regional projects to sustain the development of coordinated databases and protection measures. However, protection of ecosystems is not politically appealing as it is often an obstacle to the construction of infrastructures and/or to the expansion of mass tourism. The EUSAIR may define criteria for long-term sustainability of projects that contribute to the adoption of EU directives. Moreover, the EUSAIR could promote stronger involvement of local communities and better coordination with donors and relevant stakeholders, thus persuading

the stakeholders of the potential of the given measure to generate growth in a less predictable way.

Pillar 4 “Sustainable Tourism” is linked to chapter 20 (Enterprise and industrial policy) and chapter 26 (Education and culture) of the *acquis*. Tourism has been severely affected by the Covid-19 pandemic, and today is in the focus for recovery. Nonetheless, the dramatic impact of the pandemic on tourism could also contribute to some positive changes in the long term. Travel restrictions opened new opportunities to proximity tourism and smaller destinations; the new circumstances urged the adoption of smart and digital solutions. In such a difficult context, the EUSAIR may be in a strategic position to support the WB’s recovery and accession process by fully endorsing EU strategies in the field. Moreover, it contributes to the creation of a macro-regional identity.

Looking more generally at the EUSAIR governance, its engine should be strengthened to:

- coordinate the embedding process;
- offer technical assistance for capacity-building;
- enhance the contribution that emerges from its “communities of work” to scale up from projects to policies.

Finally, the EUSAIR may gain a new momentum taking advantage of the accession of North Macedonia, which is representative of the interest in the MRS of the WB countries and relaunch itself as a platform that is ready to deliver.

Synthesis of the executive recommendations

In order to take full advantage of the main assets of the EUSAIR, the study makes the following main recommendations (for an extended discussion of the recommendations please see section):

- communicating the value added of the EUSAIR for EU enlargement;
- gaining recognition by and coordinating efforts with other organisations and initiatives in the field;
- improving the coordination between EU policy areas and the EC DGs involved;
- developing the synergies with the ETC programmes;
- coordinating and capitalising on the results of ETC and other EUSAIR-related projects in fields strategic for enlargement;
- supporting data collection in the WB for transnational evidence-based policymaking;
- boosting capacity of WB participating countries to implement policies;
- offering a platform for coordinating funds and strategies contributing to the WB accession process;
- focusing on initiatives that ease the adoption of the *acquis communautaire* in WB participating countries, updating the action plan taking into account the evolution in European legislation the new programming period and introduce enlargement specific indicators;
- enhancing stakeholder engagement to create policy ecosystems conducive to the WB integration;
- supporting the upscaling from project results to policy level;
- strengthening the relationship with national parliaments;
- pillar-related recommendations are listed in the final section.

INTRODUCTION

This paper examines the complementarities between the EU Strategy for the Adriatic and Ionian macro-region (EUSAIR) and the enlargement process to the Western Balkan countries participating in the EUSAIR (Albania - ALB, Bosnia and Herzegovina - BiH, Montenegro - MNE, North Macedonia - MK, and Serbia - SRB). This research project focuses on two different layers of analysis: first, how EUSAIR may support the enlargement process; second, the specific contribution of each EUSAIR pillar in this field.

The research is based on an extensive document analysis that looks at common points and synergies between the EUSAIR Communication, its Action Plan and flagships and the related EU *acquis communautaire*, the new Enlargement methodology, the Stabilization and Association Agreements (SAAs) and European Commission's (EC) Progress Reports 2020, the *Economic and Investment Plan for the Western Balkans*, the *Green Agenda* for the Western Balkans, and other relevant financing instruments and EU programmes.

As result, it features a table with a comparative overview of EUSAIR objectives and *acquis* chapters that contributes to the identification of main directives, regulations, and initiatives relevant to EU enlargement and cohesion that the EUSAIR could support (Annex I).

Furthermore, the paper builds on in-depth interviews with 37 relevant EU and EUSAIR officials and stakeholders connected with the EUSAIR (Annex II) carried out between January and March 2021.

In conclusion, the paper proposes a number of policy recommendations to inform both the EC and the EUSAIR planning and future activities that may support the WB integration process.

THE EU IN THE WB

The European perspective for the WB has been reaffirmed in different international fora since the adoption of the EUSAIR in 2014. The new College of Commissioners, in office since 2019, reiterated the political message that the EU integration of WB remains a priority for the EU. With the adoption of the *New Enlargement Methodology*, in February 2020, it foresaw the reorganisation of the negotiation process whereby the *acquis communautaire* chapters are now gathered into 6 thematic clusters with "the aim to foster cross-fertilisation between policy areas and inject further dynamism in the negotiating process" (COM (2020) 57). The numerous attempts to relaunch the enlargement process are reflected in the lexicon stratifications and in the multitude of platforms, actors, initiatives in the field.

At the EU-Western Balkans Summit, organised online by the Croatian EU Presidency due to the COVID-19 pandemic in May 2020, EC President von der Leyen confirmed that "the Western Balkans belong in the EU", and the related final statement stressed that the "WB partners reiterated their commitment to the European perspective as their firm strategic choice"². Even though the Council agreed on the opening of the accession negotiations of two candidate countries, ALB and MK, these countries are still waiting for the first intergovernmental conference to confirm this choice in 2021.

During the Sofia Summit, in November 2020, leaders of the WB welcomed the *Economic and Investment Plan for the Western Balkans* (COM (2020) 641). The EC proposed to mobilise "up to EUR 9 billion of IPA III funding for the period 2021-2027 to support economic convergence with the EU, primarily through investments and support to competitiveness and inclusive

² <https://www.consilium.europa.eu/media/43776/zagreb-declaration-en-06052020.pdf>

growth, sustainable connectivity, and the twin green and digital transition". In the same document, the EC identified a number of investment flagships which are expected to be endorsed by the European Council in 2021. During 2021, the EC should also publish the IPA III Multi-country Indicative Strategy Paper and develop the Multiannual Financial Framework for 2021-2027.

The *Green Agenda for the Western Balkans*, accompanying the *Economic and Investment Plan* and based on the *European Green Deal*, sets out relevant actions and recommendations, including alignment with EU "green" standards and the *acquis* (SWD (2020) 223). The *Agenda* is informed by the five broad areas covered by the *Green Deal*: decarbonisation, depollution of air, water and soil, circular economy, farming and food production, and protecting biodiversity. In the *Economic and Investment Plan for the WB*, the EC suggested a number of *investment flagship* linked to the Green Agenda: flagship 4 - renewable energy and flagship 5 - transition from coal (closely connected with Pillar 2 of the EUSAIR); flagship 6 - renovation wave; flagship 7 - waste and waste water management.

Furthermore, in light of the unprecedented epidemiological crisis of COVID-19, the EC opened to the WB the *EU Joint Procurement Agreement* for purchasing personal protective equipment (PPE), exemptions for PPE export authorisations, information sharing facilitated by the European Centre for Disease Prevention and Control, etc.³ Moreover, the EC mobilised an additional financial package of EUR 3.3 billion aiming at tackling the consequences of the health crisis and the post-pandemic socio-economic recovery in the WB.

THE EUSAIR - COHERENCE, SYNERGIES, AND SUPPORT TO THE EU ENLARGEMENT IN THE WB

Compared to the other three MRSs, the EUSAIR has a distinct aspect: among the nine participating countries, five are candidate/potential candidate countries. For this reason, the EUSAIR Action Plan widely acknowledges the centrality of the enlargement process for its actions. MK's request to join the EUSAIR, and its official inclusion in April 2020, confirms that the EUSAIR is seen as an attractive instrument in the WB (SWD (2020) 186, 45).

The connection between the EUSAIR and EU enlargement has been highlighted since the first EUSAIR documents in 2014 (SWD (2014) 190; COM (2014) 357) and has been consistently mentioned in all the EUSAIR Ministerial declarations. The EUSAIR 2021 Slovenian presidency expressed the intention to support the EU accession of its WB partners as one of the main objectives for the current year. The EC, in its last Report on the Implementation of the MRSs (COM (2020) 578, 11), reiterated that "closer synergies with the enlargement process are key to supporting the EU perspective for the WB, in line with the EU priority A stronger Europe in the world and the New enlargement methodology". The support that the EUSAIR brings to the enlargement process is not limited to strengthening "regional cooperation". However, the advancement of WB participating countries in their accession negotiations under the *acquis* chapters corresponding to EUSAIR priority areas has not been fully acknowledged so far.

The EUSAIR has indeed a number of potential assets that could bring a crucial contribution to the accession path of WB countries:

- a *horizontal* cooperation that allows greater ownership of the processes by the beneficiary countries;
- a *regional* dimension that connects the WB to the EU, fostering a regional sense of identity that goes beyond the WB as well as a Europeanisation process;
- a *convergence* of interests on enlargement, which is a priority topic across the EU Member States that participate in the strategy;

³ https://ec.europa.eu/neighbourhood-enlargement/sites/near/files/coronavirus_support_wb.pdf

- a *capacity building* approach, based on the cooperation in different fields and at different levels, which enables the relaunch of the enlargement path out of the traditional logics and narratives;
- an emphasis on *territorial cooperation* that stimulates positive dynamics between local authorities, the private sector, and other relevant stakeholders at the local, national, and transnational level;
- an *inclusive approach* that empowers stakeholders as active participants in the macro-region.

While other MRSs are built on long lasting experiences of cooperation and sense of belonging, the EUSAIR needs to (re)build a shared regional identity, as in the XX century the cold war and the conflicts in WB during the 1990s divided the countries in the Adriatic and Ionian region.

The EUSAIR is in the first place a *multi-level diplomacy* initiative that offers a space where countries of the Adriatic and Ionian region can meet, exchange views, and try to advance together on matters of common interest. From this point of view, the very existence of the MRS offers a contribution to the enlargement process by streamlining issues and encouraging political discussion among its members.

Furthermore, by stimulating the countries involved to cooperate and coordinate their efforts, the EUSAIR can contribute to the enlargement process in concrete terms:

- 1) the EUSAIR may ease the adoption of the *acquis communautaire* in WB countries by facilitating stronger political cooperation and exchange between member and non-member states on specific, technical topics, such as those included in the strategy's pillars (see the dedicated section below);
- 2) the EUSAIR may support enlargement by fostering *administrative capacity building* in WB countries through cooperation at the technical level among participants in its Thematic Steering Groups (TSGs) and other stakeholders involved in the activities of the Strategy;
- 3) the EUSAIR may support enlargement by proposing a *grounded, evidence-based, and participatory policymaking* that increases the accountability of governments;
- 4) the EUSAIR may support enlargement by opening EU policies and strategies to Western Balkans, thus favouring the process of Europeanization;
- 5) the EUSAIR may support enlargement by offering a framework where different processes, strategies, and funds (EU and non-EU) may *converge* towards shared priorities;
- 6) the EUSAIR may support enlargement by promoting EU *multilevel governance* and a strong involvement of stakeholders that benefits the consolidation of democracy;
- 7) with its focus on green and innovation EU agendas, its work in the field of connectivity, and the special focus on tourism - one of the hardest COVID-19 hit economic sectors - EUSAIR is particularly well-placed to *include the WB in the EU endeavours* to fight climate change while trying to overcome the consequences of the pandemic.

It should be stressed that, in many ways, the EUSAIR anticipated the current trend in EU policy priorities, foreseeing the need to combine innovation, economic development, and attention to environmental issues. In this perspective, the COVID-19 pandemic challenges the EUSAIR to prove itself able to materialise its aspirations of supporting enlargement, repeatedly affirmed in its fora and documents. In order to explore what forms these potentialities may actually take, a focus is needed on the implementation mechanisms of the EUSAIR.

THE IMPLEMENTATION OF EUSAIR

EUSAIR's governance

Discussing the implementation of the EUSAIR means to consider the issue of its governance. During its first six years of existence, the EUSAIR worked extensively on building an appropriate governance structure and, as noted in the 2020 Report on the implementation of

MRSs (COM (2020) 578), it is moving towards maturity. Considering the political background of the WB, the successful establishment of the EUSAIR is seen by many as an achievement in itself. As shown by the case of North Macedonia, that succeeded to join the strategy only in April 2020, regional conflicts still characterise the Western Balkans and the EUSAIR is seen as a relevant political space for the WB countries.

However, there are apparent gaps between the official political commitments, emphasised in the EUSAIR Ministerial declarations, and the actual ability of national administrations to follow up on those commitments (both in terms of human resources and funding) (OECD 2019a: 21). In particular, this study highlighted the need for clearer processes in the dialogue with stakeholders and the demand for stronger presence of the relevant high-level EU representatives.

The EUSAIR has a complex governance structure based on a Governing Board (GB) and four Thematic Steering Groups (TSGs), one for each pillar of the strategy. The EUSAIR Facility Point, funded under ADRION 2014-2020, supports the functioning of these managing bodies. The EUSAIR has at its disposal a Stakeholder Platform, aimed at facilitating the involvement of the different stakeholders. The EUSAIR has a rotating presidency. The managing bodies include representatives of central governments, EC, and other regional organisations. The GB and the TSGs are relevant areas of transnational interaction, where good practices are exchanged and where it is easier to find common solutions to issues that might arise. From this point of view, the EUSAIR offers an important opportunity for capacity building that could be better exploited through the continuity and stability of the national representatives that participate in the meetings. The EUSAIR is particularly appreciated by WB members for its horizontal dynamics between member and non-member states, therefore the priorities and initiatives set up in the EUSAIR should be perceived as relevant in their accession path by WB.

The EUSAIR can contribute to supporting the adoption of the *acquis communautaire* in the areas it covers, but the issues it deals with may not be priorities in the enlargement negotiations. This topic will be explored more extensively in the discussion about pillars (see next section). It is thus important that achievements obtained through the EUSAIR are taken into account and valued in the accession process. When an issue is tackled within EUSAIR activities, it should not be a gain for member states only. The negotiation process should prioritise the same issue in the harmonisation of candidate countries in order not to miss the opportunities that emerge.

Interviews also highlighted the need for stronger coordination among the different EC bodies operating in the WB. In particular, the support that the strategy may offer to the enlargement would be more effective if the DG Near, the EU Delegations, the RCC, and other bodies strengthened their cooperation with the EUSAIR and acknowledged the respective contributions.

Another crucial issue in terms of governance is the involvement of stakeholders. Officially, the inclusive character of the EUSAIR is one of the distinctive elements that bring value added to the enlargement process. In practice, however, the involvement of stakeholders has been limited so far. According to interviews with EUSAIR stakeholders, at the launch of the Strategy there was a strong general enthusiasm, but it has progressively diminished. Regaining the interest and the participation of stakeholders is crucial to bolster the effectiveness of the EUSAIR, particularly in the perspective of EU enlargement in WB countries.

A more active involvement of stakeholders may emerge from the full implementation of already existing mechanisms such as the Stakeholders Platform; efforts should be put in place to this aim. According to some interviewees, the participation of stakeholders is strictly connected with the implementation and promotion of projects, in terms of both visibility of the strategy and participation: projects are the best venue to involve stakeholders. In turn, stakeholders are fundamental for EUSAIR to move from project implementation to policy

making. Political actors can mainstream the achievements of projects in their (local/transnational) policy planning. From this point of view, great relevance is attributed to the identification process of Flagship projects. While the issue of projects is discussed more in detail in the following sections, it is important to highlight that the EUSAIR may set up mechanisms to offer a stronger operational support to various stakeholders in member states and in WB, particularly to build strategic partnerships to participate in different calls. In doing so, EUSAIR's bodies may keep enlargement and *acquis* approximation in WB countries as crucial drivers in their activity, stimulating the production of transnational partnerships on topics with a clear value added in the field of the EU integration of WB countries.

Box 1: EUSAIR Flagship projects

In June 2020, the EUSAIR Governing Board approved the final list of EUSAIR flagship projects to be embedded into the IPA/ESIF programming documents. Flagships are those priority actions that the EUSAIR governance selected to be implemented in the framework of the embedding process through ESI funds for MS and IPA III for enlargement countries. National and Pillar Coordinators presented the flagships "as solutions for the main challenges of macro-regional importance consistent with national needs as well as with the EU policy objectives for a greener, low-carbon and more connected Europe"⁴. EUSAIR flagships arrived at the right moment to be considered for the 2021-2027 programming documents. The EC (DG Regio and DG Near) commended the initiative but noted that it cannot be assured that all flagships will be in the documents prepared for the programming period 2021-2027⁵.

Box 1

EUSAIR's external relations

Since the enlargement perspective for WB countries was formulated, several initiatives emerged at different levels with the aim to support this process. It is thus fundamental for the EUSAIR to clearly identify and communicate its specific value added in supporting enlargement. Such communication should aim in the first place to create fruitful collaboration among the different initiatives.

Local authorities in EUSAIR WB countries participate in various projects and benefit from the assistance provided by several international donors, with different agendas, timelines, budgets etc. Dealing with several interlocutors is often a burden for WB administrative bodies, and achieving coordination may support the effectiveness and quality of their work. The EUSAIR may play a role in ensuring that projects follow up on previous results and benefit their accession process. This potential role is further discussed in the following section, dedicated to the project level. Moreover, in order to support the enlargement process, national representatives within the EUSAIR may support the relationship with national parliaments, based on their national rules and practices. The EUSAIR could indeed become a laboratory of inter-parliamentary dialogue as the political, but non-governmental, level can be seen as a potentially relevant driver for the Strategy at the national and subnational level (Abels 2018). Moreover, the relationship with the legislative bodies may also contribute to the adoption of the *acquis communautaire* in WB countries in the topics covered by the MRS.

Looking at the EUSAIR through the lenses of EU enlargement, the first issue that emerged from interviews is the territorial focus of the strategy: while EU enlargement policy and connected regional fora target the WB, EUSAIR adopts a different territorial logic, focused on

⁴ Ibid.

⁵ <https://www.adriatic-ionian.eu/2020/06/12/eusair-flagships-all-summed-up/#next>

the countries around the Adriatic-Ionian Seas. On the one hand, with North Macedonia joining the strategy in April 2020, the only WB partner not included in the EUSAIR is Kosovo*⁶; a full participation of WB6 would better align the EUSAIR with other regional strategies trying to support enlargement. On the other hand, the different territorial coverage of the EUSAIR is explained by the need to underline the existence of a functional area in the Adriatic and Ionian Sea, where problems need to be jointly addressed. From this rationale derives the EUSAIR's specificity, or the already mentioned mixed participation of EU members and WB partners on an equal footing, that has a specific value added in the support to the enlargement strategy, as explored in the next pages.

Project level

Due to the "three NOs" rule (no new EU funds, no additional EU formal structures, and no new EU legislation) that characterises all macro-regional Strategies, the primary source of EUSAIR funding has so far been the Interreg programme ADRION, which has progressively aligned its priority axis with the EUSAIR pillars, and one of the 5 ADRION priority axis specifically funds EUSAIR's governing structure (OECD 2018, OECD 2019b).

Since the very first EUSAIR Action Plan (COM (2014) 357), the EC has proposed the embedding of EUSAIR's projects in EU programmes supported by existing financing instruments (such as IPA, structural funds, etc.) and has requested EUSAIR participating countries to contribute with their own funds. The 2018 COWI study on MRSs and their links with cohesion policy noted that during the 2014-2020 programming period the main sources supporting the implementation of EUSAIR activities were the ADRION Interreg Programme and CBC programmes, while projects under the EUSAIR were given little priority within mainstream structural funds. The same report also mentioned some experience of the EUSAIR in applying for different European funds (COWI 2018).

In line with the commitments of 2017 *Catania Declaration*, during the 2018 annual Ministerial meeting, the ministries of foreign affairs of the EUSAIR participating countries in the *Budva Declaration* gave impetus to include EUSAIR priorities into mainstream (national, bilateral, and regional) 2021-2027 ESIF/IPA programming documents (SWD (2020) 186). The efforts put in place for a stronger embedding of EUSAIR into cohesion policy are expected to expand funding opportunities for EUSAIR priority projects in 2021-2027, within and beyond the ADRION Interreg programme. The embedding of EUSAIR in existing EU financing instruments has progressively gained importance; several interviews underlined the relevance of this process for the future of the strategy.

Another important experience in this respect, underlined by the interviewees, is the joint definition of the flagship projects under the four EUSAIR pillars that should guide the embedding process of the next programming period 2021-2027. While clearly the lack of specific funding for the strategy is seen as an obstacle to the effectiveness of the initiative, the identification of the flagship project is seen as a substantial achievement, as nine different governments came to agree on common priority areas of intervention. According to some of the interviews, in view of the EU enlargement in WB countries participating in the EUSAIR, the flagship projects are particularly relevant especially in symbolic terms, as they prove how working on equal footing allows to overcome disagreements and see converging interests on concrete policies. At the same time, the lack of ad-hoc funding might be an opportunity for the MRSs, as they are called to offer a platform of coordination of different resources that converge in their territory. The efforts put in place for embedding the priorities of the EUSAIR

⁶ *This designation is without prejudice to positions on status, and is in line with UNSCR 1244/1999 and the ICJ Opinion on the Kosovo declaration of independence.

in the 2021-2027 programming of different funds are regarded as significant by many of the interviewees; however, it is too soon to evaluate if and to what extent the embedding process is actually going to take place. The greatest challenge, however, lies in coordinating the projects financed under different funds, with different timing and rules, and ensuring coherent results. On the one hand, Interreg - European Territorial Cooperation (ETC) programmes - and in particular, in the case of EUSAIR, the ADRION programme - provide crucial support to the MRSs. During the 2014-2020 programming period, not only did Adriion support the implementation of the strategy with its "Governance" axis (including the financial support to the Facility Point), but the programme supported the strategy's goals through transnational projects. Other ETC programmes in the macro-region (Italy-Albania-Montenegro, Italy-Croatia, Italy-Slovenia, Greece-Italy, etc.) also took into account the goals of the strategy in setting their priorities and funding their projects. For the 2021-2027 programming period, according to the latest proposals of EU Interreg Regulation, 85% of ADRION resources will be dedicated to support the EUSAIR implementation.

