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1. **Introduction**

In December 2012, the European Council requested the European Commission to present an EU Strategy for the Adriatic and Ionian Region (EUSAIR) by the end of 2014. Following this request, the Commission extensively consulted stakeholders. On 17 June 2014, it adopted the EUSAIR Communication (COM(2014) 357 final of 17.6.2014).

The original strategy was jointly developed by the Commission and the Adriatic-Ionian region countries and stakeholders, which agreed to work together on the areas of joint interest for the benefit of each country and the whole region.

At present, the participating countries include the four EU member states, Croatia, Greece, Italy, Slovenia, five EU candidate countries, Albania, Bosnia and Herzegovina, Montenegro, North Macedonia, Serbia and one non-EU country, San Marino.

In line with the global commitment of the UN 2030 Agenda, the objective of the EUSAIR is to promote effective multilevel and cross-sectoral cooperation for economically prosperous, socially inclusive, well connected, more integrated, green and liveable Adriatic-Ionian region. This will be achieved through cooperation between countries with much shared history and geography. Positive contribution of the Strategy to Sustainable Development Goals will be achieved by reinforcing implementation of existing EU policies in the Region. The Strategy brings a clear EU added value and support to the EU enlargement process in the Western Balkans. The Strategy offers a golden opportunity for all participating countries to align their policies with the EU policies and bring Western Balkan countries closer to the EU by offering them opportunities for working closely with Member States, to address common challenges and opportunities specific to the Region.

The participating countries of the EUSAIR agreed on areas of mutual interest with high relevance for the Adriatic-Ionian region, being it joint challenges or opportunities.

1. **Challenges and opportunities**
2. **Challenges**

The Adriatic-Ionian Region is facing a set of common challenges. Historically, a substantial part has been affected by difficult political and economic circumstances as well as conflict. However, the EU perspective of Western Balkans candidate countries provides an opportunity to reinforce links, to overcome the legacy of the past and challenges of the present and future. Major challenges are:

* **Socio-economic disparities:** Both in terms of GDP per head and unemployment rates, there are stark contrasts between countries. While some countries enjoy a GDP per head of 20% above the EU average and less than 5% unemployment rate, others have a GDP per head which is 85% below this average, and unemployment rate of 16%. There are imbalances regarding innovative capacity, access to knowledge and research networks. Furthermore, there are also considerable differences in access to funding and administrative capacity, especially between EU and non-EU countries. Non-EU countries are often limited by the lack of support schemes and outdated by obsolete technologies, which are restraining their research, development and innovation (RDI) potential. The Adriatic-Ionian region suffers from aging, labour market disbalances, social exclusion, the inflow of refugees, poverty pockets and brain drain. On top of this, it was largely impacted by the pandemic, especially due to its dependency on tourism, and the labour market was highly affected. The drain of the young and the skilled individuals in the Western Balkans, reduces the overall competitiveness of the region.Traditional gender roles are still deep-rooted in substantial parts of the region and lack of awareness of women's rights is at the core of the problem;
* **Transport**: With regard to transport networks, there is a significant potential for quality improvement and better integration, removing roadblocks to project investments, focusing on the enabling factors for the creation and development of regional enterprises along the free and regulated European market principles. Various bottlenecks have limited the development opportunities stemming from the motorways of the sea. Railway transportation is lagging behind the EU average both in terms of infrastructure, as well as in freight and passenger volumes. In many EUSAIR countries, and especially in Western Balkans, there are not electrified old rail tracks and old roads with many black spots far from the EU safety standards. The network of airports has inadequate capacity to sustain tourism development and connectivity in general, mostly due issues concerning the economy of scale of the related catchment area. At the same time, connectivity is a key asset for Western Balkans within the enlargement process;
* **Energy**: In the Adriatic and Ionian Region energy policies, programmes and projects are confronted with three main challenges. First, the transition towards decarbonised energy systems to contribute to the fight against global climate change and to the consequent reduction of greenhouse gas emissions into the atmosphere. Second, security of energy supply to contain the risk of interrupted or uncertain trade and flow of basic energy commodities (notably, natural gas flowing from Russia). Cyberisk is an additional threat to energy security. Third, energy affordability and sustainable access to be granted and maintained while enhancing economic competitiveness of EUSAIR participating countries. In this respect, it is noted that the energy transition might imply for some EUSAIR participating countries special measures to cope with stranded assets and facilities while avoiding market distortions. Energy connections can be improved to jointly address the green transition. Today, unavailability of grid capacity to dispatch fluctuating energy from renewable sources is limiting the development of renewable energy. Hydropower is the most commonly used type of renewable energy in the region. Despite the fact that the region has great potential for the development of renewable energy sources notably, solar and wind energy, it performs below the EU average as for solar and wind energy, eco-innovation and energy efficiency;
* **Environment**: Increased human use of the marine and coastal space threatens ecosystems. Shallowness and its semi-enclosed nature[[1]](#footnote-2) make the Adriatic Sea vulnerable to pollution. Over-fishing, IUU fishing, abandoned, lost and otherwise discarded fishing gear (ALDFG) and ecologically-unsound aquaculture threaten marine biodiversity, as well as human health. Untreated waste water and solid waste from mainly land-based sources, fertiliser run-off from agricultural activities causing eutrophication, plastic pollution, other emerging pollutants like pharmaceuticals, firm organic pollutants, nanomaterial, personal care products and endocrine disruptors, invasive species from ballast waters and Lessepsian migration, and pollution from oil and gas exploration further worsen the situation. Illegal hunting of migratory birds has impacts for the EU as a whole. Further efforts are needed in cross-sectoral planning, establishing networks of protected areas and green infrastructure to support transboundary green and blue corridors;
* **Natural and man-made hazards and risks entailed by climate change**: In addition to major seismic activity, the Region is exposed and vulnerable to the adverse impacts of climate change. Lack of common risk assessment, disaster risk management and integrated mitigation and adaptation strategies is a major challenge. With uneven levels of experience, resources and know-how, countries cannot cope on their own with rising sea levels, Invasive Alien Species, flooding, drought, soil erosion and forest fires;
* **Tourism**: The economy of the region is heavily depending on tourism – in most cases mass tourism. The issue of high seasonality in tourism industry affects employment, environment and availability of local services. In the most attractive places, it has already created a situation of over-tourism at the expense of natural resources, cultural heritage and welfare of local communities. Furthermore an unbalanced territorial distribution of tourism offer in most countries can be observed with high tourism flows towards urban and coastal areas. There is a lack of sustainable tourism policies implementation, diversification activities and responsible tourism concepts.
* **Administrative and institutional issues**: Capacities at national, regional or local level must be reinforced to ensure that structures are fit for working with counterparts in the Adriatic-Ionian region, as well as for cross-policy coordination. When aligning with EU legislation and accessing financial instruments, the countries risk working at different speeds, thereby hampering implementation of a macro-regional approach. Especially the capacities of EU candidate countries need to be strengthened in terms of alignment with EU laws concerning the implementation of EU Structural and Cohesion Funds. Strong and well-equipped administration at national and local level is imperative for the application and enforcement of the EU environment aquis. Migration pressure and cross-border organised crime call for coordinated border security policies.
1. **Opportunities**