ETC programmes offer an important contribution to the enlargement process, supporting the capacity building or the Europeanisation (as transfer of EU ways of doing things) of WB countries, both at the level of programmes (with the participation of the countries in joint management bodies and in particular the Monitoring Committee) and at the level of projects (where stakeholders from EU member and non-member states can work together, and where the rules of the European Cohesion Policy apply).

With respect to projects, a relevant problem up to the current programming period, within the ADRION programme, was related to the unequal allocation of funds that limited the possibility of participation of non-EU partners. In addition, it should be considered that some projects potentially offer a stronger support to enlargement than others, depending on contents, partnership, methodologies etc. A stronger support to enlargement may be obtained by including WB countries also in the ETC interregional programmes in the next programming period, in particular INTERACT and ESPON. This could offer a framework for working on the crucial issue of data availability (see Box 2 on data). With respect to ETC programmes, there are at least two fields in which EUSAIR's value added may be used: first, ETC is a relatively small field of intervention, compared to both the cohesion policy within MS and the IPA funds within the WB countries. In this framework, however, the MRS may offer a contribution by "upscaling" the practices and experiences developed in the programmes, in EU member states and in non-member states in particular, as far as enlargement is concerned.

The possibility of capitalising on ETC experiences in mainstream cohesion policy is a longstanding issue. Several efforts have been made within the ETC community to strengthen the transfer and re-use of project results, enhancing the capacity to build on previous experiences. In the area covered by the EUSAIR an important contribution to these aims was offered by the ADRION programme and its "thematic clusters" networks. EUSAIR may allow to experiment a transfer from ETC to a higher political level, targeting specifically those experiences that can better contribute to enlargement.

Second, the EUSAIR clearly offers an important resource for the coordination of different ETC programmes (and eventually other programmes). This coordination may be operationalised and oriented towards enlargement by combining the efforts put in place by different programmes to tackle common problems particularly relevant in the accession path of WB countries, or by capitalising on the most promising experiences in the field of enlargement. However, works for coordination of ETC programmes and mainstream programmes are at an early stage. In general terms, as it will be discussed below in the analysis of the pillars, there is a convergence between EUSAIR priorities - especially for what concerns the fields of environment and connectivity - and priorities for the 2021-2027 programming period among different sources of EU funding (including cohesion funds, IPA funds, and beyond). This convergence may ease the opportunity for the EUSAIR to coordinate the different projects that

will be unfolding in the next few years. In an enlargement perspective, it is particularly important that IPA funds embed EUSAIR priorities.

Finally, as the process may not only concern EU funds, but also potentially other typologies of funds (e.g. IFIs), the EUSAIR's coordination of different funds and initiatives may be very beneficial for WB countries in their accession paths, which are, as said, targeted by different initiatives.

CROSS-CUTTING ISSUES

EUSAIR cross-cutting issues	Acquis Chapters	Acquis Clusters
Capacity-building, including communication	Chapter 5 - PUBLIC PROCUREMENT Chapter 18 - STATISTICS Chapter 32 - FINANCIAL CONTROL Chapter 22 - REGIONAL POLICY AND COORDINATION OF STRUCTURAL INSTRUMENTS	Cluster 1 Cluster 5
Research, innovation, and SMEs	Chapter 8 - COMPETITION POLICY Chapter 25 - SCIENCE AND RESEARCH	Cluster 2 Cluster 3

The EUSAIR Action Plan identifies four thematic pillars that are examined in details in the next paragraph and two cross-cutting issues that are: a) capacity-building, including communication, for efficient implementation and for raising public awareness and support; b) research and innovation to boost high-skilled employment, growth, and competitiveness, and cooperation within transnational networks to bring ideas to markets and help develop new products and services.

The new enlargement methodology maintains a strong focus on the so-called fundamentals, that are gathered in cluster 1. In this field the EUSAIR, especially when dealing with such cross-cutting issues, supports its WB participating countries in developing administrative capacity and financial management, particularly by advancing their approximation of chapter 5 on public procurement, chapter 18 on statistics, and chapter 32 on financial control.

Pillar coordinators and other actors in the WB have highlighted the importance of the EUSAIR in engaging non-EU countries in administrative processes; local authorities become familiar with procedures (particularly the complex EU procurement bureaucracy and control of project implementation) and learning-by-doing.

Box 2: EUSAIR and the issue of data in WB countries

Data availability is a relevant cross-cutting issue for the enlargement perspectives of the Western Balkan countries. Still today, there are many instances in which WB countries face difficulties in collecting and sharing data with the main EU institutions.

Chapter 18 of the *acquis* - Statistics - requires the existence of a statistical infrastructure based on principles such as impartiality, reliability, transparency, confidentiality of individual data, and dissemination of official statistics. National statistical institutes act as reference and anchor points for the methodology, production, and dissemination of statistical information.

The lack of reliable and comparable data is clearly an issue for EUSAIR implementation, as it makes it difficult to set up an effective monitoring system of the initiative and its achievements. More generally, a territorial monitoring system is necessary to inform any policy process with evidence and analysis. Even more so, benchmarking tools are necessary to support transnational or cross-border decision-making and negotiation (Lindberg & Rispling 2017:67).

The reform of national statistical systems is a long-lasting and complex process that many of the WB countries have started, but none have completed so far. This, together with a certain degree of cautiousness in sharing data and information, explains the difficulty of WB countries on this matter.

EUSAIR may offer a contribution for a positive solution of both these impediments, and thus speed up this crucial process. On the one hand, the strategy may support the capacity building of statistical offices, for example by adopting this as a relevant cross-cutting priority to be included in the embedding process. On the other hand, with its shared ownership and regional dimension, the EUSAIR may offer an important setting in which the benefits of comparable data for all the involved countries are made clear. In doing so, the strategy may help with raising awareness on the relevance of this issue, showing at the same time what kind of results can be reached through cooperation.

Box 2

Capacity-building is also particularly relevant in view of adopting chapter 22 of the *acquis*, dedicated to Regional policy and coordination of structural instruments. After the adoption of the new enlargement methodology, chapter 22 (Regional policy and coordination of structural instruments) has been incorporated in cluster 5 (Resources, agriculture and cohesion). Among the WB countries participating in the EUSAIR, Montenegro is the only country that has opened negotiations on the chapter.

The *acquis* under this chapter consists of framework and implementing regulations that define the rules for drawing up, approving, and implementing Structural Funds and Cohesion Fund programmes. Chapter 22 is therefore horizontally linked to other policy fields, and negotiations are relevant to prove the country's absorption capacities.

Advancements in chapter 22 are also related to the (horizontal and thematic) enabling conditions for cohesion policy, that include crucial issues to be tackled for the enlargement perspectives of WB countries. For the 2021-2027 programming period, horizontal enabling conditions include effective monitoring mechanisms of the public procurement market; tools and capacity for effective application of State aid rules; effective application and implementation of the EU Charter of Fundamental Rights; implementation and application of the UN Convention on the rights of persons with disability. From this point of view, advancements in Chapter 22 are also connected to the *acquis* Cluster 1 (Fundamentals), in particular in terms of fundamental rights.

Overall, by supporting advancement in chapter 22, the EUSAIR can boost the WB's capacity to implement policies in a wider sense by improving the planning, managing, controlling etc capacities. The EUSAIR may offer such a crucial contribution to the EU integration while working in the various policy areas identified by the four pillars. This, in turn, may help candidate countries to progress with other chapters as discussed in the following sections.

Advancements on chapter 22 are closely linked with the increasing participation of stakeholders. First of all, partnership is one of the key principles of cohesion policy and applies

to all stages of the programming process (design, management and implementation, monitoring and evaluation). More generally, an effective cohesion policy - as the main territorial development policy of the European Union - requires the participation and cooperation of different actors at different levels. From this point of view, the multilevel governance that characterises EUSAIR is a crucial dimension of the strategy also in the perspective of chapter 22.

Advancing in chapter 22 means to establish in WB countries open, interconnected networks of stakeholders, cooperating through strategic partnerships and able to respond to technological, market, and social changes. To pursue structural change, it is important to create what Bachtler calls local, national, and transnational ecosystems (Bachtler et al. 2019). The EUSAIR may play a crucial role in supporting the creation and strengthening of these ecosystems, offering in turn a contribution to enlargement. However, in order to fully exploit the potential of the EUSAIR in this field it is necessary to improve its implementation mechanisms, as discussed above.

Box 3: The EUSAIR and the SDGs

The EU pays great attention to the Sustainable Development Goals adopted by the United Nations in 2015. SDGs reinforce the connection between development and sustainability, enhancing the combination of the economic dimension with the social and environmental ones.

Gherardi (et al. 2021) suggests that the public sector in the EU should use the SDGs indicators when communicating results, thus better addressing the issue of accountability and reporting.

SDGs indicators may be relevant for EUSAIR communication too. By outlining the relevance of its work for the achievements of the SDGs, the EUSAIR may gain better public recognition, clearly showing its creation of public value at the local, national, and macro-regional level.

Box 3

EUSAIR PILLARS

This comparative analysis of EUSAIR pillars with relevant *acquis* chapters seeks to identify possible processes and policies that could support the EU integration of the WB countries participating in the EUSAIR while increasing the administrative capacity, political commitment, and policy implementation of the MRS in WB. The analysis focuses on information about the alignment with and adoption of the *acquis* available in the last Annual Progress Reports published by the EC for each WB participating country. In the annexed comparative table 2 each EUSAIR Pillar is paired with respective SAA articles, corresponding *acquis* chapters, and the directives and regulations at the domestic level are identified. The analysis develops horizontally and compares each *acquis* chapter and common priorities for all WB.

For each pillar, actions proposed in the Action Plan (SWD (2020) 57), projects supported by Pillar, and EUSAIR Flagships are analysed in the light of EU integration. Each Pillar is also paired with the investment flagships proposed by the EC in the *Economic and Investment Plan for the Western Balkans* (COM (2020) 641), the *Green Agenda for the Western Balkans* SWD (2020) 223, and IPA III thematic windows, the cohesion funds and other financial instruments.

These comparisons serve to highlight where there is thematic coherence between the EUSAIR objectives and these funds and strategies and in particular where EUSAIR's support to enlargement may be more effective seen the convergence of efforts. Similarly, the projects implemented under the first three calls of Interreg Adrion are described for each pillar, in order

to identify their support for the achievement of the EUSAIR objectives and in particular for the facilitation of the EU enlargement process to the WB.

Pillar 1 - Blue Growth

EUSAIR Pillar 1 - Topics	Acquis Chapters	Acquis Clusters
Topic 1 – Blue technologies	Chapter 13 - FISHERIES	Cluster 5
Topic 2 – Fisheries and aquaculture	Chapter 25 - SCIENCE AND RESEARCH	Cluster 3
Topic 3 – Maritime and marine governance and services		

The overall objective of EUSAIR Pillar 1 (P1) "Blue Growth" is about driving innovative maritime and marine growth in the macro-region by promoting sustainable economic growth and job creation, together with business opportunities in the blue economy sectors. The Pillar is led by a Thematic Steering Group, coordinated by Greece through the Ministry of Rural Development and Food and by Montenegro through the Ministry of Agriculture and Rural Development. Topics promoted by P1 are particularly relevant for the coastal countries but, in some aspects, they concern Serbia and North Macedonia as well.

"Blue Growth" is the maritime contribution to achieving the goals of the Europe 2020 Strategy for smart, sustainable, and inclusive growth; its overarching objectives were already outlined in the EC Blue Growth opportunities for marine and maritime sustainable growth (COM (2012) 494): to foster growth and job creation by capitalising on the so-called blue economy with a focus on blue energy, aquaculture, maritime, coastal and cruise tourism, marine mineral resources, and blue biotechnology⁷.

PILLAR 1 – OBJECTIVES

- i. To promote research, innovation, and business opportunities in blue economy sectors by facilitating brain circulation between research and business communities and increasing their networking and clustering capacity
- ii. To adapt to sustainable seafood production and consumption by developing common standards and approaches for strengthening these two sectors and providing a level playing field in the macro-region
- iii. To improve sea basin governance by enhancing administrative and institutional capacities in the area of maritime governance and services

To achieve the above-mentioned objectives, Pillar 1 focuses on three topics (SWD (2020) 57).

⁷ https://ec.europa.eu/maritimeaffairs/policy/blue_growth_en

Blue technologies: as stressed by the Action Plan, due to an insufficient “business resource efficient culture” in the Adriatic-Ionian macro-region (weak involvement of stakeholders and interrelation of business, research, and the public sector), key blue economy sectors are not competitive and have not yet developed their full potential. Research networks on which actions can build already exist, e. g. under the framework of UNIADRION.

Fisheries and aquaculture: fisheries and aquaculture are important sectors for Blue Growth in the Adriatic-Ionian region. Fishery is regulated by Common Fisheries Policy (CFP), part of the *acquis* (chapter 13). Cooperation on scientific issues and fisheries management already takes place within the multilateral framework of the General Fisheries Commission for the Mediterranean and FAO regional projects. At the heart of the European Green Deal, the Farm to Fork Strategy is a significant opportunity to encourage the shift to sustainable fish and seafood production. The Action Plan highlights how actions in the sectors of fisheries and aquaculture, as well as in the blue technologies field, need to build on the Smart Specialisation Strategies developed at regional and national level (see below Box 4).

Maritime and marine governance and services: cooperation experience is gained in the Adriatic-Ionian macro-region thanks to networks involving major ports (like the North Adriatic Ports Association) or regional authorities (e. g., under the umbrella of the Bologna Charter) and/or research institutes, or fora such as Adriatic-Ionian Universities and Cities, and organisations such as the Adriatic-Ionian Initiative or the General Fisheries Commission for the Mediterranean.

The EUSAIR Action Plan identifies the relevance of Pillar 1 with regard to the cross-cutting issues as follows.

- Research, innovation and SMEs: both topics have a strong focus on research and innovation. Actions under these topics may therefore contribute to the development of SMEs in these sectors by transferring the latest R&D results to seafood processing and new products. Moreover, the first pillar has a strong focus on the mobility of researchers and the establishment of joint R&I platforms.
- Capacity building, including communication: actions under the second topic require strengthening capacity in relation to management, surveillance, monitoring, and skills. Actions under the third topic will strengthen the administrative and institutional capacities of the public sector and contribute to EU integration. Sharing of best practices and cooperation between countries will be fostered, with a focus on planning the coordinated actions necessary for better maritime and marine governance and services. Actions under Pillar 1 have therefore the potential to contribute to the strategic decision-making related to Blue Growth. On the other hand, communication is central for involving stakeholders and initiating awareness-raising processes.

P1 Blue Growth also supports objectives pursued under the other pillars:

- Strengthening innovative maritime and marine growth has a positive impact on environmental conditions through a better coordination and a more sustainable use of maritime and marine resources (Pillar 3 - Environmental Quality);
- Marine biodiversity and fisheries management and sustainability improve the tourist attractiveness of the macro-region, stimulating cooperation between fisheries and tourism activities (Pillar 4 - Sustainable Tourism);
- Increasing business activities is closely linked to available transport connections for the delivery of goods (Pillar 2 - Connecting the Region).

Although other EUSAIR Pillars have stronger connections with the *acquis* and the enlargement process, Pillar 1 contributes to the achievement of results in chapters 13 (Fisheries), 25 (Science and Research), and 27 (Environment, analysed in the section dedicated to Pillar 3). Chapter 13 is now included in cluster 5 of the revised enlargement methodology (Resources, Agriculture and Cohesion), while chapter 25 is part of cluster 3 (Competitiveness and Inclusive Growth).

Montenegro and Serbia have opened negotiations under chapter 13. According to the last DG Near Enlargement Progress Reports, Montenegro has some level of preparation, while Serbia and North Macedonia are moderately prepared in the area of fisheries (but since MK only has inland fishing in lakes and aquaculture, a large part of the fisheries *acquis* is not applicable). Albania and Bosnia and Herzegovina are at an early stage of preparation.

CHAPTER 13: FISHERIES - Cluster 5

- Both Montenegro and Serbia have opened chapter 13
- Montenegro needs to revise and implement an Action Plan on alignment with the *acquis*
- All countries need to further align with fisheries *acquis*
- Serbia should align with the *acquis* on illegal, unreported, and unregulated fishing, while Albania needs to strengthen its inspection capacity on the same issue
- All countries need to improve data collection systems
- Albania should finalise the reactivation of the Vessel Monitoring System (VMS)

The *acquis* under chapter 13 requires the introduction of measures to allow the implementation of the Common Fisheries Policy (CFP) rules. The CFP (first introduced in the 70's and recently updated through Regulation (EU) No 1380/2013, as amended by Regulation (EU) 2015/812), was created to manage the fish stock of the EU as a whole. It has four policy areas: Fisheries management; International policy; Market and trade policy; Funding (EMFF - European Maritime and Fisheries Fund)⁸.

The CFP also sets rules for aquaculture and stakeholders' involvement. The enforcement of the CFP involves managing quotas and implementing technical measures to preserve fish stocks. In addition, the CFP provides a framework for the collection, management, and use of fisheries data.

As for chapter 25, it is important to note that Montenegro and Serbia have closed the negotiations. North Macedonia has a good level of preparation, but has not opened the negotiations yet. Albania is at an early stage, while Bosnia and Herzegovina has some level of preparation.

CHAPTER 25: SCIENCE AND RESEARCH - Cluster 3

- Both Montenegro and Serbia closed chapter 25
- Montenegro should continue to implement the Smart Specialisation Strategy (S3), while Serbia needs to start its implementation; North Macedonia, Albania, and Bosnia and Herzegovina need to complete/develop/adopt S3
- All countries should increase their investments in research and innovation
- All countries need to stimulate cooperation between industry and academia, and "triple helix actors"
- Albania and Bosnia and Herzegovina should ensure the production of reliable and

⁸ https://ec.europa.eu/fisheries/cfp_en

comprehensive statistics and data, respectively on science and technology and on research and innovation

Initiatives under Pillar 1 can actively contribute to the integration of WB in the European Research Area (ERA). Moreover, the work under P1 sustains the competitiveness of the private sector in topics 1 and 2 (blue technologies and fisheries and aquaculture).

IPA Window	WB Economic and Investment Plan Flagships	Green Agenda for the WB Pillars	Cohesion Funds Policy Objectives
Window 4 Competitiveness and inclusive growth	Flagship 7 – Waste and Waste Water Management Flagship 9 – Investing in the Competitiveness of the Private Sector	5) Sustainable food systems and rural areas	PO1 A Smarter Europe

EUSAIR Pillar 1 is strongly connected to Flagship 9 (Investing in the competitiveness of the private sector) of the *WB Economic and Investment Plan*, but connections can also be found with Flagship 7 (Waste and waste water management). The development of a competitive private sector is essential for socio-economic development and regional integration. This requires, as stressed by the Economic and Investment Plan, increased investments in SMEs and their capacity to innovate, scale-up, and grow. As fishery activities in the Adriatic and Ionian Seas are predominantly small-scale, they are vulnerable to global competitiveness. The Action Plan points to the need to enhance cooperation among the coastal communities and to widen stakeholders' involvement in the sea basin in order to trigger a virtuous process of increasing competitiveness.

In the first EUSAIR P1 flagship "Fostering quadruple helix ties in the fields of marine technologies and blue bio-technologies for advancing innovation, business development and business adaptation in blue bio-economy", the need for cooperation between research and public and private sectors is linked to competition, e.g. the "enhancement of competitiveness and sustainability of relevant local and European industry sectors through utilization of marine

bio-discoveries"⁹. Research on blue technologies and its adoption by SMEs could therefore enhance the competitiveness of the macro-region.

As regards Flagship 7 of the WB Economic and Investment Plan, the implementation of sustainable ways of managing waste water, water supply, and waste disposal is fundamental for the protection of marine environment. Therefore, blue technology is important also for the inland countries of the macro-region, as the quality of water, even in fluvial water basins, can have an impact on marine pollution. The need to consider the macro-region as a whole emerges particularly in environmental issues, showing how something that is apparently not linked to landlocked countries has a relevance for the whole macro-region and for each country. The institution of reliable ways of managing water, as analysed under Pillar 3, is fundamental for the EU integration of WB and is a tool to unlock the green perspective of the macro-region.

The first EUSAIR P1 Flagship (Fostering quadruple helix ties in the fields of marine technologies and blue-bio technologies for advancing innovation, business development and business adaptation in blue bio-economy) is clearly connected to the ADRION project OIS-AIR¹⁰. The project (Establishment of the Open Innovation System of the Adriatic-Ionian Region) has involved partners in Greece, Croatia, Slovenia, Italy, Albania, and Serbia with the specific objective of supporting the development of a regional innovation system. Innovation centres across the macro-region have been connected by OIS-AIR, with a transnational approach on innovation. The project designed a Pilot Adriatic-Ionian S3 and developed an Action Plan for its implementation and monitoring. The established network is fundamental for technology transfer and innovation support services, facilitating the adoption of research-based innovations by SMEs.

OIS-AIR could be taken into account when developing actions with an expected impact of stronger RDI and cooperation between SMEs, large enterprises, and research centres.

It is worth mentioning the potential link of the first EUSAIR P1 flagship also with the recently approved ADRION project BLUEAIR (Blue Growth Smart Adriatic Ionian S3), aimed at developing a transnational S3 for Blue Growth. Covering the entire macro-region, BLUEAIR involves scientific partners and public administrators to exploit potentials for cooperation and improve opportunities in blue technologies, fisheries and aquaculture, as well as maritime and marine governance services.

Box 4: Smart Specialisation Strategy (S3)

Smart Specialisation is an approach that aims at boosting growth and jobs by "enabling each region to identify and develop its own competitive advantages"¹¹. Conceived with the reformed Cohesion policy, S3 has been introduced as an ex-ante conditionality since the 2014-2020 programming period. The European Commission provides advice to national and regional authorities through a Smart Specialisation Platform on how to develop and implement their Smart Specialisation Strategies.

The S3 approach has a particular relevance for the EUSAIR, as it could increase cooperation in the macro-region and facilitate the advancing and implementation of innovation. Furthermore, the good governance of (national and regional) Smart Specialisation Strategy is one of the thematic enabling conditions for European Cohesion Policy (connected in particular with the Policy Objective of a Smarter Europe).

From this point of view, the Smart Specialisation Strategy approach can contribute to the enlargement process thanks to its connection with chapter 22 of the *acquis*. The fulfilment

⁹ https://www.adriatic-ionian.eu/wp-content/uploads/2020/06/EUSAIR-flagships-GB_F.pdf

¹⁰ <https://oisair.adrioninterreg.eu/>

¹¹ https://ec.europa.eu/regional_policy/sources/docgener/guides/smart_spec/strength_innov_regions_en.pdf

criteria for this enabling condition include the existence of up-to-date analysis of bottlenecks for innovation diffusion, including digitalisation; the existence of competent regional/national institution or body, responsible for the management of the Smart Specialisation Strategy; monitoring and evaluation tools to measure performance towards the objectives of the strategy; effective functioning of entrepreneurial discovery process; actions necessary to improve national or regional research and innovation systems; actions to manage industrial transition; measures for international collaboration. Advancements in these fields would support the creation of innovation ecosystems in the WB countries, facilitating the approximation to EU norms and practices.

The Smart Specialisation approach could be also a good instrument to develop networks among different stakeholders. For example, Smart Specialisation encourages the involvement of academia in the decision-making process by stimulating its dialogue with the private sector and, as academia can provide the continuity needed to further develop Smart Specialisation, by tasking it with identifying priority areas and interacting with policymakers and the public.

With respect to Pillar 1, blue technologies are the sector that would benefit the most from the S3 approach, as innovation, through its participatory approach, can encourage a concerted, harmonious development of all the countries in the macro-region.

The S3 approach is key on the following grounds:

- it allows the identification of macro-regional strengths;
- it defines a vision shared among all the actors in the macro-region;
- it strengthens the dialogue between research and industries thanks to the prioritisation of research in the identified competitive areas;

through its partnership and bottom-up approach, it fosters quadruple helix ties bringing together local authorities, business, academia, and civil society.

WB countries are at different stages in the development of S3. The EC Joint Research Centre (JRC) helps national teams to develop S3 by providing expertise and technical assistance. Montenegro and Serbia started earlier than the others, with Montenegro being the first economy in the WB to adopt a Smart Specialisation Strategy. North Macedonia is expected to finalise the strategy next year, followed by Albania. Bosnia and Herzegovina is lagging behind due to the complex chain of decisions. Once countries have developed their strategies, S3 together with EUSAIR could serve as a framework for coordinating actions in common priority areas.

For the 2021-2027 programming period the approach looks at the strengthening of the Smart Specialisation to encompass the sustainability dimension, moving from S3 to S4 (Sustainable Smart Specialisation Strategies)¹². From this point of view, the Smart Specialisation Strategies that the EUSAIR endorses would be in line with the SDGs, the European Green Deal, and the Green Agenda for the Western Balkans. Overall, supporting the diffusion of Smart Specialisation in WB may prove particularly relevant in the perspective of WB enlargement, as it will entail progresses in several dimensions of crucial relevance in the process.

Box 4

The second EUSAIR P1 flagship (Promoting sustainability, diversification and competitiveness in the fisheries and aquaculture sectors through education, research and development, administrative, technological and marketing actions, including the promotion of initiatives on marketing standards and healthy nutritional habits) can be associated with the ADRION project ARIEL¹³. The project was developed by nine scientific and institutional partners in Italy,

¹² https://ec.europa.eu/newsroom/jrcseville/item-detail.cfm?item_id=670313&utm_source=jrcseville_newsroom&utm_medium=Website&utm_campaign=jrcseville&utm_content=From%20S%20to%20S%20Towards%20Sustainable%20Smart%20Specialisation%20Strategies&lang=en

¹³ <https://ariel.adrioninterreg.eu/>

Croatia, Greece, and Montenegro. The ARIEL project focuses on small-scale fisheries and aquaculture with the aim to provide common skills, tools, and methods for innovation and networking in the macro-region. The project activities led to a list of pilot actions¹⁴ for addressing common challenges. ARIEL can be taken into account when developing projects under the action “Developing skills” of the EUSAIR Action Plan. This action focuses on strengthening networks of academies and training institutes to develop educational programmes for fishermen and aquaculture farmers on innovative fishing and aquaculture techniques and safety at work.

The third EUSAIR P1 flagship (Bolstering capacity building and efficient coordination of planning and local development activities for improving marine and maritime governance and blue growth services) is strongly connected with the ADRION project PORTODIMARE¹⁵, which involved partners from Croatia, Italy, Greece, Slovenia, Bosnia and Herzegovina, and Montenegro. The project, in compliance with the Maritime Spatial Planning (MSP) principles and the Integrated Coastal Zone Management (ICZM), aimed at the creation of a Geoportal of Adriatic Ionian Region¹⁶ (GAIR). The geoportal provides access to numerous datasets related to coastal and marine areas, supporting transparent and efficient decision-making processes. PORTODIMARE is therefore an essential instrument for improving transnational cooperation in the macro-region, and should be regarded as significant support for the implementation and further development of the EUSAIR Action Plan. PORTODIMARE is a cross-cutting project covering all the EUSAIR pillars. However, its stronger relation is with Pillar 1 and Pillar 3, where it will be further discussed.

Box 5: CROSS PILLAR - The Maritime Spatial Planning and the emerging community of work

The 2014 EUSAIR Action Plan suggested the intention, both under Pillar 1 and Pillar 3, to build on the experience of ongoing projects to support the implementation of the Maritime Spatial Planning (MSP) Directive (2014/89/EU). Despite persisting maritime border disputes among WB countries, specific actions in this area were identified and implemented through ADRION projects. It emerges a clear willingness to coordinate efforts when working on concrete issues such as the MSP. This highlights the role that EUSAIR may have as an instrument of *multi-level diplomacy*. In addition, in the day-by-day work with projects, around the MSP a *community of work* has emerged among the various stakeholders involved. EUSAIR may find in the interaction with such communities of work the opportunity to scale up projects to the policy level. This may indeed be the most important contribution that EUSAIR can give to enlargement. However, while the EU member states are due to harmonise their legislation and define their plans by 2021, the MSP is not a priority in accession negotiation of WB. This *misalignment* in the adoption of legal provisions creates barriers in the joint management of the Adriatic-Ionian Sea basin. Overcoming the legislative barriers is important to ensure a full and homogeneous participation to the MSP of all accession countries in the process, and to promote sound, technically/scientifically based political decisions.

The importance of MSP is confirmed by the EUSAIR Flagship proposed in 2020:

- Pillar 1 reiterated the support to implementation of the new Directive on Maritime Spatial Planning as part of the effort to improve the governance of maritime space;
- Pillar 3 presented a flagship (and a labelled project) on MSP as a tool for sustainable development of coastal and maritime zones.

Box 5

¹⁴ <https://ariel.adrioninterreg.eu/library/pilot-activities>

¹⁵ <https://portodimare.adrioninterreg.eu/>

¹⁶ <https://www.portodimare.eu/>

Pillar 2 - Connecting the Region

EUSAIR Pillar 2 - Topics	Acquis Chapters	Acquis Clusters
Topic 1 – Maritime transport	Chapter 14 - TRANSPORT	Cluster 4
Topic 2 – Intermodal connections to the hinterland	Chapter 15 - ENERGY Chapter 21 - TRANS EUROPEAN NETWORKS	
Topic 3 – Energy networks		

EUSAIR Pillar 2 (P2)'s overall objective is "Connecting the Region", with focus on the development of transport and energy networks, considered as a strategic resource and a prerequisite for sustainable economic growth. P2 aims at reducing fragmentation and the existing infrastructural disparities between the member states and the WB countries participating in the EUSAIR as well as at improving their connectivity within the Balkans and with the rest of the EU (SWD (2014) 190, 22).

The pillar coordinating countries are Italy, Serbia, and North Macedonia. P2's work is organised around two distinct thematic sub-groups, respectively "Transport" and "Energy". Transport covers both maritime transport and intermodal connections to the hinterland, which are viewed in a continuum, as the creation of intermodal ports contributes to integrating maritime transport with rail and road connections.

The EUSAIR Action Plan 2014-2020 highlights that connectivity challenges in transport and energy are macro-regional by definition, and interventions make sense only through a cooperative, coordinated approach at regional level (SWD (2014) 190, 23).

PILLAR 2 – OBJECTIVES
<ul style="list-style-type: none"> i. To strengthen maritime safety and security and develop a competitive regional intermodal port system ii. To develop reliable transport networks and intermodal connections with the hinterland, both for freight and passengers iii. To achieve a well-interconnected and well-functioning internal energy market supporting the three energy policy objectives of the EU – competitiveness, security of supply, and sustainability

Three topics are identified as pivotal in relation to connectivity in the Adriatic-Ionian region.

Maritime transport:

- Development of maritime infrastructure and transport activities must be accompanied by a coherent sustainable transport plan linked, inter alia, to an air quality plan under Directive 2008/50/EC
- Prioritisation of investments in infrastructure modernisation, reduction of procedural constraints and bureaucratic burden, and promotion of safe maritime traffic
- Harmonisation of procedures, data exchange, and establishment of mechanisms enabling maritime traffic information exchange between national Vessel Traffic

Management Information Systems, also in view of including pre-accession countries in SafeSeaNet19

Intermodal connections to the hinterland:

- Rehabilitation of railway network, removal of bottlenecks and sectoral reform, in order to enhance competitiveness by separating infrastructure and operations and by introducing licensing and regulation
- Development of the route network of air transport so as to enhance intraregional connectivity and regional attractiveness
- Development of the Motorway of the Sea Master plan so as to improve existing maritime links or establish new viable, regular, and frequent maritime links for transporting goods between participating countries

Energy networks:

- EU energy policy objectives – competitiveness, security of supply, and sustainability – can only be achieved through a well-interconnected and well-functioning internal energy market
- Alignment of the energy regulatory framework with EU *acquis*, especially regarding wholesale market opening, transparency of capacity allocation, and third party-access to energy networks
- Development of natural gas infrastructure to ensure continuous, secure supplies from a new range of export markets via new routes.

The topics identified under Pillar 2 must be considered with the other policy fields, in line with the integrated approach encouraged by the Strategy. Pillar 2 is an obvious prerequisite for the three other pillars.

P2 'Connecting the Region' crosses the other three EUSAIR pillars with regards to:

- development of fisheries and aquaculture (P1 Blue Growth);
- reduction of environmental impact (P3 Environmental Quality);
- better transport connections are a must for tourism development (P4 Sustainable Tourism).

EUSAIR Action Plan identified also three cross-cutting issues, as introduced above.

Institutional and administrative capacity: there is a need to ensure coordination at the macro-regional level between national and regional bodies active in the TEN-T and TEN-E context. The establishment of synergies in areas of common interest should be accompanied by a macro-regional thinking approach. This aspect has been highlighted also by the interviews, which emphasise the need for a structured approach in assisting the WB countries in strengthening their administrative and technical capacities. The existing gaps in terms of capacities among these countries and between them and the EU member states affects the overall performance of the strategy. The provision of such assistance may in turn be relevant for the enlargement process.

Research and Innovation, and SMEs: the evolution of the transport and energy sector is highly dependent on research and technological innovation, and SMEs are the first to benefit from technological development and the inclusion of innovative solutions.

EUSAIR Pillar 2 is linked to the EU *acquis* by means of chapter 14 (transport), chapter 15 (energy), and intrinsically chapter 21 (Trans-European networks). Considering the different stages of the EU accession process of the WB, the current situation in terms of alignment of the respective national legislation with the *acquis* on transport and energy differs accordingly.

What remains a hurdle for all the countries in the WB is its enforcement. The EUSAIR may play a role in this complex phase.

CHAPTER 14: TRANSPORT - cluster 5

- Only Montenegro has opened chapter 14
- All countries should transpose the Intelligent Transport Systems (ITS) Directive and produce the strategic framework for implementing ITS and the core networks
- Bosnia and Herzegovina should align with the Fourth Railway Package and EU *acquis* on rail transport market
- Albania should align with EU *acquis* on ports and enact the legislation based on the Port Services Regulation (EU) 2017/352
- Albania should align their legislation with the EU Vessel-Traffic Monitoring and Information Systems

MNE is the only country that has opened all the three chapters falling under P2, but its assessment situation ranges between good levels of preparation and moderately prepared. Instead, SRB and MK have not opened any of the chapters, but their respective assessments show a better level of preparation, which to some extent outpaces also MNE. ALB and BiH are still behind in the field of connectivity, both having some level of preparation with regards to chapter 14 on transport.

CHAPTER 15: ENERGY - cluster 4

- Only Montenegro has opened chapter 15
- Albania and Bosnia and Herzegovina should transpose fully the Directives on Energy Efficiency and on Energy Performance of Buildings, as well as with the new Framework Energy Labelling Regulation
- SRB, ALB and BIH should align with the EU *acquis* in the gas sector
- Montenegro should implement the Regulation on Wholesale Energy Market Integrity and Transparency
- Albania should transpose the Directive on the Safety of Off-Shore Oil and Gas Installations as well as the Hydrocarbons Licensing Directive
- ALB and MK should conclude the unbundling of energy and Montenegro should create a functioning day-ahead energy market

With regard to chapter 15 on energy, WB shows a better performance with respect to the alignment with transport *acquis*. In particular, SRB, MK, and ALB are moderately prepared on the energy chapter and to some extent perform somehow better than MNE in the transposition of the *acquis*.

CHAPTER 21: TRANS-EUROPEAN NETWORKS - cluster 4

- Only Montenegro has opened chapter 21
- All countries should strengthen the administrative and technical capacities for transposing, implementing, and enforcing the Trans-European Networks *acquis*
- MNE, ALB, BIH should transpose the Regulation (EU) 347/2013 on Guidelines for Trans-European Energy Infrastructure
- All countries should fully implement the outstanding connectivity reform measures in transport and energy

While chapters 14 and 15 of the *acquis* provide a country-focused picture on transport and energy, chapter 21 expands the analytical lenses to a more regional and Europe wide perspective. Almost all countries of the WB share common challenges in terms of national capacities to align with and transpose the EU *acquis* on Trans-European Networks as well as to complete the full implementation of the connectivity reform measures in transport and energy.

Focusing particularly on the transport sector, the respective P2 subgroup has identified a preliminary list of projects and soft measures contributing to the EUSAIR strategy implementation. In the past two years, the transport subgroup has engaged in the establishment of the Master plan for transport in the Adriatic and Ionian area, aiming at a more integrated and interconnected WB with the rest of Europe and the Mediterranean. The Master plan seeks to create synergies between the national plans and investment programmes in the light of a common macro-regional strategy on connectivity, accessibility, and inclusion (SWD (2019) 6 final). Moreover, it aims to evidence the needs that are not part of the TEN-T network, especially in maritime connectivity, and identify areas of intervention where common actions and shared decisions need to be undertaken. Once adopted, the Master plan is expected to contribute to making good connections with the EU transport policy and the national transport policies of the EUSAIR countries from the Western Balkans. The adoption of the Master plan is both necessary for and supportive of the enlargement process. On the one hand, the Master plan will contribute to the EU transport policy in the EUSAIR macro-region by promoting the harmonisation of the transport *acquis* in the WB. On the other hand, it will facilitate the free movement of people and goods across the WB by means of integrated networks using all modes of transport (road, rail, water, and air), in line with the TEN-T networks in South Eastern Europe (SWD (2020) 186).

A drawback of the EUSAIR in the field of transport policy regards the inadequate inclusion of the railway sector's development. In the Action Plan 2014-2020, EUSAIR's focus on railways deals with coordination and alignment with the *acquis*. A few interviews underlined that, in the forthcoming phase, the EUSAIR should reconsider its engagement with railways, as they may become the backbone of the economic development of the WB. The railway infrastructure can promote greener transport and contribute to the development of waterborne transport. The railways can serve as a connecting part between the coastal ports with the hinterland, connecting the ports in Greece, Albania, Montenegro, and Croatia to Eastern Europe.

Currently, the TEN-T Regulation is undergoing a revision process, in line with the European Green Deal objectives and climate neutrality objective. The alignment of the TEN-T Regulation with several other pieces of legislation contributes in the establishment of further synergies between the EUSAIR P2 and P3, besides ensuring coherence in the support provided to the Western Balkan partners in their alignment with the *acquis* and in the broader EU integration process. This revision process provides also an opportunity for deeper reflection within EUSAIR on the challenges that the Balkan countries have faced so far in the implementation of the existing TEN-T Regulation and how to better tackle them in the wider Adriatic and Ionian space.

When analysing the content of the EUSAIR Action Plan 2014-2020, it emerges that it has proposed further actions and initiatives in the field of transport that are relevant to the enlargement process, and should continue to be further implemented in the coming years.

On maritime transport EUSAIR contributes to:

- supporting harmonisation through the transposition of the Intelligent Transport Systems Directive and drafting of the strategic frameworks for its implementation by the Balkan countries;
- supporting the improvement of traffic monitoring and management through the enabling of the EU Vessel-Traffic Monitoring and Information Systems infrastructure and data collection (Directive 2002/59/EC);

- supporting the alignment with the EU *acquis* on ports, and particularly Port Services Regulation (EU) 2017/352;
- digitalisation processes and capacity-building activities by improving the application of standards and legal requirements.

On intermodal connections to the hinterland EUSAIR contributes to:

- capacity building activities in the transposition and implementation of the TEN-T network *acquis*;
- updating multimodal corridors linked to TEN-T core corridors starting with cross-border bottlenecks;
- supporting in the alignment process with the Fourth Railway Package and *acquis* on rail transport market;
- fostering cooperation between relevant stakeholders and promoting the improvement of railway connections at the port terminals.

During the same period of time, there have been several projects funded by the ADRION programme focusing on transport and energy connectivity and contributing to the EU enlargement process and *acquis* approximation, namely:

ADRIPASS - promoting efficient maritime-hinterland connections by analysing physical and non-physical bottlenecks on the TEN-T corridor sections of the WB. It enhanced regional transport planning as well as contributed to harmonisation with EU transport policy.

NEWBRAIN - addressing various infrastructural gaps and technological, procedural, and organisational bottlenecks detected at local level and impacting on the smoothness of the regional transport system.

Multi-APPRO - developing intermodal transport in the Adriatic and Ionian region by providing solutions to bottlenecks, also contributing indirectly to improving air quality (it is important also for the objectives falling under pillar 3).

SMILE - elaborating a transnational SUMP-Sustainable Urban Mobility Plan as a common cognitive umbrella under which to support local SUMPs mirroring local specific situations (relevant also for the objectives of pillar 3).

As for all pillars, these ADRION projects contribute to building a community of work that is engaged in the EUSAIR work and support the regional integration process.

For the future, the EUSAIR P2 subgroup on transport has proposed a flagship initiative 'Adriatic-Ionian Multimodal Corridors', which can *materialise into two distinct flagship projects* with a strong cross-pillar dimension. The *first flagship project* focuses on the establishment of an *Adriatic-Ionian Cycling Route*, which can contribute in a two-fold manner to EUSAIR: firstly, as it will connect the coastal basin of the two seas through environmentally friendly means and will contribute to the development of sustainable tourism; secondly, this flagship project may support the identity dimension of EUSAIR by promoting an integrated touristic itinerary. Notwithstanding the difficulties, the Cycling Route is a challenge that EUSAIR should take up to put its coordination capacity to test.