The Region also offers many opportunities, with much potential for smart, sustainable and inclusive growth:

* The **Sustainable Blue Economy** can make a major contribution to growth. This ranges from developing blue and green technologies to sustainable seafood production and consumption, as well as maritime and marine governance and services. It includes niche markets in e.g. recreational, leisure, diversification activities and small cruise activities. Innovation can enable the vulnerable shipbuilding sector to switch to low emission and energy efficient vessels[[2]](#footnote-3), and to cooperate with related sectors, including marine equipment and robotics. It also includes blue green technologies and biotechnologies for sustainable and competitive fisheries and aquaculture that will bring prosperity to the coastal communities and protecting the aquatic environment and its biota as well as marine and maritime services that encompass a wide range of activities, including shipping, port management, coastal tourism, environmental protection and research, among others.
* **Connectivity**: The Region is located at a major European cross-roads. The Adriatic-Ionian sea basin is a natural waterway penetrating deep into the EU. This provides the cheapest sea route from the Far East via Suez, making travel distance to markets of Central Europe 3,000 km shorter than via northern ports. A better integration of transport and energy systems in the region offers considerable benefits. Notably, the integration of transport and energy networks of the Adriatic and Ionian Region into TEN-T and TEN-E, respectively should be recalled. There are unexploited complementarities between transport and electricity systems of the EUSAIR participating countries. Also digitalisation, AI, new technologies, sustainable mobility and sustainable energy delivery offers great opportunities in the region. There is potential for improved land-sea connectivity and intermodal transportation, increasing the competitiveness of hinterland economies;
* **Cultural and natural heritage and biodiversity**: Combined with its outstanding natural beauty, the Region's cultural, historic and archaeological heritage is one of its strongest assets. It boasts world-renowned cities (Venice, Dubrovnik, Mostar, Athens) and natural sites (the Plitvice and Skadar lakes). The Adriatic-Ionian region contains a number of unique ecosystems. The preservation of these is essential to Europe's natural heritage and requires joint action and cross sectoral cooperation from the countries concerned. There are ample opportunities to strengthen collaboration in the Adriatic-Ionian region in improving the marine and costal environment and transnational terrestrial habitats and biodiversity.
* **Tourism:** Already a fast-growing and main GDP contributor, tourism could benefit further from increased and sustainable cooperation to expand its market and its season. The Region can become a showcase for sustainable, responsible and diversified tourism products and services. Existing commercial opportunities can be exploited more dynamically, e.g. via cruises benefiting local economies, and via recreational fishery. Sustainable tourism management can remove red tape, create a better business/SME climate, establish common standards, rules and statistics, and promote public-private partnerships.
* **Social cohesion:** Fast changing economic environemnt propelled by innovations and new technologies creates a demand for new and relevant skills. The region has the opportunity to enhance collaboraton between relevant institutions to respond to these demands adequatley by promoting life-long learning opportunities and access to the labour market, by addressing not only current issues of skills mismatching but also brain drain, underemployment and precariousness. Respect for diversities and equal opportunities in a social and economic environment free from discrimination is a strong asset for sustainable development. Active civil society in the region represents an important opportunity for addressing social issues in the context of the macroregion.
1. **Response: an Action Plan**

In its report[[3]](#footnote-4) on the added value of macro-regional strategies, the Commission recommended that new macro-regional strategies concentrate on a limited number of well-defined objectives, matching particular needs for improved and high-level cooperation. The governance system of EUSAIR based on monitoring and evaluation results identified problems in pursuing this recommendation as regards the 2014 Action Plan. Therefore a decision to revise the plan with a more focused and streamlined approach was taken. Using a bottom-up approach and extensive consultations of stakeholders was conducted to identify more clear and achievable objectives specific to the Region.

A rolling Action Plan, accompanying the Strategy and expanding the maritime dimension to include the hinterland, will be implemented to that effect. Structured around five interdependent Pillars of strategic relevance with an effort to set a framework of cooperation that aims to achieve as specific as possible targets through the implementation of actions that can find support from international financing sources such as Interreg, Horizon etc (cooperation of countries and stakeholders), or National co-funded programmes by the EU such as structural funds, IPA etc (coordination of countries for relevant calls).

The Action Plan will be periodically monitored for its progress and updated if necessary to address possible new needs or define new actions that may better fulfil the objectives of the Pillars. This update should be agreed at the level of the Governing Board following proposal by the relevant Thematic Steering Groups and will not need adoption by the Commission Services.

The Pillars are:

1. Blue Sustainable Economy
2. Connecting the Region (transport and energy networks)
3. Environmental quality
4. Sustainable tourism
5. Improved Social Cohesion

Horizontal topics were also identified. These are topics of utmost importance for the EUSAIR and for the future of the Adriatic-Ionian region which need to be addressed by all Pillars and Topics. These topics are:

* **Enlargement.** The enlargement of the EU through the envisaged EU membership of Western Balkan candidate countries is a central development feature in the region. All Pillars and all their Topics, where relevant, shall contribute to the EU enlargement processes in the Adriatic-Ionian region and help the candidate countries to prepare their accession. The implementation of accession chapters requires significant administrative capacities and strategic planning that the Strategy will help to develop. Since the biggest proportion of the acquis is implemented by local authorities their participation in the Strategy will be strongly encouraged.
* **Capacity building.** High quality government, governance and capacities are a pre-condition for economic and social prosperity and cohesion. All Pillars and all their
Topics, where relevant and necessary, shall contribute to capacity building and to the quality of governance in the region. In particular, policy coherence for sustainable development shall be taken into account in order to allow for the 4 Pillars to be carried out in a mutually supported and integrated way.
* **Innovation and research.** Future oriented development requires research to generate knowledge and innovation to transfer the available knowledge both in terms of technology and social implication, and the ability to translate innovations into new products, markets and services. All Pillars and all their Topics, where relevant, shall contribute to strengthening research and innovation and link to relevant smart specialisation strategies and processes.

Climate change mitigation and adaptation as well as disaster risk management are horizontal principles for all five Pillars All activities that contribute to the objectives and targets of the Action Plan must be in accordance with the Charter of Fundamental Rights of the EU and the UN Convention on the rights of persons with disabilities. This ensures compliance with the principles of gender equality, equal opportunities, and suppression of discrimination. Activities within EUSAIR will be encouraged to include activities that specifically address issues of gender equality and the inclusion of marginalized groups.

The Thematic Steering Groups and consultation process also identified, within each Pillar, a limited number of Topics for the Action Plan as those that can better aim at the achievement of the priorities and objectives of the Pillar and can generate better results if pursued with joint Actions. These Topics are also relevant for EU policies and, in particular, those with a territorial dimension. The selected Topics under each Pillar are presented below.