The *second flagship project* deals with the *Green Smart Port Hubs Concept*, which consists in a port network of the Adriatic-Ionian basin. It owns an important dimension for the enlargement process with regard to the Alternative Fuels Infrastructure Directive (Directive 2014/94/EU) in order to prioritise Onshore Power Supply in TEN-T ports by the end of 2025.

The main challenge in the realisation of these flagship projects concerns their effective embedding in mainstream funding programmes (ESIF, IPA III) and the territorial cooperation programmes (CBC and transnational). While the feasibility studies may easily be financed by

Adrion funds, in the case of the cycling route, if the embedding efforts work, the second challenge will be that of ensuring coordination in the timing of its material realisation.

Shifting the focus of the analysis to the energy sector, the respective P2 subgroup has agreed on a list of 10 projects with a macro-regional relevance. On the basis of the experience of the transport subgroup, also the energy subgroup is considering to set up a Master plan on the energy infrastructure needs in the WB. The work of the energy subgroup is in part conditioned by the recent developments in the field of green agenda and the way its objectives demand a general revision of the wider European approach.

Although the WB alignment process is today at a moderate stage, the implementation of the third energy package¹⁷ varies from one country to another and more efforts are expected, particularly with regard to the wholesale market opening. According to the interviews, there is a double uncertainty in the energy field, as the WB countries face difficulties in the implementation of the technical norms in practice and fear a lack of clear vision on the EU's side on how to proceed with the integration of their energy markets. Furthermore, the TEN-E Regulation is currently undergoing a revision phase to incorporate the Green Deal objectives for a clean energy system. The interviewees noted that the upcoming developments on the new TEN-E Regulation in this field are important also for the orientation of the work at the macro-regional level.

A major drawback concerns the decarbonisation of the energy system. Affordability is a key question especially for the Balkans, according to the interviewees. Then, there is the issue of gas and high-investment gas pipelines where investments were already advanced. The interviewees noted that it is difficult at this stage to assess the gas volume needed by the Balkan countries. As a first step, the WB countries need to prepare the respective National Plans on how to phase out coal, stimulate strong political commitments, and find the needed resources.

When analysing the content of the past Action Plan 2014-2020 in the field of energy, it emerged that the top priority was progress towards the integration of the electricity market. The indicative actions for the removal of the barriers for cross-border investments should be maintained in the coming years:

- coordination and alignment of permits and regulations;
- joint capacity-building and innovative solutions for implementing a common market.

In terms of projects funded by the ADRION programme during the last multiannual financial framework, three have provided a contribution to enlargement in the field of energy policy:

SUPER-LNG - contributed to the implementation of technical systems of LNG distribution and supply. It aimed at increasing the level of safety, environmental quality, and sustainability of LNG maritime transportation in the Adriatic Sea, with positive assets for air quality. It also aimed at providing a common set of rules to support the implementation of technical systems for the distribution and supply of LNG in port areas, in line with the Seveso Directive (Directive 2012/18/EU), a goal relevant for the objectives of pillar 3 as well.

EnerMOB - aims to support common solutions for electric transport systems at interurban and interregional level in the macro-region, by implementing pilot networks of charging infrastructures and using common technical standards and interoperability solutions following the 2014/94/EU Directive on the deployment of alternative fuel infrastructure.

SUPAIR - aimed to support port authorities in the implementation of low-carbon and multimodal transport and mobility solutions within a macro-regional context. SUPAIR worked

¹⁷ Roadmap for a regional electricity market for the Western Balkan 6
<https://ec.europa.eu/energy/sites/ener/files/documents/Roadmap.pdf>

to establish a network of ADRIION low-carbon ports committed to exchange on good practices regarding soft and hard environment-friendly solutions for a greener, safer, and more efficient transport system, a goal relevant also for the objectives of Pillar 3.

In early summer 2020, the P2 subgroup on energy put forward the proposal for three EUSAIR flagship initiatives, which also include an enlargement-related dimension:

- 1) power networks and market for a green Adriatic-Ionian region;
- 2) integrated natural gas corridors and market for a green Adriatic-Ionian region;
- 3) development and operations of logistics for direct LNG use as a clean fuel for the Adriatic-Ionian region.

The first flagship initiative dedicated to energy is accompanied by three proposed flagship actions, among which, in particular, the one dealing with *digitalisation of the power system, smart grids, and deployment of renewable energy sources* embeds an important enlargement-related dimension. It seeks to put forward collaborative projects dealing with the countries' obligation to adopt and implement National Energy and Climate Plans. Meanwhile, the second flagship initiative on natural gas lists some pipelines on which it can be invested in the forthcoming years. Some of these investments are also part of the flagship 5 - transition from coal - included in the Economic and Investment Plan, analysed later. Finally, the third flagship initiative on LNG proposes three broad flagship actions, which when elaborated in further detail encompass a direct contribution to the *acquis* approximation process.

Overall, in the field of transport and energy connectivity, EUSAIR has the potential to provide a considerable contribution to the enlargement process in the Balkans. The legislative and physical connectivity of the WB with the EU is a precondition for enlargement and serves as the basis for economic growth and people to people relations. However, it is equally true that the Balkans' transport and energy infrastructure is still in an underdeveloped stage and countries are considerably dependent on international funding for large-scale projects (Weiss 2020, 42).

The interviewees highlighted that the high costs and limited budget of the WB countries participating to the EUSAIR, coupled with domestic developments and weak governance, have resulted in the shifting political priorities. In financial terms, it was noted that *acquis* chapters on transport and energy, like the chapter on environmental protection, are expensive and remain an open-end process. Although IPA has a strong focus on the development of infrastructure, the funds made available are insufficient to cover the costs. Furthermore, there are sections of the comprehensive network that do not benefit from the grants.

Because of such challenges, feasibility studies are not often followed up by project implementation. Some interviewees also mentioned grants issued for more feasibility studies on the same project at different times. Such 'collection of feasibility studies on paper', instead of concrete follow-ups, risks compromising efforts to stimulate the acquisition of strategic planning competencies among WB beneficiaries.

IPA Window	WB Economic and Investment Plan Flagships	Green Agenda for the WB Pillars	Cohesion Funds Policy Objectives
Window 3 Green Agenda and sustainable connectivity	Flagship 1 - Connecting East to West Flagship 2 - Connecting	1) Climate action, including decarbonisation, energy, and mobility	PO3 A More Connected Europe

	<p>North to South</p> <p>Flagship 3 - Connecting the coastal regions</p> <p>Flagship 4 – Renewable energy</p> <p>Flagship 5 - Transition from coal</p> <p>[Flagship 6 – Renovation wave]</p>		
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The recently published *Economic and Investment Plan for the Western Balkans* stated that a “large majority of support [will be] directed towards key productive investments and infrastructure”. In particular, transport and energy transition are a top priority and further IPA funding is going to be allocated to upgrading existing infrastructures and new projects in the field. The Commission is expected to raise its co-financing rates for road transport projects up to 40%. In annex 1 of the *Economic and Investment Plan*, the Commission suggests three investment flagships in the transport sector, respectively *Flagship 1 - Connecting East to West*, *Flagship 2 - Connecting North to South* and *Flagship 3 - Connecting the Coastal Regions*.

The interviewees highlighted that the EUSAIR P2 subgroup on transport proposed a list of infrastructural interventions which are consistent with those proposed by the Commission in the *Economic and Investment Plan*, with no previous agreement for the identification of these projects. In the field of energy, the Commission suggests two investment flagships, namely *Flagship 4 - Renewable Energy* and *Flagship 5 - Transition from Coal*, which is also coherent with the objectives of and proposed flagship projects/actions by P2 energy subgroup.

The *Economic and Investment Plan for the WB* is expected to be a driver for further investments by European banks, IFIs, DFIs, and private investors. Here the EUSAIR may play a role in bringing stakeholders together and interface the international financial institutions seeking potential sources of funding for investment projects that support the enlargement process of the WB. This perspective has been confirmed by both transport and energy subgroups, which are willing to engage in structured dialogue with financial institutions on funding opportunities for the shortlisted projects (SWD (2019) 6 final).

Finally, the objectives of P2, which owns a strong inter-connected and regional dimension, demand the involvement and contribution of other relevant actors operating in the field of transport and energy. Finding complementarities and synergies with the work of sectoral regional and international organisations can support the EU accession process in the policy areas now included in cluster 4 of the new accession methodology. For instance, the Energy Community has provided sustainable support to WB to fulfil their obligations in terms of transposition and implementation of energy *acquis* as well as in creating a regional electricity market based on EU rules (C (2018) 3442). The recent establishment of the Transport Community is expected to benefit the alignment of the national legislations in the transport sector as well as the progressive integration of the transport markets. The Transport Community has adopted in October 2020 four action plans dedicated to transport facility, rail,

road and road safety. These action plans include specific actions dealing with the alignment, transposition and enforcement of the EU *acquis* in the transport sector, which directly complements EUSAIR P2's work and contributes to the Western Balkan countries EU integration process.

Furthermore, the Transport Community is working on the establishment of an Observatory for transport and mobility in the Balkans, and its work is closely intertwined with EUSAIR P2's objectives. In turn, EUSAIR can include the Transport Community as a partner in its long-term strategic vision for the development of transport policy. In this perspective, EUSAIR can provide a framework for tackling the cluster's policy content in a transversal manner, creating synergies among different actors in the field.

Pillar 3 – Environmental quality

EUSAIR Pillar 3 - Topics	Acquis Chapters	Acquis Clusters
Topic 1 – The marine environment Topic 2 – Transnational terrestrial habitats and biodiversity	Chapter 27 - ENVIRONMENT	Cluster 4

EUSAIR Pillar 3 (P3)'s overall objective is environmental quality (marine, coastal, and terrestrial ecosystems), essential for ensuring economic and social well-being (SWD (2020) 57). Pillar 3 coordinating countries are Slovenia and BiH. The latter does not have a state-level administration of environmental issues, thus BiH is represented in TSG3 by the Ministry for Foreign Trade and Economic Relations, making an exception in the TSGs governing structure.

Other relevant aspects of the environmental and climate *acquis*, climate change mitigation and adaptation, are considered as *horizontal principles* of the EUSAIR. The EUSAIR Action Plan highlights that the objective of this pillar can be adequately pursued only through cooperation at the level and scale of the macro-region.

PILLAR 3 – OBJECTIVES
i. To ensure a good environmental and ecological status of the marine and coastal environment by 2020 in line with the relevant EU <i>acquis</i> and the ecosystem approach of the Barcelona Convention ii. To contribute to the goal of the EU Biodiversity Strategy to halt the loss of biodiversity and the degradation of ecosystem services in the EU by 2020, and restore them in so far as feasible by addressing threats to marine and terrestrial biodiversity iii. To improve waste management by reducing waste flows to the sea and to reduce nutrient flows and other pollutants to the rivers and the sea

Two topics are identified as pivotal in relation to environmental quality in the Adriatic-Ionian macro-region.

The marine environment: the EUSAIR should work to safeguard the Adriatic-Ionian marine environment from threats to coastal and marine biodiversity and pollution of the sea by:

- contributing to the improvement of offshore Marine Protected Areas (MPAs) both in terms of extension and adequate management, adopting an ecosystem-based approach as foreseen within the EU policy framework of Integrated Coastal Management (ICM) and Marine Spatial Planning (MSP). Both MSP and ICM are important stimulants for trans-boundary collaboration and stakeholders' cooperation across different coastal and maritime sector activities, and have potential for bringing together ecosystem services and Blue Growth opportunities in a sustainable way (see the analysis of Pillar 1 above).

Transnational terrestrial habitats and biodiversity: the EUSAIR should work to safeguard the macro-region terrestrial environment by:
landscape elements of central importance for large carnivores and migratory bird species.

Marine environment has been a central priority of the Adriatic-Ionian macro-region from the beginning; since North Macedonia joined the EUSAIR, the inland environment, habitats, and biodiversity have gained importance. In line with the Strategy's emphasis on an integrated approach, TSG3 developed an extensive matrix to identify where its priorities and those of the other three Pillars intersected, also highlighting the degree to which the priorities could match – from a perfect match, to incompatible, to no match (OECD 2019a:18).

Environmental quality crosses the other three EUSAIR pillars in terms of:

- sustainability of fisheries and aquaculture (P1 Blue Growth);
- low-carbon developments, limiting the ecological footprint (P2 Transport and Energy);
- preservation of natural resources and cultural heritage, inappropriate coastal development and marine litter, and issues affecting tourism such as air emissions (P4 Sustainable Tourism);
- resilience of the macro-region's economies and societies in the face of existing and/or potential impacts of climate change (Adaptation to Climate Change).

EUSAIR Action Plan (SWD (2020) 57) identified two other overarching issues that contribute to environmental quality in the Adriatic-Ionian region.

- Capacity-building and communication, that can contribute to raising awareness of the issues among local stakeholders, ownership of efforts to address environmental quality and to further align national environmental legislation with existing EU legislation. The importance of better communication and ownership of efforts was also stressed by the interviewees.
- Research and Innovation, and SMEs: there is a clear need for sharing existing knowledge and development of scientific cooperation, notably through innovative integrated observatory infrastructure and data exchange platforms across the macro-region and across sectors. The importance of scientific cooperation and exchange of best practices and experiences has been reiterated in most of the interviews. Local stakeholders perceive the exchange of knowledge as particularly beneficial when working as peers with EU member states.

EUSAIR Pillar 3 is directly linked to the *acquis* chapter 27 (environment), included in cluster 4 of the new methodology. Looking at the EC 2020 Progress Report, it is apparent that the WB have made limited progress with the "environmental *acquis*".

CHAPTER 27: ENVIRONMENT - cluster 4

- Only Montenegro has opened chapter 27
- All countries need to develop a National Energy and Climate Plan in line with the Energy Community obligations (this highlights how environmental issues are closely entwined with energy issues)
- All countries with the exception of North Macedonia need to work on some aspects of emission directives
- All countries need align with *acquis* on waste and water waste management
- All countries need to further improve the protection of ecosystems, habitats, and biodiversity, either preparing for Natura 2000 or aligning with directives on protected areas and species.

Interviews highlighted how in most WB countries participating in the EUSAIR the transposition of laws linked to the environmental *acquis* is proceeding relatively smoothly. However, the high costs of realising the connected infrastructures hamper the implementation of the environmental *acquis*. Various WB countries estimated that the costs for the adoption of the whole environmental *acquis* for each of them would exceed the sum allocated through IPA for the whole Balkan region. In return, the WB generally have a good level of approximation of the air quality *acquis* in terms of monitoring infrastructures, and thus have a clear understanding of the dimension of the problem of air pollution; the next step for WB countries is to prepare protocols to tackle air pollution. The following three areas are particularly problematic:

- the WB is rich in rivers and lakes and large basins, such as the Danube basin. Water monitoring and management, i.e. the creation of monitoring of all water basins, the construction of waste, and water treatment infrastructure is fundamental for the quality of rivers and seas. Recent incidents showed the seriousness of the situation (e.g. chemical substances flowing through Spreča into Sava; large amounts of plastic waste flowing into the Adriatic sea or accumulating on dams along the Drina river);
- waste management and treatment - the recycling rates in WB are low, and most countries do not have waste treatment facilities (i.e. they export certain types of waste).

The implementation of the *acquis* in these fields requires the development of complex monitoring systems (monitoring system of all waters) and costly infrastructure (water and waste treatment plant). Instead, the *acquis* in the area of protection of ecosystems, habitats, and biodiversity is not particularly expensive, but it is rather time consuming and requires the engagement of experts and cooperation with NGOs, academia, and research institutes. While all issues have a regional relevance, some are country-specific (i.e. waste and water treatment infrastructures and their management): each country needs to identify its own needs and consequently develop plans and build infrastructures. Other aspects instead may be tackled regionally (e.g. ecosystems, habitats, and biodiversity – both terrestrial and marine, etc.).

The EUSAIR Action Plan (SWD (2020) 57) lists under Pillar 3 a number of possible actions for the two P3 topics.

The proposed actions for the topic "marine environment" tackle:

- the threats to coastal and marine biodiversity - with a coordinated and trans-boundary approach in the framework of Integrated Coastal Management (ICM) and Marine Spatial Planning (MSP), which have the potential for bringing together ecosystem services and Blue Growth opportunities in a sustainable way; by improving information (inventory of this rich biodiversity and marine habitat maps; information on small-scale fisheries and illegal fishing); by augmenting the coverage of offshore Marine Protected Areas (MPAs) and their management; by monitoring and managing marine alien species;

- the pollution of the sea - preservation from transport activities, hydrocarbon exploration and exploitation, and large-scale pollution events (oil spill contingency plan), and insufficient waste water treatment in several participant countries lead to pollution from rivers and marine litter.

The proposed actions for the topic "transnational terrestrial habitats and biodiversity" tackle:

- the protection and preservation of terrestrial ecosystems, in particular transnational habitats and landscape elements of central importance for large carnivores and migratory bird species that stretch across borders.

Generally, the EUSAIR participating countries from the WB face difficulties in developing the legal framework (by laws, implementing mechanisms, etc.) to maintain the infrastructures. Moreover, WB countries, due to lack of political will and limited absorption capacity at the local level, have an ownership problem; this issue emerges also from both the Adrion project and the EUSAIR flagships analysed below.

The second Adrion call for projects focused on Priority Axis 2 Sustainable Region, covering two specific objectives; particularly relevant to Pillar 3 is the specific object 2.2 Enhance the capacity in transnationally tackling environmental vulnerability, fragmentation, and the safeguarding of ecosystem services in the Adriatic-Ionian area.

Among the 22 funded projects, several contributed to the EUSAIR objectives and have relevance for the EU enlargement and the approximation of the *acquis*, in particular for the protection of ecosystems and biodiversity, the management of waste to avoid maritime waste, and the implementation of the Barcelona convention. Some of these projects addressed priorities under more than one EUSAIR pillar.

DINALPCONNECT - the project contributes to the protection of biodiversity in the macro-region by improving ecological connectivity. Eleven partners from seven countries established a network of pilot regions strengthening transboundary linkages with Natura2000 sites and protected areas. Among the explicit goals is the exam of the EU and national agriculture and forestry policies to suggest ways to harmonise with EU *acquis* and collect spatial data to analyse ecological connectivity and identify hot-spots (corridors or stepping stones) and barriers.

ECOWAVES - the project, relevant also for P1, contributes to proper management of waste to avoid marine littering. Recognising environmental risks related to illegal ship waste dumping and inadequate port waste management caused by lack of handling service, ECOWAVES supports the development of transnational sustainable and coordinated waste management systems in the macro-region.

HarmoNIA - focused on the contamination from hazardous substances and maritime protected areas. It strengthened the existing transnational network of data infrastructures to facilitate access and re-use of marine data in the macro-region. It improved the coherence of protocols for monitoring and assessment of contaminants in the marine environment and the coordination among institutions involved in MSFD and UNEP/MAP protocol implementation (i.e. local, regional, and national authorities in charge of environmental assessment, management, conservation, and research institutions, to tackle problems related to pollution dispersal and risks on the coastal areas).

IMPRECO - the project contributed to the protection of biodiversity in the macro-region. Its main objective was to enhance the safeguarding of ecosystem services and strengthen the potential of protected areas through their transnational networking.

PORTODIMARE - relevant also for P1, it worked for the adoption of the Integrated Coastal Zone Management (ICZM) and Maritime Spatial Planning (MSP) principles and policies and it aimed at supporting the implementation of the EUSAIR Action Plan. It created a geoportal as a

support tool enabling public authorities and stakeholders to apply a coordinated, integrated, and trans-boundary approach.

SMARTRIVER - it focuses on the management of water involving 6 river basins affected by climate change (Misa, Glafkos and Charadros, Neretva, Drava, Vjosa, Bosna), mainstreaming risk reduction policies, improving the adaptation capabilities of project partners, stakeholders, and relevant actors, providing a common framework to face with environmental, economic, and social vulnerability to climate change.

SEAVIEWS - relevant also for P1, it enhances the capacity for transnational collaborations on environmental vulnerability, fragmentation, and safeguarding ecosystem services in the macro-region.

Within the 2014-20 Adrion programme, the Pillar 3 Thematic Steering Group has identified four labelled projects that have been planned and should begin to be implemented soon.

- ASOCSOP: transnational contingency plan in event of accidents at sea (i.e. oil spill)
- ICZM & MSP: sustainable development of coastal and maritime zones
- 3MPS: monitoring and management of marine protected species
- PET HAB ECO: protection and enhancement of natural habitats and terrestrial ecosystems

For the next programming period 2021-27, the Pillar 3 Thematic Steering Group has proposed three Flagships; these projects build on the EUSAIR Action Plan and on the activities implemented in the past programming frame and if the embedding process is successful, they may focus on:

- development and implementation of OIL SPILL contingency plan;
- protection and enhancement of natural terrestrial habitats and ecosystems;
- promotion of sustainable growth by implementing ICZM and MSP to contribute to CRF on the Barcelona convention and the monitoring and management of marine protected areas.

There are additional synergies that can be observed: EPPA (EU Environment Partnership Programme for Accession), a programme financed and promoted by DG Environment, that supports the WB in developing a better understanding of the implementation of EU nature and biodiversity policies, as well as EU Biodiversity Strategy 2020, EU Strategy on Green Infrastructure and Habitat Directive directly contributed to some EUSAIR activities in 2020.

Pillar 3 objectives and activities have a high level of coherence with EU *acquis* and favour its adoption in the WB countries participating in the EUSAIR. Moreover, the approach of Pillar 3 to the topics tackled anticipated the relevance that green issues are gaining today in the EU policy planning. Some new concepts, such as circular economy, were not used by the Action Plan in 2014 and they will have to be introduced in the next one. However, the general approach that the EUSAIR has promoted thus far is in tune with current sensitivities and political developments.

In general, it seems that the work of Pillar 3 is focused on clear priorities and, during the first six years of EUSAIR, the project implemented through Adrion contributed to bringing the WB closer to the EU standards and directives, even in those countries that did not open chapter 27 yet.

All ADRION projects contribute to building a community of work that is engaged in the EUSAIR work. They may support the WB integration process better if EUSAIR scales up their experience in the field to the policy level.

Box 6: Environmental *acquis* - protection of ecosystems

While the adoption of the environmental *acquis* has extraordinarily high costs, the approximation in terms of protection of ecosystems could be feasible through available funds. The EU, through IPA direct and indirect management and other budget lines, has supported several projects in this area. Other donors also work in this area (e.g. UNEP). Between 2016 and 2020, ADRION supported several regional projects to sustain the development of coordinated databases and protection measures.

However, protection of ecosystems is not politically tempting: it is often an obstacle to the construction of infrastructures and/or to the expansion of mass tourism. Better coordination and mainstreaming of environmental issues in all infrastructural investments and awareness-raising and projects focused on sustainable tourism (see Pillar 4) could contrast the idea that environmental protection is an obstacle to economic development.

Other relevant aspects to consider are: the limited absorption capacity of local authorities and stakeholders, both at country and at regional level; not all implemented projects have a follow-up and adopted measures and databases are not updated; finally, there is limited sense of ownership over projects, even when these are considered best practices.

The EUSAIR may define criteria for long-term sustainability of projects that contribute to the adoption of EU directives. Moreover, the EUSAIR could promote stronger involvement of local communities and better coordination with other donors and relevant stakeholders (universities, NGOs, think tanks, etc.).

Box 6

One of the concerns emerged in the interviews is the ownership of the actions promoted by the EUSAIR: interviewees highlighted the need to follow up on and maintain the achievements of implemented projects not only by ensuring continued financing, but also by improving ability of local authorities to participate in projects. NGOs and CSOs also play a fundamental role in mobilising the local population and pressure governments to speed their pace in fighting pollution. But EUSAIR could undertake a specific work in this field by strengthening the work with the stakeholders.

Moreover, interviewees noted the need to coordinate the several donors that operate in the area of environmental protection in the WB, in order to avoid duplication and maximise project impact. Once again, the EUSAIR may be empowered by working at the level of coordination among different actors in the field. Thanks to its multilevel approach, the EUSAIR is in a privileged position to do so.

IPA Window	WB Economic and Plan Investment Flagships	Green Agenda for the WB Pillars	Cohesion Funds Policy Objectives
Window 3 Green Agenda and sustainable connectivity	Flagship 7 - Waste and waste water management	1) Climate action, including decarbonisation, energy, and mobility 2) Circular economy, addressing in particular waste, recycling, sustainable production, and efficient use of	PO2 A Greener Europe

		<p>resources</p> <p>3) Biodiversity, aiming to protect and restore the natural wealth of the region</p> <p>4) Fighting pollution of air, water, and soil</p> <p>5) Sustainable food systems and rural areas</p>	
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Actors in the WB countries participating to the EUSAIR value positively the adoption of the *Green Agenda for the Western Balkans*, accompanying *Economic and Investment Plan for the WB*, that sets out relevant actions and recommendations, including alignment with the EU standards and the *acquis* (SWD (2020) 223). The *Agenda* is informed by the five broad areas covered by the *European Green Deal*: decarbonisation, depollution of air, water and soil, circular economy, farming and food production, and protecting biodiversity.

Moreover, in the *Economic and Investment Plan for the WB*, the EC suggested a number of *investment flagship* linked to the Green Agenda: flagship 4 - renewable energy and flagship 5 - transition from coal (closely connected with Pillar 2 of the EUSAIR); flagship 6 - renovation wave; flagship 7 - waste and waste water management. Currently, the RCC is leading the discussion and drafting of the action plan to implement the *Green Agenda* at the regional level. The expectations from the *Green Agenda* are high, but at the same time stakeholders in the EUSAIR participating countries from the WB are worried that some objectives are too ambitious, particularly in the area of decarbonisation as discussed above (see Pillar 2). The EUSAIR could contribute to ensure that more ESIF funds reach the WB thanks to the engagement of participating member states in addressing common challenges. The MRS is based on the assumption that the Adriatic and Ionian region is a functional area and its starting point is the need to join forces to solve common problems. Clearly a successful embedding process is a precondition for its unfolding and coherent work within EUSAIR is a necessity to give concreteness to the ambitions.

Pillar 4 – Sustainable Tourism

EUSAIR Pillar 4 - Topics	Acquis Chapters	Acquis Clusters
Topic 1 – Diversified tourism offer (products and services)	Chapter 20 - ENTERPRISE AND INDUSTRIAL POLICY	Cluster 3
Topic 2 – Sustainable and responsible tourism management (innovation and quality)	Chapter 26 - EDUCATION AND CULTURE	

Pillar 4 focuses on developing sustainable and responsible tourism in the Adriatic-Ionian macro-region through innovative and quality tourism products and services and the promotion of responsible tourism. TSG4 coordinators are Croatia and Albania. The EUSAIR Action Plan

identifies as essential factors for the development of tourism: facilitating socio-economic perspectives, removing bureaucratic obstacles, creating business opportunities, and enhancing SMEs' competitiveness, (SWD (2020) 57).

PILLAR 4 – OBJECTIVES

- i. Diversification of the macro-region's tourism products and services along with tackling seasonality of inland, coastal, and maritime tourism demand
- ii. Improving the quality and innovation of the tourism offer and enhancing the sustainable and responsible tourism capacities of the tourism actors across the macro-region

To achieve these objectives, Pillar 4 focuses on two topics.

A diversified tourism offer (products and services)

Tourism is one of the most growing and performing economic sectors in the Adriatic-Ionian region. The sector has been severely affected by the COVID-19 pandemic and is now the focus of the recovery efforts. The economic impact of tourism is not homogeneous in the WB participating in the EUSAIR: in MNE and ALB it is already a key source of GDP, in the inland (SRB, BiH, MK) it is still an emerging sector. The sector's full potential is yet to be unlocked in the WB.

As stressed by the Action Plan, macro-regional cooperation should result in sustainable diversification of tourism offer, to reduce dependence on seasonality, environmental, and climate change impact, and should have a strong commercial and business-oriented dynamic. Besides opening new market opportunities, this would have a positive impact on the balance between inland and coastal areas, reducing the environmental pressure in the latter.

Box 7: Adriatic-Ionian branding and identity

The potential for a common macro-regional branding has been identified both by the EUSAIR and the EC. The EUSAIR *Action Plan* has suggested a brand-building strategy, targeting common niches, fostering digitalisation, mapping and promoting macro-regional routes, upgrading and integrating tourism products from thematic sectors (rural, cultural, food, health) at a macro-regional level (SWD (2020) 57).

A coordinated macro-regional effort to promote tourism calls for a branding strategy that presents the whole Adriatic-Ionian region as a single destination. This, in turn, could foster intra-regional cooperation, which is an essential factor in the WB enlargement process, and contribute to the development of a macro-regional identity.

The presence of a number of transboundary cultural and natural heritage sites, as well as multiple common references in art, skills, traditions, architecture and gastronomy, offers great opportunities to strengthen the framing and perception of the Adriatic-Ionian region as a unitary and unique territory.

Encouraging products and packages in tourism, cultural, and creative domains with a macro-regional dimension may have an impact on its competitiveness. Increasing the recognisability and visibility of the macro-region for the external audience might also encourage a better integration between coastal and inland regions.

Box 7

A sustainable and responsible tourism management (innovation and quality)

The level of cooperation in the management of sustainable tourism is rather limited and should be improved through promotion of common standards and rules, interaction between key

public and private actors and stakeholders, fostering competitive and innovative tourism SMEs, while preserving natural and cultural heritage (SWD (2020) 57).

Boosting the private sector is needed to ensure functioning market economies which is a key requirement for EU membership and to cope with competitive pressure within the EU market.

Although EUSAIR Pillar 4 does not explicitly match any EU *acquis* chapter, it is indirectly connected with a number of them. (Sustainable) tourism is indirectly connected with *acquis* chapter 20 (enterprise and industrial policy) regarding competitiveness, business, and SMEs environment.

CHAPTER 20: ENTERPRISE AND INDUSTRIAL POLICY - cluster 3

- Only Montenegro and Serbia have opened the chapter
- All the countries (except MNE) need to effectively implement action plans for industrial policy outlining concrete actions
- All countries (except MNE) lack sector-specific approaches in policy making, including tourism development strategies
- In MK, ALB, and BiH, formalising informal economy, lack of transparency, rule of law should be tackled
- In MNE and ALB, funding instruments for entrepreneurship in tourism and creative-innovative sectors have improved their absorption capacity
- BiH lacks a state-level development strategy and policy-making bodies in enterprise-industrial policy, including tourism

Pillar 4 is also connected to *acquis* chapter 26 (education and culture), as it also focuses on cultural heritage and creative industries, that are a fundamental part of tourism in the Adriatic-Ionian region. Stronger cooperation in this area could positively contribute to a more sustainable tourism sector.

CHAPTER 26: EDUCATION AND CULTURE - cluster 3

- Montenegro and Serbia have closed the chapter and have a good level of preparation
- While acknowledging that all the countries are cooperating with UNESCO, the EC has addressed some issues, particularly about delays in adopting laws and strategies on protection and cultural heritage, recommending cross-border cooperation on preservation of shared sites and elaboration of integrated management plans.

Chapter 27 (environment and climate change), analysed under Pillar 3, covers directives and aspects that are fundamental for sustainability, environment protection, and natural heritage. More indirect connections can be identified among Pillar 4 and chapter 11 (agriculture and rural development), on rural and agrotourism, chapter 14 (transport analysed in Pillar 2) on intermodal connectivity, and chapter 25 (science and research, analysed in Pillar 1) for the role of tourism in the Smart Specialization Strategies, research, and innovation.

IPA Window	WB Economic and Investment Flagships	Green Agenda for the WB Pillars	Cohesion Funds Policy Objectives
Window 3	Flagship 9 - Investing in the competitiveness of	3) Biodiversity, aiming to protect and restore	PO5

Green Agenda and sustainable connectivity	the private sector	the natural wealth of the region	A Europe Closer to Citizens
Window 4			
Competitiveness and inclusive growth			

The *Economic and Investment Plan* for the WB suggests that tourism, alongside digitalisation, should be a strategic sector where start-ups and SMEs will be provided specific support. This idea is based on the assumption that they could pave the way to economic growth through innovation and competitiveness (2020 (COM) 641).

The stakeholders interviewed, however, complained that tourism has a marginal relevance in the *Economic and Investment Plan for the WB*: the closest connection with EUSAIR Pillar 4 can be identified in Flagship 9 – Investing in the Competitiveness of the Private Sector, aiming to reinforce SMEs and their capacity to innovate and foster green growth. Following Flagship 9, to support the private sector the EU should increase the grant amount through the Western Balkan Investment Framework and the guarantee capacity through the Western Balkans Guarantee Facility (COM (2020) 641). More indirect connections between the *Economic and Investment Plan* and EUSAIR P4 can be traced in the Flagship 7 in the environment sector, “Waste and Waste water Management” (see above in the Pillar 3 subchapter), which can have positive impacts on tourism in the macro-region (COM (2020) 641).

The *Economic and Investment Plan* explicitly recalls the importance of cultural heritage within sustainable tourism strategies, calling for intensified cooperation between the EU and the WB in the implementation of the 2018 *Framework for Action on Cultural Heritage* (2020 (COM) 641, 16). Preserving and fostering the rich cultural heritage’s potential is highly relevant for Pillar 4, which aims to reinforce the implementation of the “Ljubljana Process” calling for integrated rehabilitation of cultural heritage in the macro-region (SWD (2020) 57, 52-53). The interviewees, nonetheless, stressed the lack of direct investment perspective as an obstacle to a smooth implementation of EUSAIR Pillar 4 objectives.

ADRION’s thematic cluster “Towards sustainability in cultural and natural tourism destinations” has supported seven projects, which address some aspects of tourism relevant to the adoption of EU *acquis*, such as sustainable water management in coastal areas, common branding, revitalisation of non-tourist area of minor relevance and promotion of local agri-food sectors, digitisation of cultural heritage, innovative tourism management approaches.

For the next programming period 2021-27, TSG4 identified five flagship projects¹⁸. Three of them, CulTourAir, Des_Air, and Green Mapping for the Adriatic Ionian region, aim at improving the performance of SMEs and at growth-diversification, at offering visibility and market uptake, and at raising entrepreneurial skills. Crusair addresses the need for better management of cruise destinations. Air Cultural Routes addresses the need for harmonised distribution of tourism flows through macro-regional territories using Cultural Routes as a tool for the creation of innovative diversified tourism products.

¹⁸ <https://www.adriatic-ionian.eu/2020/05/29/eusair-flagships-defined-within-pillar-4-sustainable-tourism/>

Since 2020, the COVID-19 pandemic has been heavily affecting tourism as a business sector and its employment capacity and it will presumably have a lasting impact in the next few years. In the macro-region, the decline in international tourist arrivals during the period January-May 2020 was estimated up to -67%, the highest among the four MRSs¹⁹.

Nonetheless, the dramatic impact of the COVID-19 pandemic on tourism could also contribute to some positive changes in the long term. Travel restrictions, while heavily affecting the sector, opened new opportunities to proximity tourism and smaller destinations; what is more, the new circumstances urged the adoption of smart and digital solutions. In such a difficult context, the EUSAIR may be in a strategic position to support the WB recovery and accession process by fully endorsing EU strategies in the field.

FINAL REMARKS AND RECOMMENDATION ON HOW THE EUSAIR MAY FACILITATE THE ENLARGEMENT PROCESS

From the very beginning, the EUSAIR in its official documents clearly set out its support to EU enlargement in the WB. Its action plan published in 2014, for instance, explicitly cites the accession process by referring to the foreseen harmonisation with specific EU directives and regulation as a benchmark. Such expectation is not surprising, as the European integration of the Western Balkans is, one way or another, a policy objective of all the countries involved.

As this paper highlights, the EUSAIR has numerous assets to deploy to contribute to the enlargement process. To start with, the *horizontal cooperation* that is established in its framework is attractive to candidate and potential candidate countries. North Macedonia's accession to the EUSAIR in 2020 confirms the relevance of the platform for its Balkan partners. While the enlargement process is a bilateral, hierarchical process where the WB countries involved have to accept the decisions of the EU institutions, within the EUSAIR they work as peers with member states.

Second, EUSAIR proposes a new idea of *regional* identity that by definition reconnects the WB to the EU. It rebuilds the connections between countries after the deep divides and conflicts of

¹⁹ <https://www.adriatic-ionian.eu/wp-content/uploads/2020/09/The-impact-assessment-analysis-for-the-four-macroregional-strategies-ES.pdf>

the XX century, gradually reconfiguring a sense of shared future and common belonging that is beneficial for all. It allows the WBs, isolated on the margins of the European political space, with no way out of local conflicts, to think of themselves as belonging to another region with different dynamics.

Third, recognising their belonging to a functional area, they see the *convergence* of needs and interest. Those who have remained outside the EU engage with the member states in joint strategic planning and pooling of resources, while the latter consolidate their commitment towards the integration of the former.

Fourth, with its *cooperative nature*, the EUSAIR may soften tensions among its members and carry out important multi-level diplomacy work in a region with a burdensome past of division. Moreover, interviewed stakeholders see the EUSAIR as an important forum where every member participates as a peer. Such cooperation is meaningful as it allows all countries, particularly EUSAIR participating countries from the WB, to learn by doing and progressively become familiar with processes and procedures.

Considering the slow path of the accession negotiations, most aspects tackled by the EUSAIR will not be the core concern of the integration process for the years to come. The new enlargement methodology maintains the focus on the so-called fundamentals, that for a great part fall beyond EUSAIR scope of action. However, if fully acknowledged, the EUSAIR may also generate value added by advancing the WB countries' harmonisation with the *acquis* in the thematic fields and, what is more, by generating *capacity-building* opportunities in the concrete experiences of cooperation.

Sixth, the *territorial* approach purported by the EUSAIR stresses the context-based dimension of policy-making, its strategy-oriented approach, and the need to be evidence-based and informed by the partnership principle. The experience of such working methods, that increase the accountability of the actors involved, provides important learning by doing opportunities for the accession process of the WB countries.

Last but not least, another important asset that the EUSAIR offers enlargement is its multi-level governance work. In particular, the EUSAIR is in the position to build on the communities of work that are created thanks to project implementation and to scale them up to the policy level. This *inclusive approach* where the role of stakeholders is enhanced is particularly beneficial for the WB as it goes in the direction of consolidating their democracy.

After its long inception phase, today the EUSAIR is ready to start delivering its results and should take the new *momentum* that derives from this important development. In the last few months, the EUSAIR has dedicated efforts to intensify and better focus the work of Pillars, TSGs, and respective projects. With its flagship efforts, the EUSAIR has been working to favour the embedding of its priorities in the existing financing frames. If for soft policy measures the MRS will be in the position to effectively contribute to the accession process, in expensive policy areas such as connectivity and environment, the WB need to get access to more resources, beyond those currently foreseen for IPA III funds, possibly in a coordinated manner.

If the EUSAIR succeeds in achieving results, by stimulating political commitment and improved absorption capacity in the WB, it may gain leverage to bargain for more not only in the interest of the WB, but for the whole EU and its agendas. The new enlargement methodology has opened to the chance to gain more financial support when results are obtained. The *convergence of interests*, that is the basis for the cooperation among the MRS's partners gathered around a functional area, can be made evident for the entire EU space as well.

In order to take full advantage of the momentum and the listed assets, the following recommendations are made.

To communicate the value added of the EUSAIR for EU enlargement

The EUSAIR should gain acknowledgement of its role in this field by communicating its specific value added with respect to other initiatives in the macro-region. This can be done through general communication and ad hoc efforts addressing the relevant counterparts.

To gain recognition by and coordinate efforts with other actors in the field

It is important that the EUSAIR contribution to the enlargement is first acknowledged by the other actors in the field and then that it coordinates with them; the strategy should pursue recognition of its work and coordination within all the EU institutions, the DG Near, the EU delegations in the countries, the Regional Cooperation Council, the Transport Community, the Energy Community, the programmes managing authorities to start with and with the initiatives carried out by other actors.

To improve the coordination between EU policy areas and the EC DGs involved

The EUSAIR should ensure a better coordination between the EU policy areas and the EC DGs interested by its work, in particular between the DG Near and DG Regio. As a starting point, the participation of representatives of both DGs in EUSAIR meetings is strongly encouraged.

To continue developing the synergies with the ETC programmes

The EUSAIR needs the support not only of the Adriatic transnational programme, but of all CBC programmes operating in the macro-region that offer a relevant instrument of cooperation and capacity building (including IPA-IPA). The support of ETC programmes to the strategy should be enhanced in the 2014-2020 programming period, also with the inclusion of WB countries in Interregional programmes such as ESPON and INTERACT in order to strengthen the impact of ETC on capacity-building and including WB countries in reflections on the future of the EU.

To support the upscaling of ETC results

The EUSAIR should use findings and results of ETC projects which have proven to be useful for enlargement and upscale them at the level of policies. It should coordinate and capitalise on ETC and other projects in fields strategic for enlargement, combine the efforts put in place by different programmes, tackle common problems particularly relevant in the accession of WB countries, and capitalise on the most promising experiences in the field of enlargement.

To support data availability in WB countries

The EUSAIR should support the capacity-building of statistical offices, for example by adopting this as a relevant cross-cutting priority; with its shared ownership and regional dimension, the EUSAIR may offer an important setting in which the benefits of comparable data for all the involved countries are made clear.

To boost the capacity of EUSAIR participating countries from the WB to implement policies

In order to better contribute to enlargement, the EUSAIR should assist the WB countries in enhancing their administrative and technical capacities; the activities in the TSGs should include efforts to share planning, managing, controlling capacities etc. The EUSAIR may offer such a crucial contribution to the EU integration while working in the various policy areas identified by the 4 pillars, contributing to grounded, evidence-based, and participatory policy-making. This, in turn, may help candidate countries progress with other chapters as discussed in the following points.

To offer a platform for coordinating funds and strategies contributing to the accession process of EUSAIR participating countries from the WB

The strategy should pay attention to its different pillars to ongoing and planned initiatives, starting with EU 21-27 funds ensuring a successful embedding process. In addition, the EUSAIR should offer a relevant platform to coordinate the efforts of different donors - EU and non-EU - especially for what concerns the expensive policy areas where the WB countries participating to the EUSAIR need more resources, beyond the IPA III funds.

To update the action plan taking into account the evolution in European legislation and the new programming period and introduce enlargement specific indicators

European legislation is evolving, the *acquis* is not given once and for all. Current EU policy strategies showed acceleration in areas covered by EUSAIR, especially in the environmental area that the action plan has to take into account. For instance, issues such as the circular economy need to be included in the revised action plan. Moreover, an effort to specify indicators in the new action plan, that allow to monitor the MRS progress in the next years, should include specific indicators related to the enlargement process so as to keep its advancement high on the agenda.

To enhance stakeholder engagement to create policy ecosystems conducive to the WB integration

Multilevel governance and administrative reinforcement are enabling conditions for Enlargement where EUSAIR can play a fundamental role. A stronger involvement of stakeholders may contribute to the establishment in WB countries of policy ecosystems able to respond rapidly and flexibly to technological, market, and social changes. A full implementation of the stakeholder platform may allow advancements in this regard. Finally, the EUSAIR could promote stronger involvement of local communities and better coordination with other donors and relevant stakeholders (universities, NGOs, think tanks, etc.).

To scale up from project to policy

The EUSAIR should take advantage of the dialogue with stakeholders in particular where communities of work emerge among project implementers, it should carefully listen to their experience and facilitate the capitalisation of their achievements and the scaling up to the policy level. In order to do so, EUSAIR should assume as one of its explicit goals to bridge competences and experiences acquired by practitioners on the ground with policy makers and higher political level. The EUSAIR may also define criteria for long-term sustainability of projects that contribute to the adoption of EU directives.

To strengthen the relationship with national parliaments

In order to enhance the impact on enlargement and on policy making, countries participating in the EUSAIR should support the links between the strategy and national parliaments by organising national events of communication and exchange.

Pillars - recommendations

The EUSAIR should:

Pillar 1

- build on the existing research networks and foster their linkages with the business environment, encouraging the establishment of triple and quadruple helix ties that could serve to the alignment to chapter 25 (science and research).

- be a forum for knowledge-sharing for further alignment with the fisheries *acquis*, also with regard to data collection systems and reporting.
- favour the adoption of the S3/S4 approach in connection with chapter 22 of the *acquis*, to increase cooperation and facilitate innovation in the macro-region.

Pillar 2

- reconsider its role on railways, as they are necessary to promote green sustainable transport as well as contribute to the development of waterborne transport.
- revise the Action plan in the light of ongoing developments on the revisiting of TEN-T and TEN-E Regulation and the Green Agenda
- bring together stakeholders and interface the international financial institutions seeking for potential sources of funding for costly investment projects
- create synergies among donors, avoid fragmentation or multiple interventions by providing a framework for tackling the cluster's policy content

Pillar 3

- support the long-term sustainability of projects in the area of environment by addressing the absorption capacity of the WB
- ensure the mainstreaming of *green issues* in all projects. In particular, environmental issues should always be linked to the activities of Pillar 2 energy subgroup for a coordinated effort towards decarbonisation
- newer concepts, such as circular economy, need to be included in the revised EUSAIR Action Plan.

Pillar 4

- develop a communication and branding strategy of the whole macro-region as a single tourist destination that in turn nurture a shared Adriatic and Ionian identification and the WB accession process
- enhance the cooperation between the public and private stakeholders in the management of sustainable tourism and promote common rules and standards.

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SAA Serbia

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ANNEX 1 – IN-DEPTH INTERVIEWS

IN-DEPTH INTERVIEWS		
1	DG NEAR	Mauro Di Veroli
2	DG NEAR	Laurent Guirkinger
3	DG NEAR	Guillemette Vachey
4	DG REGIO	Gilles Kittel
5	EEAS	Clive Rumbold

6	EEAS	Bianca Maier
7	EEAS	Pawel Lacki
8	Regional Cooperation Council	Amer Kapetanovic
9	EUSAIR National Coordinator - Italy	Andrea Cascone
10	Ministry of Foreign Affairs and International Cooperation of Italy	Simona Mameli
11	DG NEAR	Davide Denti
12	EUSAIR National Coordinator - Slovenia	Andreja Jerina
10	EUD North Macedonia	Nicola Bertolini
11	EUD North Macedonia	Frederikes Janmaat
12	EUD North Macedonia	Sergey Mihaylov
13	EUD North Macedonia	Elvis Ali
14	EUD North Macedonia	Karl Giacinti
15	ESPON	Sandra Di Biaggio
16	Transport Community	Nereida Hoxha
17	DG ENER	Nicolas Kuen
18	EUSAIR National Coordinator - Bosnia and Herzegovina	Midhat Džemić
19	EUSAIR National Coordinator - North Macedonia	Finka Serafimova
20	EUSAIR TSG2 Coordinator - Serbia	Mirjana Jovanović
21	DG ENVIRONMENT	Madalina Ivanica
22	Joint Research Center	Nikola Radovanovic
23	ADRION	Lodovico Gherardi
24	ADRION	Barbara Di Piazza
25	EUSAIR TSG3 Coordinator - Bosnia and Herzegovina	Senad Oprašić
26	EUSAIR National Coordinator - Greece	Vasilis Tselios

27	EUSAIR TSG2 Coordinator - Italy	Pierluigi Coppola
28	National coordinator - Croatia	Nedjeljko Spilek
29	RCC	Radovan Nikcević
30	EUD BiH	Goran Filipović
31	EUD BiH	Renata Abuzaimović
32	EUSAIR National Coordinator - Montenegro	Jelena Burzan
33	ISMAR CNR	Andrea Barbanti
34	EUSAIR TSG2 Coordinator - North Macedonia	Jasminka Kirkova
35	EUSAIR TSG4 Coordinator - Croatia	Vlasta Klarić
36	Interact	Ilze Ciganska
37	EUSAIR Facility Point	Iztok Škerlić

Annex 2 – Comparative table

CROSS-CUTTING ISSUES							
ACQUIS CHAPTERS	ACQUIS CLUSTERS		MONTENEGRO	SERBIA	NORTH MACEDONIA	ALBANIA	BOSNIA and HERZEGOVINA
		ENLARGEMENT STATUS	NEGOTIATING COUNTRY	NEGOTIATING COUNTRY	CANDIDATE COUNTRY	CANDIDATE COUNTRY	POTENTIAL CANDIDATE
		SAA articles	Art. 76; Ar. 90; Art. 92; Art. 72-73; Art. 113.	Art. 76; Art. 90; Art. 92; Art. 72-73; Art. 113.	Art. 72; Art. 82; Art.83; Art. 75; Art. 68; Art. 69; Art. 101.	Art. 74; Art. 88; Art. 90; Art. 70-71; Art. 110.	Art. 74; Art. 88; Art. 90; Art. 70-71; Art. 110.
CHAPTER 5 - PUBLIC PROCUREMENT	CLUSTER 1 fundamentals	OPEN	OPEN	NOT OPEN	-	-	-
		MODERATELY PREPARED	MODERATELY PREPARED	MODERATELY PREPARED	MODERATELY PREPARED	MODERATELY PREPARED	SOME LEVEL OF PREPARATION
		WORKING ON FULFILMENT OF INTERIM OR CLOSING BENCHMARKS	WORKING ON FULFILMENT OF INTERIM OR CLOSING BENCHMARKS	WORKING ON FULFILMENT OF INTERIM OR CLOSING BENCHMARKS	WAITING FOR THE NEGOTIATION FRAMEWORK	WAITING FOR THE NEGOTIATION FRAMEWORK	POTENTIAL CANDIDATE COUNTRY
RECOMMENDATIONS BY EU	IMPLEMENT THE LAWS ON PUBLIC-PRIVATE PARTNERSHIPS AND PUBLIC PROCUREMENT; ADOPT IMPLEMENTING LEGISLATION ON PUBLIC PROCUREMENT; FULLY RESPECT EU PUBLIC PROCUREMENT PRINCIPLES WHEN AWARDED CONCESSION TO OPERATION AIRPORTS OF MONTENEGRO; IMPROVE THE FUNCTIONING OF THE REMEDY SYSTEM.	ENSURE FULL ALIGNMENT WITH 2014 EU DIRECTIVES ON PUBLIC PROCUREMENT, ESPECIALLY BY ADOPTING AMENDMENTS TO THE LAW ON PUBLIC-PRIVATE PARTNERSHIPS AND CONCESSIONS; ENSURE THAT INTERGOVERNMENTAL AGREEMENTS CONCLUDED WITH THIRD COUNTRIES DO NOT RESTRICT COMPETITION AND COMPLY WITH BASIC PRINCIPLES ON PUBLIC PROCUREMENT; STRENGTHEN CAPACITY OF PUBLIC PROCUREMENT OFFICE, COMMISSION FOR PUBLIC-PRIVATE PARTNERSHIP AND CONCESSIONS, REPUBLIC COMMISSION FOR THE PROTECTION OF RIGHTS IN PUBLIC PROCEDURES AND ADMINISTRATIVE COURT.	ENSURE IMPLEMENTATION OF PUBLIC PROCUREMENT LAW AND FURTHER ALIGN WITH EU DIRECTIVES ON CONCESSIONS; ENSURE THAT REPORTS OF PUBLIC PROCUREMENT IRREGULARITIES ARE PROPERLY INVESTIGATED AND OFFENDERS PENALISED; STRENGTHEN ADMINISTRATIVE CAPACITY OF PUBLIC PROCUREMENT BUREAU, STATE APPEALS COMMISSION AND SUPREME AUDIT OFFICE FOR OVERSIGHT AND MONITORING OF PUBLIC PROCUREMENT, AND MINISTRY OF ECONOMY FOR MANAGEMENT OF CONCESSIONS AND PUBLIC-PRIVATE PARTNERSHIPS.	ADOPT NEW LAW ON PUBLIC PROCUREMENT AND LAW ON DEFENCE PROCUREMENT IN ORDER TO ALIGN WITH EU DIRECTIVES; ADOPT PUBLIC PROCUREMENT STRATEGY IN LINE WITH THE OVERARCHING PUBLIC FINANCIAL MANAGEMENT STRATEGY; ENSURE ADMINISTRATIVE CAPACITY IN CONTRACTING AUTHORITIES AND SUPREME AUDIT INSTITUTION.	WITHDRAW DECISION ON PREFERENTIAL TREATMENT OF DOMESTIC BIDDERS IN AWARDED PUBLIC CONTRACTS TO ENSURE COMPLIANCE WITH SAA; ADOPT NEW LAW ON PUBLIC PROCUREMENT; STRENGTHEN ADMINISTRATIVE CAPACITIES OF PUBLIC PROCUREMENT AGENCY AND PROCUREMENT REVIEW BODY, BY INCREASING STAFF AND APPROPRIATE TRAINING; MAKE PROCUREMENT PROCESS MORE TRANSPARENT.		
CHAPTER 18 - STATISTICS	CLUSTER 1 fundamentals	OPEN	OPEN	OPEN	-	-	-
		MODERATELY PREPARED	MODERATELY PREPARED	MODERATELY PREPARED	MODERATELY PREPARED	MODERATELY PREPARED	EARLY STAGES OF PREPARATION
		WORKING ON FULFILMENT OF INTERIM OR CLOSING BENCHMARKS	WORKING ON FULFILMENT OF INTERIM OR CLOSING BENCHMARKS	WORKING ON FULFILMENT OF INTERIM OR CLOSING BENCHMARKS	WAITING FOR THE NEGOTIATION FRAMEWORK	WAITING FOR THE NEGOTIATION FRAMEWORK	POTENTIAL CANDIDATE COUNTRY
RECOMMENDATIONS BY EU	STRENGTHEN HUMAN AND FINANCIAL RESOURCES OF STATISTICAL OFFICE OF MONTENEGRO; MAKE PROGRESS IN ALIGNING WITH ESA 2010, INCLUDING PROVIDING GOVERNMENT FINANCIAL STATISTICAL DATA AND ALL AVAILABLE EXCESSIVE DEFICIT PROCEDURE DATA.	ADOPT THE NEW STATISTICAL LAW TO INCREASE THE INDEPENDENCE OF STATISTICAL OFFICE; CONTINUE PREPARATIONS FOR THE POPULATION AND HOUSING CENSUS 2021; FURTHER IMPROVE COMPILATION OF MACROECONOMIC STATISTICS IN LINE WITH ESA 2010.	ADOPT LEGISLATION AND ENSURE ADMINISTRATIVE CAPACITIES TO CARRY OUT POPULATION CENSUS IN 2021; CONTINUE TO ALIGN FINANCIAL ACCOUNTS AND QUARTERLY NATIONAL ACCOUNTS WITH EUROPEAN SYSTEM OF ACCOUNTS 2010; ENSURE ADEQUATE STAFFING AND SUFFICIENT FINANCIAL RESOURCES FOR THE STATE STATISTICAL OFFICE.	REINFORCE INSTAT'S RESOURCES; ADOPT LAW ON POPULATION AND HOUSING CENSUS AND IMPLEMENT IN LINE WITH RELEVANT EU LEGISLATION AND UN STANDARDS; PREPARE ACTION PLAN AND DETAILED ESTIMATED BUDGET FOR 2022 CENSUS OF AGRICULTURE; IMPLEMENT THE AMENDED LAW ON OFFICIAL STATISTICS AND EXPAND THE SCOPE OF OFFICIAL STATISTICS IN LINE WITH ACQUIS.	ADOPT A MASTER PLAN FOR PRODUCTION OF NATIONAL ACCOUNTS; IMPLEMENT A STANDARD LIVING CONDITIONS SURVEY; ADOPT A METHODOLOGY, RESPONSIBILITIES AND BUDGETARY ASPECTS OF A FUTURE AGRICULTURAL CENSUS; ADOPT A ROADMAP FOR PREPARATION OF THE NEXT POPULATION CENSUS.		
CHAPTER 32 - FINANCIAL CONTROL	CLUSTER 1 fundamentals	OPEN	OPEN	OPEN	-	-	-
		MODERATELY PREPARED	MODERATELY PREPARED	MODERATELY PREPARED	MODERATELY PREPARED	MODERATELY PREPARED	EARLY STAGES OF PREPARATION
		WORKING ON FULFILMENT OF INTERIM OR CLOSING BENCHMARKS	WORKING ON FULFILMENT OF INTERIM OR CLOSING BENCHMARKS	WORKING ON FULFILMENT OF INTERIM OR CLOSING BENCHMARKS	WAITING FOR THE NEGOTIATION FRAMEWORK	WAITING FOR THE NEGOTIATIONS FRAMEWORK	POTENTIAL CANDIDATE COUNTRY
RECOMMENDATIONS BY EU	ADOPT AND IMPLEMENT STRATEGY ON IMPROVING GOVERNANCE AND PUBLIC INTERNAL FINANCIAL CONTROL; ALIGN EXTERNAL AUDIT METHODOLOGY WITH INTERNATIONAL STANDARDS OF SUPREME AUDIT INSTITUTIONS; STRENGTHEN COORDINATION CAPACITY OF THE NATIONAL ANTI-FRAUD COORDINATION SERVICE.	ADOPT A NEW MEDIUM-TERM APPROACH ON PIFC WITH FOCUS ON THE IMPLEMENTATION OF MANAGERIAL ACCOUNTABILITY; ADOPT AND IMPLEMENT THE GUIDELINES ON MANAGERIAL ACCOUNTABILITY, IMPROVING THE FUNCTIONING AND EFFECTIVENESS OF INTERNAL CONTROL SYSTEMS; CONDUCT A COMPREHENSIVE MAPPING OF THE NATIONAL INSPECTION ENVIRONMENT AND DEFINE A CLEAR SYSTEM FOR DETECTING AND HANDLING IRREGULARITIES.	ENSURE IMPROVED MANAGERIAL ACCOUNTABILITY AND TRANSPARENCY THROUGH THE EFFECTIVE IMPLEMENTATION OF INTERNAL CONTROL STANDARDS; IMPROVE QUALITY OF EXTERNAL AUDIT AND FOLLOW-UP OF SAO RECOMMENDATIONS; STRENGTHEN THE ROLE OF ANTI-FRAUD COORDINATION SERVICE AND ESTABLISH THE NETWORK AND IMPROVE MANAGEMENT OF IRREGULARITIES THROUGH THE IRREGULARITY MANAGEMENT SYSTEM.	ADOPT AND IMPLEMENT A COMPREHENSIVE PIFC POLICY PAPER WITH FOCUS ON THE DEFINITION AND IMPLEMENTATION OF MANAGERIAL ACCOUNTABILITY AND MONITORING FRAMEWORK; IMPROVE THE IMPLEMENTATION OF ANNUAL PIFC REPORT ACROSS BUDGET ENTITIES; INCREASE PARLIAMENTARY SCRUTINY OF AUDITED BODIES IN THE IMPLEMENTATION OF EXTERNAL AUDIT RECOMMENDATIONS.	ADOPT A COMPREHENSIVE COMMON FRAMEWORK ON PUBLIC INTERNAL FINANCIAL CONTROL (PIFC) AND MANAGERIAL ACCOUNTABILITY; IMPROVE THE QUALITY OF PIFC MONITORING FRAMEWORK; ENSURE FUNCTIONAL, FINANCIAL AND OPERATIONAL INDEPENDENCE OF SUPREME AUDIT INSTITUTIONS AT ALL LEVELS.		
CHAPTER 8 - COMPETITION POLICY	CLUSTER 2 internal market	OPEN	NOT OPEN	NOT OPEN	-	-	-
		MODERATELY PREPARED	MODERATELY PREPARED	MODERATELY PREPARED	MODERATELY PREPARED	SOME LEVEL OF PREPARATION/MODERATELY PREPARED	SOME LEVEL OF PREPARATION
		WORKING ON FULFILMENT OF INTERIM OR CLOSING BENCHMARKS	WORKING ON FULFILMENT OF INTERIM OR CLOSING BENCHMARKS	WORKING ON FULFILMENT OF INTERIM OR CLOSING BENCHMARKS	WAITING FOR THE NEGOTIATION FRAMEWORK	WAITING FOR THE NEGOTIATION FRAMEWORK	POTENTIAL CANDIDATE COUNTRY
RECOMMENDATIONS BY EU	PROVIDE THE STATE AID AUTHORITY WITH THE MEANS AND INFORMATION TO FOLLOW UP ON THE MONTENEGRO AIRLINES CASE AND TO ADOPT AN INFORMED DECISION, IN LINE WITH MONTENEGRO'S LEGISLATION, AS WELL AS ITS SAA OBLIGATIONS, ON WHICH MONTENEGRO WILL THEN NEED TO FOLLOW-UP; ENSURE TRANSPARENCY ON ALL STATE AID DECISIONS AND OPERATIONAL INDEPENDENCE	TAKE ADDITIONAL STEPS TO ALIGN THE EXISTING AID SCHEMES, IN PARTICULAR THE FISCAL STATE AID SCHEMES WITH THE EU ACQUIS; ALIGN THE LAW ON MULTILATERAL INTERCHANGE FEES AND SPECIAL OPERATING RULES FOR CARD-BASED PAYMENT TRANSACTIONS WITH THE EU ACQUIS AND SAA OBLIGATIONS; PROVIDE A SOLID TRACK RECORD IN THE	IMPROVE THE INDEPENDENCE AND STRENGTHEN THE CAPACITY OF THE NATIONAL COMPETITION AUTHORITY TO STEP UP THEIR ENFORCEMENT RECORD, INCLUDING ON THE MOST PROBLEMATIC CASES MENTIONED BELOW; INCREASE THE TRANSPARENCY OF STATE AID GRANTED BY THE GOVERNMENT; FURTHER ALIGN IMPLEMENTING LEGISLATION IN THE	SIGNIFICANTLY INCREASE THE ADMINISTRATIVE CAPACITY OF SAC'S SECRETARIAT, WHICH CURRENTLY RAISES SERIOUS CONCERNS; ENSURE THE OPERATIONAL INDEPENDENCE OF THE SAC; RAISE AWARENESS OF THE SAC WITH RESPECT TO LINE MINISTRIES, REGIONAL AND LOCAL AUTHORITIES IN ORDER TO ENSURE PRIOR NOTIFICATION OF AID MEASURES AND STRENGTHEN THE ENFORCEMENT OF	IMPROVE THE ENFORCEMENT RECORD OF THE STATE AID COUNCIL BY ENSURING THAT STATE AID MEASURES ARE NOTIFIED EX ANTE BY GRANTING AUTHORITIES; ALIGN THE EXISTING AID SCHEMES WITH THE SAA PROVISIONS; ENSURE THAT THE STATE AID COUNCIL IS OPERATIONALLY INDEPENDENT AND OBTAINS ADEQUATE FINANCING.		

			OF THE STATE AID AUTHORITY AS WELL AS EFFECTIVENESS OF ITS CONTROL ON STATE AID AT ALL LEVELS, INCLUDING THE BUILDING UP OF AN ENFORCEMENT RECORD; IMPROVE THE TRACK RECORD OF THE AGENCY FOR THE PROTECTION OF COMPETITION ON ANTITRUST AND MERGERS.	IMPLEMENTATION OF LAWS ON PROTECTION OF COMPETITION AND STATE AID CONTROL.	AREA OF STATE AID.	STATE AID RULES.	
CHAPTER 22 - Regional policy & coordination of structural instruments	CLUSTER 5 resources, agriculture and cohesion		OPEN	NOT OPEN	-	-	-
			MODERATELY PREPARED	MODERATELY PREPARED	MODERATELY PREPARED	MODERATELY PREPARED	EARLY STAGE OF PREPARATION
			WORKING ON FULFILMENT OF INTERIM OR CLOSING BENCHMARKS	WORKING ON FULFILMENT OF INTERIM OR CLOSING BENCHMARKS	WAITING FOR THE NEGOTIATION FRAMEWORK	WAITING FOR THE NEGOTIATION FRAMEWORK	POTENTIAL CANDIDATE COUNTRY
		RECOMMENDATIONS BY EU	ENHANCE EFFORTS TO IMPLEMENT IPA UNDER INDIRECT MANAGEMENT; CONTINUE IMPLEMENTATION OF THE ACTION PLAN FOR MEETING REQUIREMENTS DERIVING FROM EU COHESION POLICY; IMPROVE THE CAPACITIES FOR PROJECT PLANNING AND PREPARATION, WITH SPECIAL EMPHASIS ON THE SINGLE PROJECT PIPELINE.	TIMELY IMPLEMENT THE ADOPTED ACTION PLAN FOR THE EU COHESION POLICY, INCLUDING NOMINATING THE INSTITUTIONS AND BODIES FOR COHESION POLICY IMPLEMENTATION, AS NECESSARY AND APPROPRIATE IN VIEW OF THE REVISION OF THIS EU POLICY; ENSURE ADEQUATE CAPACITY TO MANAGE INDIRECT MANAGEMENT PROGRAMMES UNDER IPA AND GUARANTEE THAT THE KEY POSITIONS IN THE STRUCTURES ARE FILLED ON A PERMANENT BASIS; SPEED UP THE IMPLEMENTATION OF IPA II PRE-ACCESSION FUNDS IN ORDER TO AVOID LAST-MINUTE CONTRACTING.	UPGRADE THE ADMINISTRATIVE AND TECHNICAL CAPACITY ACROSS THE IPA OPERATING STRUCTURES, ADOPT A RETENTION POLICY AND IMPROVE THE DYNAMICS IN IMPLEMENTATION OF THE EU-FUNDED PROJECTS, PARTICULARLY IN THE AREAS OF TRANSPORT AND ENVIRONMENT; STRENGTHEN SIGNIFICANTLY THE REGIONAL DEVELOPMENT POLICY, IMPROVE THE FINANCIAL INSTRUMENTS PUT IN PLACE FOR ITS IMPLEMENTATION AND IMPROVE THE ADMINISTRATIVE CAPACITY AT CENTRAL AND LOCAL LEVEL; ENSURE THE SUSTAINABILITY OF PROJECT RESULTS.	STRENGTHEN ITS ADMINISTRATIVE CAPACITY, ESPECIALLY CFCEU OF THE MINISTRY OF FINANCE AND ECONOMY, THE NATIONAL AUTHORISING OFFICER'S SUPPORT OFFICE AND THE AUDIT AUTHORITY AS WELL AS THE MINISTRY FOR EUROPE AND FOREIGN AFFAIRS; ACCELERATE THE PREPARATION OF PROJECT DOCUMENTATION TO AVOID DELAYS IN THE USE OF EU FUNDS AND DIFFICULTIES IN MEETING CONTRACTING DEADLINES; INCREASE PROGRAMMING CAPACITY IN LINE WITH THE SECTORAL APPROACH AND SECTORAL POLICIES, AND IMPROVE THE DESIGN OF MATURE SECTOR PROJECT PIPELINES.	ADOPT PENDING COUNTRYWIDE STRATEGIES IN THE FIELDS RELEVANT TO EU REGIONAL POLICY AND ENSURE EFFICIENT COORDINATION OF CROSS-BORDER, TRANSNATIONAL AND INTERREGIONAL COOPERATION PROGRAMMES; IMPROVE PUBLIC INVESTMENT PLANNING AND DEVELOP A SINGLE PROJECT PIPELINE IN ALL RELEVANT, AND ENSURE ITS ENDORSEMENT BY THE NATIONAL INVESTMENT COMMITTEE AND ITS REGULAR UPDATE. REACH AN AGREEMENT ON COORDINATION MODALITIES FOR THE EFFECTIVE USE OF PRE-ACCESSION FUNDS WHILE RESPECTING THE NIPAC FUNCTIONS AS PROVIDED FOR IN THE IPA FRAMEWORK AGREEMENT.

EUSAIR PILLAR 1 BLUE GROWTH - Objectives	To achieve objectives, Pillar 1 focuses on three topics:	EUSAIR FLAGSHIP PROJECT	ACQUIS CHAPTERS	ACQUIS CLUSTERS	IPA WINDOW*	WB ECONOMIC INVESTMENT PLAN FLAGSHIPS	GREEN AGENDA for the WB PILLARS	COHESION FUNDS* policy objective	Mechanisms of Implementation and Counter parts	Financing Instruments and programmes
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<p>Promote research, innovation and business opportunities in blue economy sectors, by facilitating the brain circulation between research and business communities and increasing their networking and clustering capacity;</p> <p>Adapt to sustainable seafood production and consumption, by developing common standards and approaches for strengthening these two sectors and providing a level playing field in the macro-region;</p> <p>Improve sea basin governance, by enhancing administrative and institutional capacities in the area of maritime governance and services.</p>	Topic 1 – Blue technologies	<p>Fostering quadruple helix ties in the fields of marine technologies and blue bio-technologies for advancing innovation, business development and business adaptation in blue bio-economy.</p> <p>Promoting sustainability, diversification and competitiveness in the fisheries and aquaculture sectors through education, research & development, administrative, technological and marketing actions, including the promotion of initiatives on marketing standards and healthy nutritional habits.</p> <p>Bolstering capacity building and efficient coordination of planning and local development activities for improving marine and maritime governance and blue growth services</p>	CHAPTER 13 – FISHERIES	CLUSTER 5	Window 4 (Competitiveness and inclusive growth)	FLAGSHIP 7 – WASTE and WASTE WATER MANAGEMENT FLAGSHIP 9 – INVESTING IN THE COMPETITIVENESS OF THE PRIVATE SECTOR	5) sustainable food systems and rural areas	PO 1 - A smarter Europe	UniAdrion	HORIZON 2020 (and beyond) Erasmus+ ETC cohesion IPA
	Topic 2 – Fisheries and aquaculture		CHAPTER 25 - SCIENCE AND RESEARCH	CLUSTER 3						
	Topic 3 – Maritime and marine governance and services									

EUSAIR PILLAR 1	ACQUIS CHAPTERS	ACQUIS CLUSTERS		MONTENEGRO	SERBIA	NORTH MACEDONIA	ALBANIA	BOSNIA and HERZEGOVINA	
	CHAPTER 13 – FISHERIES	CLUSTER 5	ENLARGEMENT STATUS	NEGOTIATING COUNTRY	NEGOTIATING COUNTRY	CANDIDATE COUNTRY	CANDIDATE COUNTRY	POTENTIAL CANDIDATE	
			SAA articles	ART. 98; ART. 112	ART. 98; ART. 112	ART. 102	ART. 96; ART. 109	ART. 96; ART. 109	
			OPEN	OPEN	-	-	-		
			SOME LEVEL OF PREPARATION	MODERATELY PREPARED	MODERATELY PREPARED	EARLY STAGE OF PREPARATION	EARLY STAGE OF PREPARATION		
			WORKING ON FULFILMENT OF INTERIM OR CLOSING BENCHMARKS	MODERATELY PREPARED	WAITING FOR THE NEGOTIATION FRAMEWORK	WAITING FOR THE NEGOTIATION FRAMEWORK	POTENTIAL CANDIDATE COUNTRY		
			RECOMMENDATIONS BY EU	REVISE AND IMPLEMENT ACTION PLAN ON ALIGNMENT WITH THE ACQUIS . CONTINUE TO STRENGTHEN ADMINISTRATIVE, DATA COLLECTION, SCIENTIFIC ADVICE, INSPECTION AND CONTROL CAPACITIES .	ADOPT AN ACTION PLAN TO ENSURE COMPLIANCE WITH EU ACQUIS REGARDING ORGANISATION OF THE MARKETS, AQUACULTURE, DATA COLLECTION AND CONTROL MEASURES AGAINST ILLEGAL, UNREPORTED AND UNREGULATED FISHING; ENSURE FULL ALIGNMENT WITH THE ACQUIS ON ILLEGAL, UNREPORTED AND UNREGULATED FISHING.	FURTHER ALIGN WITH RELEVANT FISHERIES ACQUIS; IMPROVE DATA COLLECTION SYSTEM AND REPORTING; ALIGN WITH EU Eel REGULATION .	CONTINUE IMPLEMENT ACTION PLAN , IMPROVE DATA COLLECTION ; COMPLETE AND STRENGTHEN THE ADMINISTRATIVE CAPACITY OF THE FISHERY SECTOR; FINALISE REACTIVATION OF VESSEL MONITORING SYSTEM (VMS) ; STRENGTHEN INSPECTION CAPACITY TO DETER ILLEGAL, UNREPORTED AND UNREGULATED FISHING.	ADOPT A COUNTRYWIDE STRATEGY IN VIEW OF ALIGNING WITH EU FISHERY AND AQUACULTURE ACQUIS; HARMONISE ACROSS THE COUNTRY THE METHODOLOGY FOR DATA COLLECTION .	
	CHAPTER 25 - SCIENCE AND RESEARCH	CLUSTER 3	CLOSED	CLOSED	CLOSED	-	-	-	
			GOOD LEVEL OF PREPARATION	GOOD LEVEL OF PREPARATION	GOOD LEVEL OF PREPARATION	EARLY STAGE OF PREPARATION	SOME LEVEL OF PREPARATION		
			PROVISIONALLY CLOSED	PROVISIONALLY CLOSED	WAITING FOR THE NEGOTIATION FRAMEWORK	WAITING FOR THE NEGOTIATION FRAMEWORK	POTENTIAL CANDIDATE COUNTRY		
			RECOMMENDATIONS BY EU	CONTINUE TO IMPLEMENT THE SMART SPECIALISATION STRATEGY ; INTENSIFY INVESTMENT IN RESEARCH AND INNOVATION; CONTINUE TO INCREASE PARTICIPATION IN HORIZON 2020 .	START THE IMPLEMENTATION OF THE SMART SPECIALISATION STRATEGY ; INCREASE NATIONAL FUNDING FOR RESEARCH; STIMULATE MORE INTENSE COOPERATION BETWEEN INDUSTRY AND ACADEMIA .	ENSURE A HIGHER LEVEL OF INVESTMENT IN RESEARCH AND INTENSIFY EFFORTS TO INCREASE PARTICIPATION IN HORIZON 2020 ; COMPLETE THE SMART SPECIALISATION STRATEGY STRENGTHEN COOPERATION BETWEEN ACADEMIA AND PRIVATE SECTOR .	PROGRESS ON THE DEVELOPMENT OF THE SMART SPECIALISATION STRATEGY ; STEP UP INVESTMENTS IN SCIENTIFIC RESEARCH AND OTHER MEASURES TO STRENGTHEN RESEARCH AND INNOVATION CAPACITY AT NATIONAL LEVEL; MAKE EFFORTS TO PRODUCE STATISTICS AND RELIABLE DATA ON SCIENCE AND TECHNOLOGY; IMPROVE THE PERFORMANCE IN HORIZON 2020 .	DEVELOP AND ADOPT A SMART SPECIALIZATION STRATEGY ; PREPARE AND ADOPT THE ROADMAP FOR RESEARCH INFRASTRUCTURE; ENSURE RELIABLE AND COMPREHENSIVE STATISTICS ON RESEARCH AND INNOVATION; ENHANCE SYSTEMIC COLLABORATION AND INTERACTION BETWEEN 'TRIPLE HELIX' ACTOR .	
			ALSO RELEVANT TO PILLAR 1 and already analysed in other pillars: - CHAPTER 27 - ENVIRONMENT						

EUSAIR PILLAR 1	Adrion Thematic Cluster	Adrion Priority axis	ADRION/EUSAIR implemented (call 1, 2, 3) projects
	Blue Growth and Related Smart Growth	1. Innovative and smart region	ARIEL OIS-AIR PORTODIMARE

EUSAIR PILLAR 2 CONNECTIVITY - Objectives	To achieve the objectives, Pillar 2 will focus on three topics:	EUSAIR FLAGSHIP PROJECT	ACQUIS CHAPTERS	ACQUIS CLUSTERS	IPA WINDOW*	WB ECONOMIC INVESTMENT PLAN FLAGSHIPS	GREEN AGENDA for the WB PILLARS	COHESION FUNDS* policy objective	Mechanisms of Implementation and counter parts	Financing Instruments and programmes
<p>Pillar 2</p> <p>Strengthen maritime safety and security and develop a competitive regional intermodal port system;</p> <p>Develop reliable transport networks and intermodal connections with the hinterland, both for freight and passengers;</p> <p>Achieve a well-interconnected and well-functioning internal energy market supporting the three energy policy objectives of the EU – competitiveness, security of supply and sustainability.</p>	<p>Topic 1 – Maritime transport</p> <p>Topic 2 – Intermodal connections to the hinterland</p> <p>Topic 3 – Energy networks</p>	<p>The Adriatic-Ionian multi-modal corridors</p> <p>Power networks and market for a green Adriatic-Ionian Region</p> <p>Integrated natural gas corridors and market for a green Adriatic-Ionian Region</p> <p>Development and operation of logistics for direct LNG use as a clean fuel for the Adriatic-Ionian Region</p>	<p>CHAPTER 14 - TRANSPORT</p> <p>CHAPTER 15 - ENERGY</p> <p>CHAPTER 21 – TRANS EUROPEAN NETWORKS</p>	<p>CLUSTER 4</p> <p>CLUSTER 4</p> <p>CLUSTER 4</p>	<p>Window 3</p> <p>(Green agenda and sustainable connectivity)</p>	<p>FLAGSHIP 1 - CONNECTING EAST TO WEST</p> <p>FLAGSHIP 2 - CONNECTING NORTH TO SOUTH</p> <p>FLAGSHIP 3: CONNECTING THE COASTAL REGIONS</p> <p>FLAGSHIP 4 – RENEWABLE ENERGY</p> <p>FLAGSHIP 5 - TRANSITION FROM COAL</p> <p>[FLAGSHIP 6 – RENOVATION WAVE]</p>	<p>1) climate action, including decarbonisation, energy and mobility</p>	<p>PO 3 - A more connected Europe</p>	<p>Covenant of Mayors</p> <p>Energy community</p> <p>Transport Treaty community</p>	<p>Connecting Europe Facility</p> <p>Western Balkans Investment Framework</p>

EUSAIR PILLAR 2	ACQUIS CHAPTERS	ACQUIS CLUSTERS		MONTENEGRO	SERBIA	NORTH MACEDONIA	ALBANIA	BOSNIA and HERZEGOVINA
			ENLARGEMENT STATUS	NEGOTIATING COUNTRY	NEGOTIATING COUNTRY	CANDIDATE COUNTRY	CANDIDATE COUNTRY	POTENTIAL CANDIDATE
			SAA articles	ART. 61; ART. 108; ART. 109; PROTOCOL 4.	ART. 61; ART. 108; ART. 109; PROTOCOL 4.	ART. 57; ART. 98; ART. 99.	ART. 59; ART. 70; ART. 106; ART. 107; PROTOCOL 5.	ART. 59; ART. 106; ART. 107; PROTOCOL 3.
	CHAPTER 14 - TRANSPORT	CLUSTER 4		OPEN	NOT OPEN	-	-	-
				MODERATELY PREPARED/GOOD LEVEL OF PREPARATION	GOOD LEVEL OF PREPARATION	MODERATELY PREPARED	SOME LEVEL OF PREPARATION	SOME LEVEL OF PREPARATION
				WORKING ON FULFILMENT OF INTERIM OR CLOSING BENCHMARKS	DRAFTING EU COMMON POSITION IN THE COUNCIL	WAITING FOR THE NEGOTIATION FRAMEWORK	WAITING FOR THE NEGOTIATION FRAMEWORK	POTENTIAL CANDIDATE COUNTRY
			RECOMMENDATIONS BY EU	LAY DOWN THE STRATEGIC FRAMEWORK FOR IMPLEMENTING INTELLIGENT TRANSPORT SYSTEMS (ITS) ON ITS CORE ROAD, RAIL AND MARITIME NETWORK; ALIGN WITH THE EU ITS DIRECTIVE; ACHIEVE FULL MEMBER STATUS OF THE PARIS MEMORANDUM OF UNDERSTANDING ON PORT STATE CONTROL.	IMPLEMENT CONNECTIVITY REFORM MEASURE; FULLY TRANSPOSE THE INTELLIGENT TRANSPORT SYSTEMS (ITS) DIRECTIVE AND ALLOCATE RESOURCES FOR ITS IMPLEMENTATION; PRIORITISE INVESTMENTS ACCORDING TO THEIR RELEVANCE FOR SERBIA'S ECONOMIC DEVELOPMENT.	IMPLEMENT THE CONNECTIVITY REFORM MEASURES ON RAIL REFORM AND OPEN RAIL TRANSPORT MARKET; FULLY TRANSPOSE THE INTELLIGENT TRANSPORT SYSTEMS (ITS) AND PRODUCE A STRATEGIC FRAMEWORK FOR IMPLEMENTING ITS AND THE CORE NETWORKS.	TRANSPOSE FULLY THE INTELLIGENT TRANSPORT SYSTEMS DIRECTIVE AND IMPLEMENT RELEVANT NATIONAL LAWS; ALIGN LEGISLATION ON TRAFFIC-MANAGEMENT SYSTEMS AND ROAD SAFETY; FULLY TRANSPOSE THE RECAST DIRECTIVE ON A SINGLE EUROPEAN RAIL AREA AND THE EU SAFETY AND INTEROPERABILITY DIRECTIVES; ALIGN WITH THE ACQUIS ON PORTS AND ENACT LEGISLATION BASED ON THE PORT SERVICES REGULATION (EU) 2017/352; ALIGN LEGISLATION WITH EU VESSEL-TRAFFIC MONITORING AND INFORMATION SYSTEMS.	DRAW UP THE STRATEGIC FRAMEWORK, ADOPT RELEVANT LEGISLATION AND ENSURE SUFFICIENT CAPACITY AND RESOURCES FOR IMPLEMENTING THE INTELLIGENT TRANSPORT SYSTEM (ITS) ON THE CORE NETWORKS; ENSURE FULL ALIGNMENT WITH THE INTELLIGENT TRANSPORT SYSTEMS (ITS) DIRECTIVE; ALIGN WITH THE EU ACQUIS ON RAIL PASSENGER RIGHTS; ALIGN WITH THE FOURTH EU RAILWAY PACKAGE OF 2016 AND PROCEED WITH AN OPENING OF THE RAILWAY MARKET.
	CHAPTER 15 - ENERGY	CLUSTER 4		OPEN	NOT OPENED	-	-	-
				GOOD LEVEL OF PREPARATION	MODERATELY PREPARED	MODERATELY PREPARED	MODERATELY PREPARED	EARLY STAGES OF PREPARATION
				WORKING ON FULFILMENT OF INTERIM/CLOSING BENCHMARKS	DRAFTING EU COMMON POSITION IN THE COUNCIL	WAITING FOR THE NEGOTIATION FRAMEWORK	WAITING FOR THE NEGOTIATION FRAMEWORK	POTENTIAL CANDIDATE COUNTRY
			RECOMMENDATIONS BY EU	CREATE/JOIN A FUNCTIONING DAY-AHEAD MARKET AND COUPLE WITH NEIGHBOURING MARKETS, INCLUDING ITALY; STRENGTHEN THE ADMINISTRATIVE CAPACITIES FOR TRANS-EUROPEAN NETWORKS; HARMONISE THE LEGAL FRAMEWORK WITH TEN-T AND TEN-E REGULATIONS; IMPLEMENT THE REGULATION ON WHOLESALE ENERGY MARKET INTEGRITY AND TRANSPARENCY	STRENGTHEN ADMINISTRATIVE CAPACITIES FOR TRANSPOSING, IMPLEMENTING AND ENFORCING THE TRANS-EUROPEAN NETWORKS ACQUIS; IMPLEMENT THE CONDITIONS REQUESTED BY THE ENERGY COMMUNITY SECRETARIAT REGARDING GAS MARKET; FULLY IMPLEMENT OUTSTANDING CONNECTIVITY REFORM MEASURES AS COMMITTED TO UNDER THE CONNECTIVITY AGENDA.	STRENGTHEN THE OPERATIONAL AND TECHNICAL CAPACITY DEALING WITH TEN-T AND TEN-E; FINISH UNBUNDLING THE GAS TRANSMISSION SYSTEM OPERATOR; HARMONISE THE LEGAL FRAMEWORK WITH THE TRANS EUROPEAN NETWORK REGULATION.	ALIGN ENERGY EFFICIENCY LAW WITH THE ACQUIS AND ADOPT IMPLEMENTING LEGISLATION RELATED TO THE ENERGY PERFORMANCE OF BUILDINGS DIRECTIVE; FINALISE THE LEGAL AND FUNCTIONAL UNBUNDLING OF ENERGY COMPANIES; ALIGN WITH HYDROCARBONS LICENSING DIRECTIVE; TRANSPOSE THE DIRECTIVE ON THE SAFETY OF OFF-SHORE OIL AND GAS INSTALLATIONS	IMPLEMENT CONNECTIVITY REFORM MEASURES TO SUPPORT THE FUNCTIONAL OPERATION OF THE REGIONAL MARKET; ADOPT GAS AND ELECTRICITY LEGAL FRAMEWORKS COMPLIANT WITH THE THIRD ENERGY PACKAGE; ALIGN WITH THE EU ACQUIS IN THE GAS SECTOR; TRANSPOSE FULLY THE ENERGY EFFICIENCY DIRECTIVE AND THE NEW FRAMEWORK ENERGY LABELLING REGULATION; ALIGN WITH REGULATION (EU) 347/2013 ON GUIDELINES FOR TRANS-EUROPEAN ENERGY INFRASTRUCTURE
	CHAPTER 21 – TRANS EUROPEAN NETWORKS	CLUSTER 4		OPEN	NOT OPENED	-	-	-
				MODERATELY PREPARED/GOOD LEVEL OF PREPARATION	MODERATELY PREPARED	GOOD LEVEL OF PREPARATION	SOME LEVEL OF PREPARATION	SOME LEVEL OF PREPARATION
				WORKING ON FULFILMENT OF INTERIM/CLOSING BENCHMARKS	DRAFTING EU COMMON POSITION IN THE COUNCIL	WAITING FOR THE NEGOTIATION FRAMEWORK	WAITING FOR THE NEGOTIATION FRAMEWORK	POTENTIAL CANDIDATE COUNTRY
			RECOMMENDATIONS BY EU	STRENGTHEN THE ADMINISTRATIVE CAPACITIES FOR TRANS-EUROPEAN NETWORKS; HARMONISE THE LEGAL FRAMEWORK	STRENGTHEN ADMINISTRATIVE CAPACITIES FOR TRANSPOSING, IMPLEMENTING AND ENFORCING THE TRANS-EUROPEAN NETWORKS ACQUIS.	STRENGTHEN THE OPERATIONAL AND TECHNICAL CAPACITY DEALING WITH TEN-T AND TEN-E; HARMONISE THE LEGAL FRAMEWORK WITH THE	DEVELOP CORE TRANSPORT AND ENERGY NETWORKS IN LINE WITH SINGLE PROJECT PIPELINE AND CONNECTIVITY AGENDA; HARMONISE THE LEGAL FRAMEWORK WITH THE EU	IMPLEMENT CONNECTIVITY REFORM MEASURES; TRANSPOSE THE REGULATION (EU) 347/2013 ON GUIDELINES FOR TRANS-EUROPEAN ENERGY INFRASTRUCTURE.

				WITH TEN-T AND TEN-E REGULATIONS.		TRANS EUROPEAN NETWORK REGULATION.	ACQUIS AND THE REGULATIONS ON TEN-T AND TEN-E; TRANSPPOSITION OF GUIDELINES FOR TRANS-EUROPEAN ENERGY INFRASTRUCTURE ; IMPLEMENT CONNECTIVITY REFORM MEASURES ; ALIGN WITH THE ACQUIS ON A SINGLE EUROPEAN RAILWAY AREA, RAILWAY SYSTEM INTEROPERABILITY AND RAIL FREIGHT CORRIDORS; STRENGTHEN THE INSTITUTIONAL FRAMEWORK AND ADMINISTRATIVE CAPACITY .	
ALSO RELEVANT TO PILLAR 1 and already analysed in other pillars: - CHAPTER 27 - ENVIRONMENT								

EUSAIR PILLAR 2	Adrion Thematic Cluster	Adrion Priority axis	ADRION/EUSAIR implemented (call 1, 2, 3) projects
	Thematic Cluster on Urban and Interurban Low Carbon Intermodal Mobility for Passengers Thematic Cluster on Integrated Multimodal Sustainable Water and Land Transport	3. Connected Region	ADRIPASS EnerMOB MultiAPPRO NEWBRAIN SMILE SUPAIR SUPER-LNG

EUSAIR PILLAR 3 ENVIRONMENTAL QUALITY - Objectives	Two topics are identified in relation to environmental quality	EUSAIR FLAGSHIP PROJECT	ACQUIS CHAPTERS	ACQUIS CLUSTERS	IPA WINDOW*	EU WB INVESTMENT PLAN FLAGSHIPS	GREEN AGENDA for the WB	COHESION FUNDS* policy objective	Mechanisms of Implementation and Counter parts	Financing Instruments and programmes
<p>Pillar 3 Ensure a good environmental and ecological status of the marine and coastal environment by 2020 in line with the relevant EU acquis and the ecosystem approach of the Barcelona Convention;</p> <p>Contribute to the goal of the EU Biodiversity Strategy to halt the loss of biodiversity and the degradation of ecosystem services in the EU by 2020, and restore them in so far as feasible, by addressing threats to marine and terrestrial biodiversity;</p> <p>Improve waste management by reducing waste flows to the sea and, to reduce nutrient flows and other pollutants to the rivers and the sea.</p>	<p>Topic 1 – The marine environment</p> <p>Topic 2 – Transnational terrestrial habitats and biodiversity</p>	<p>Development and implementation of Adriatic-Ionian sub/regional oil spill contingency plan</p> <p>Protection and enhancement of natural terrestrial habitats and ecosystems</p> <p>Promotion of sustainable growth of the ai region by implementing ICZM and MSP also to contribute CRF on ICZM of Barcelona convention and the monitoring and management of marine protected area</p>	CHAPTER 27 – ENVIRONME NT	CLUSTER 4	Window 3 Green agenda and sustainable connectivity	FLAGSHIP 7 – WASTE and WASTE WATER MANAGEMENT	<p>1) climate action, including decarbonisation, energy and mobility</p> <p>2) circular economy, addressing in particular waste, recycling, sustainable production and efficient use of resources</p> <p>3) biodiversity, aiming to protect and restore the natural wealth of the region</p> <p>4) fighting pollution of air, water and soil</p> <p>5) sustainable food systems and rural areas.</p>	PO 2 - A greener Europe	RIRAP follow up Green Recovery RCC EPPA	ASOSCOPEC Call Prevention and Preparedness for Marine Pollution at Sea and on Shore LIFE programme SAPARD RIRAP follow up Green Recovery EFSD+ (European Fund for Sustainable Development)

EUSAIR PILLAR 3	ACQUIS CHAPTERS	ACQUIS CLUSTERS	MONTENEGRO	SERBIA	NORTH MACEDONIA	ALBANIA	BOSNIA and HERZEGOVINA
			ENLARGEMENT STATUS	NEGOTIATING COUNTRY	NEGOTIATING COUNTRY	CANDIDATE COUNTRY	POTENTIAL CANDIDATE
			SAA articles	ART. 61; ART. 88; ART. 94; ART. 108; ART. 111; ART. 97	ART. 61; ART. 88; ART. 94; ART. 111; ART. 97	ART. 80; ART. 85; ART. 98; ART. 99; ART. 103; ART. 100	ART. 59; ART. 70; ART. 86; ART. 92; ART. 108; ART. 95
	CHAPTER 27 – ENVIRONMENT	CLUSTER 4	OPEN	NOT OPEN	-	-	-
			SOME LEVEL OF PREPARATION	SOME LEVEL OF PREPARATION	SOME LEVEL OF PREPARATION	EARLY STAGE OF PREPARATION// SOME LEVEL OF PROGRESS	EARLY STAGE OF PREPARATION
			WORKING ON FULFILMENT OF INTERIM OR CLOSING BENCHMARKS	SERBIA PRESENTED ITS NEGOTIATING POSITION; COMMISSION PREPARES DRAFT EU COMMON POSITION	WAITING FOR THE NEGOTIATION FRAMEWORK	WAITING FOR THE NEGOTIATION FRAMEWORK	POTENTIAL CANDIDATE COUNTRY
		RECOMMENDATIONS BY EU	<p>DEVELOP NATIONAL ENERGY AND CLIMATE PLAN (NECP) IN LINE WITH ENERGY COMMUNITY;</p> <p>IMPLEMENT NATIONAL STRATEGY FOR TRANSPORTATION, IMPLEMENTATION AND ENFORCEMENT OF THE ACQUIS ON ENVIRONMENT AND CLIMATE CHANGE - WASTE, WATER AND NATURE PROTECTION SECTORS;</p> <p>IMPROVE VALUE OF POTENTIAL NATURA 2000 SITES;</p> <p>INCORPORATE INTO THE NATIONAL LEGISLATION THE REMAINING ELEMENTS OF THE EU EMISSIONS TRADING SYSTEM (ETS), EFFORT SHARING REGULATION AND MONITORING AND REPORTING MECHANISM (MMR).</p>	<p>DEVELOP NATIONAL ENERGY AND CLIMATE PLAN (NECP) IN LINE WITH ENERGY COMMUNITY;</p> <p>ENHANCE CAPACITY OF ENVIRONMENTAL PROTECTION AGENCY AND ENVIRONMENTAL INSPECTORATES;</p> <p>PREPARE FOR NATURA 2000;</p> <p>ADOPT CLIMATE STRATEGY CONSISTENT WITH EU 2030 FRAMEWORK AND PARIS AGREEMENT;</p> <p>IMPLEMENT FURTHER THE INSPIRE DIRECTIVE;</p> <p>ALIGN FURTHER WITH THE ACQUIS ON WATER QUALITY;</p> <p>FULLY INCORPORATE EU STANDARDS ON PROHIBITED MEANS OF CAPTURING AND KILLING WILD ANIMALS;</p> <p>ALIGN WITH INDUSTRIAL EMISSIONS DIRECTIVE;</p> <p>ALIGN LEGISLATION WITH EU EMISSIONS TRADING SYSTEM AND EFFORT SHARING REGULATION.</p>	<p>DEVELOP NATIONAL ENERGY AND CLIMATE PLAN (NECP) IN LINE WITH ENERGY COMMUNITY;</p> <p>ADOPT CLIMATE STRATEGY CONSISTENT WITH EU 2030 FRAMEWORK AND PARIS AGREEMENT;</p> <p>ALIGN WITH THE DIRECTIVE ON ENVIRONMENTAL LIABILITY;</p> <p>STEP UP EFFORTS TO ALIGN WITH THE ACQUIS ON WATER QUALITY;</p> <p>ALIGN WITH SEVESO III DIRECTIVE, EU ECOLABEL REGULATIONS AND ENVIRONMENTAL MANAGEMENT AUDIT SYSTEM.</p>	<p>ALIGN FURTHER WITH AND IMPLEMENT THE WATER DIRECTIVES;</p> <p>DEVELOP NATIONAL ENERGY AND CLIMATE PLAN (NECP) IN LINE WITH ENERGY COMMUNITY;</p> <p>IMPLEMENT FURTHER THE INSPIRE DIRECTIVE;</p> <p>FULLY ALIGN WITH THE DIRECTIVE ON ENVIRONMENTAL LIABILITY;</p> <p>ALIGN FURTHER WITH THE AIR QUALITY ACQUIS AND IMPROVE THE MONITORING SYSTEM;</p> <p>ALIGN WITH THE NATIONAL EMISSIONS CEILING DIRECTIVE;</p> <p>DEVELOP NATIONAL AGENCIES FOR WATER RESOURCE MANAGEMENT AND FOR WATER SUPPLY, SEWERAGE AND WASTE;</p> <p>ALIGN FURTHER WITH THE FLOODS DIRECTIVE.</p>	<p>DEVELOP NATIONAL ENERGY AND CLIMATE PLAN (NECP) IN LINE WITH ENERGY COMMUNITY;</p> <p>IMPLEMENT PARIS AGREEMENT- NATIONALLY DETERMINED CONTRIBUTION (NDC);</p> <p>APPOINT NFP FOR IMPLEMENTATION OF ENVIRONMENTAL CONVENTIONS;</p> <p>IMPLEMENT THE COUNTRYWIDE ENVIRONMENTAL APPROXIMATION STRATEGY;</p> <p>ALIGN WITH THE EU ENVIRONMENTAL ACQUIS AT ALL LEVELS;</p> <p>FULLY ALIGN WITH THE DIRECTIVE ON ENVIRONMENTAL LIABILITY, INSPIRE DIRECTIVE AND DIRECTIVE ON ENVIRONMENTAL CRIME;</p> <p>ALIGN ON EU LEGISLATION ON VOLATILE ORGANIC COMPOUNDS;</p> <p>ALIGN WITH THE LANDFILL DIRECTIVE;</p> <p>IMPROVE ENFORCEMENT OF SEA, EIA, NATURE PROTECTION AND WATER RELATED PROVISIONS OF THE EU ACQUIS;</p> <p>ALIGN WITH THE HABITATS AND BIRDS DIRECTIVE;</p> <p>ALIGN WITH THE ACQUIS ON INDUSTRIAL POLLUTION CONTROL AND RISK MANAGEMENT;</p> <p>ALIGN WITH THE INDUSTRIAL EMISSIONS DIRECTIVE, THE DIRECTIVES ON ECO-LABELLING AND ECO-MANAGEMENT AND AUDIT SCHEMES;</p> <p>ALIGN WITH SEVESO III DIRECTIVE;</p> <p>ALIGN WITH EU ACQUIS ON ENVIRONMENTAL NOISE.</p>
<p>ALSO RELEVANT TO PILLAR 1 and already analysed in other pillars:</p> <ul style="list-style-type: none"> - CHAPTER 13 FISHERIES (see pillar 1) - CHAPTER 15 ENERGY (see pillar 2) 							

EUSAIR PILLAR 3	Adrion Thematic Cluster	Adrion Priority axis	ADRION/EUSAIR implemented (call 1, 2, 3) projects
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	Thematic Cluster on Coastal and Marine Environment management	2. Sustainable region	DINALPCONNECT ECOWAVES? HarmoniA IMPRECO PORTODIVARE SMARTRIVER SEAVIEWS
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EUSAIR PILLAR 4 SUSTAINABLE TOURISM - Objectives	To achieve the objectives, Pillar 4 will focus on two topics:	EUSAIR FLAGSHIP PROJECT	ACQUIS CHAPTERS	ACQUIS CLUSTERS	IPA WINDOW*	WB ECONOMIC INVESTMENT PLAN FLAGSHIPS	GREEN AGENDA for the WB	Mechanisms of Implementation and Counter parts	COHESION FUNDS* policy objective	Financing Instruments and programmes
Pillar 4 Diversify the macro-region's tourism products and services along with tackling seasonality of inland, coastal and maritime tourism demand; Improve the quality and innovation of tourism offer and enhance the sustainable and responsible tourism capacities of the tourism actors across the macro-region	Topic 1 – Diversified tourism offer (products and services) Topic 2 – Sustainable and responsible tourism management (innovation and quality)	Development of the network of sustainable tourism businesses and clusters green mapping for the AI Region - supporting development and market access for responsible and sustainable tourism destinations and micro/SME operations in the EUSAIR region Research & development for improvement of SME's performance and growth-diversification (Cultourair) Training and skills in the field of tourism businesses (vocational and entrepreneurial skills) (des_air) Expanding the tourist season to all-year round (cruisair) Development of sustainable and thematic cultural routes/ connecting cultural routes in EUSAIR Air cultural routes	CHAPTER 20 – ENTERPRISE AND INDUSTRIAL POLICY CHAPTER 26 – EDUCATION AND CULTURE	CLUSTER 3 CLUSTER 3	Window 3 Green agenda and sustainable connectivity Window 4 Competitiveness and inclusive growth	FLAGSHIP 9 – INVESTING IN THE COMPETITIVENESS OF THE PRIVATE SECTOR	3) biodiversity, aiming to protect and restore the natural wealth of the region	Chambers of commerce Covenant of Mayors	PO 5 - A Europe closer to citizens	World Bank on tourism in the Balkans

EUSAIR PILLAR 4	ACQUIS CHAPTERS	ACQUIS CLUSTERS		MONTENEGRO	SERBIA	NORTH MACEDONIA	ALBANIA	BOSNIA and HERZEGOVINA
			ENLARGEMENT STATUS	NEGOTIATING COUNTRY	NEGOTIATING COUNTRY	CANDIDATE COUNTRY	CANDIDATE COUNTRY	POTENTIAL CANDIDATE
			SAA articles	ART. 96	ART. 96	ART. 87	ART. 94	ART. 94
	CHAPTER 20 – ENTERPRISE AND INDUSTRIAL POLICY	CLUSTER 3		OPEN	OPEN	-	-	-
			MODERATELY PREPARED	MODERATELY PREPARED	MODERATELY PREPARED	MODERATELY PREPARED	MODERATELY PREPARED	EARLY STAGE OF PREPARATION
			WORKING ON FULFILMENT OF INTERIM OR CLOSING BENCHMARKS	WORKING ON FULFILMENT OF INTERIM OR CLOSING BENCHMARKS	WAITING FOR THE NEGOTIATION FRAMEWORK	WAITING FOR THE NEGOTIATION FRAMEWORK	WAITING FOR THE NEGOTIATION FRAMEWORK	POTENTIAL CANDIDATE COUNTRY
			RECOMMENDATIONS BY EU	-	-	-	-	-
	CHAPTER 26 – EDUCATION AND CULTURE	CLUSTER 3		CLOSED	CLOSED	-	-	-
			GOOD LEVEL OF PREPARATION	GOOD LEVEL OF PREPARATION	MODERATELY PREPARED	MODERATELY PREPARED	MODERATELY PREPARED	EARLY STAGE OF PREPARATION
			PROVISIONALLY CLOSED	PROVISIONALLY CLOSED	WAITING FOR THE NEGOTIATION FRAMEWORK	WAITING FOR THE NEGOTIATION FRAMEWORK	WAITING FOR THE NEGOTIATION FRAMEWORK	POTENTIAL CANDIDATE COUNTRY
			IMPLEMENT PROTECTION MEASURES TO GUARD UNESCO HERITAGE STATUS.	-	ADOPT THE LAWS AND NATIONAL STRATEGY FOR PROTECTION OF CULTURAL HERITAGE.	FULLY ADOPT THE IMPLEMENTING LEGISLATION TO THE LAW ON CULTURAL HERITAGES AND MUSEUMS.	-	-
ALSO RELEVANT TO PILLAR 4:								
<ul style="list-style-type: none"> - CHAPTER 11 AGRICULTURE AND RURAL DEVELOPMENT - CHAPTER 13 FISHERIES (see pillar 1) - CHAPTER 14 TRANSPORT (see pillar 2) - CHAPTER 25 SCIENCE AND RESEARCH (see pillar 1) - CHAPTER 27 ENVIRONMENTAL QUALITY (see pillar 3) 								

EUSAIR PILLAR 4	Adriatic Thematic Cluster	Adriatic Priority axis	ADRION/EUSAIR implemented (call 1, 2, 3) projects
	Thematic Cluster Blue Growth and Related Smart Growth	1. Innovative and smart region	

EUSAIR	ADRION/EUSAIR implemented (call 1, 2, 3) projects	EU WB INVESTMENT PLAN FLAGSHIPS	GREEN AGENDA	ACQUIS CHAPTERS and ACQUIS CLUSTERS	Mechanisms of Implementation and Counter parts	Financing Instruments and programmes
<u>cross-cutting aspects</u> - capacity-building - research and innovation	Adriatic priority axis 4 - first call for projects: EUSAIR FACILITY POINT	FLAGSHIP 8 – DIGITAL INFRASTRUCTURE FLAGSHIP 10 – YOUTH GUARANTEE		CHAPTERS - Cluster 1 (fundamental first) PAR public administration reform (policy development; public procurement; financial management and control; accountability; service delivery)	Forum of the Adriatic and Ionian Chambers of Commerce WB6 CIF Common Regional Market (proposed)	INTERRACT EPSON (the WB need to be included)
<u>horizontal principles for all four pillars</u> - climate change mitigation - disaster risk management		FLAGSHIP 5 - TRANSITION FROM COAL	1) climate action	CHAPTER 27	DPPI SEE	DREF EUSF

Financing instruments - general	Mechanisms of Implementation and Counter parts
ETC cohesion ipa Interreg ADRION Other Interreg programmes (e.g. Mediterranean) IPA IPA multi-country IPA CBC EAFRD EMFF	UN Agencies (UNDP, UNEP) Cooperation agencies (EU and non-EU; e.g. USAID, GIZ, Italian cooperation, etc.) Foreign embassies World Bank EIB RCC (Common Regional Market - proposed)

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