* 1. **Pillar 1 : Blue Sustainable Economy**

The Pillar, coordinated by Greece and Montenegro, addresses the need to strengthen emerging blue and green technologies in the field, as novel approaches and best practices for fisheries and aquaculture and progress on joint actions in the field of maritime and marine governance and services. The focus goes beyond the immediate marine and maritime areas, and also involves other natural resources such as rivers and lakes, as well as water as a resource in population centres.

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| Topic 1.1 Blue and green technologiesThe evolving significance of the marine and maritime sectors and the increasing recognition of water as a fundamental resource for sustainability underscore the imperative for a consolidated approach at the level of the EUSAIR. To further boost research, innovation and business prospects in marine blue and green technologies, and blue biotechnology, it is vital to fortify collaboration and coordination among member states and candidate countries within the Adriatic Ionian region. The overarching objective is to optimize advancements in research and the adoption and integration of technological advancements and innovation, with the intention of addressing societal challenges.Establishment of robust networks among relevant stakeholders in the Adriatic-Ionian region is envisaged, fostering increased collaboration, knowledge transfer and joint decision-making. Additionally, macroregional innovation investments will be facilitated and the internationalization of small and medium enterprises (SMEs) promoted, thus contributing to the overall advancement and sustainability of the maritime amd other relevant sectors within the Adriatic-Ionian region.Topic 1.2 Fisheries and aquacultureRecognizing the significance of aquaculture and fisheries, the Common Fisheries Policy (CFP) aims to ensure the long-term environmental sustainability of these activities while fostering economic, social, and employment benefits in both marine and freshwater aquatic systems. Within this context, the EUSAIR envisions a future where these sectors operate in a sustainable, environmentally responsible and economically beneficial manner, driving economic growth and creating employment opportunities.To achieve these goals, the EUSAIR emphasizes the promotion of cross-border collaboration among regional countries, knowledge sharing and the development of common policies to ensure sustainable practices. Encouraging research and innovation within the aquaculture and fisheries sectors is a key focus, with investments in technology, research and the adoption of best practices aimed at enhancing sustainability and competitiveness.Topic 1.3 Maritime and marine governance and servicesThe EUSAIR places significant importance on effective maritime and marine governance and services, recognizing their crucial role in the region's sustainable and integrated development. A key component of this approach is the need for Maritime Spatial Planning (MSP) to strike a balance between economic development, environmental protection and social well-being. This coordinated strategy is closely linked with other Pillars of the EUSAIR, aiming to harmonize various activities within the marine environment, including aquaculture, fisheries, marine protected areas, other effective area-based conservation measures (OECMs) and marine reserves. Collaboration among stakeholders is critical for the successful implementation of MSP, requiring a unified approach that transcends national boundaries and fosters sustainable practices. In pursuit of these goals, the EUSAIR aims to facilitate the development of a robust maritime and marine governance framework, focusing on enhancing institutional capacities, promoting knowledge sharing, and leveraging digital technologies for improved planning and control. The strategy envisions improved quality of public services, strengthened governance mechanisms for international cooperation, and enhanced institutional capacities in various sectors related to fisheries policy and integrated coastal management. |

* 1. **Pillar 2 : Connecting the Region (transport and Energy)**

The Pillar, coordinated by Italy, North Macedonia and Serbia, addresses the need to strengthen energy and transport networks and services in the region. A particular emphasis is given to the need to also progress on the transition to green (carbon neutral) and digital solutions. The focus goes beyond the major energy and transport networks and hubs, and also involves less densely populated and rural areas supporting green rural development.Cooperation is needed to reduce bottlenecks, and develop infrastructure networks and regulatory frameworks. Coordinated monitoring of maritime traffic and multi-modal transport will increase competitiveness.

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| Topic 2.1 Maritime transportThe objective of the topic is to improve connectivity, integration and cohesion within the Adriatic-Ionian region and with the rest of the EU regarding maritime transport, among others to strengthen safety and security of port operations and develop a competitive macroregional interconnected port system. Topic 2.2 Multimodal connectivity The objective of the topic is to foster the development of effective intermodal connections, taking into account the integration of maritime transport of passengers and goods with landside modes and the rail network and the hinterland, as well as the connection of the rail network to the main airport nodes. Together with inland waterways, road and rail provide important international connections within the region. Ports of the Adriatic and Ionian seas, as well as railway lines and airports, are immediate entry points to the region from abroad. A possible common transport policy in the Region could take into account all these considerations, promoting multimodality, while also taking into account environmental aspects (e.g. air emission, etc.), economic growth and social development.Topic 2.3 Urban nodesThe objective of the topic is to foster the improvement of urban mobility solutions and transport systems anticipating the challenges and the already existing criticalities deriving from growing urbanisation (urban sprawl) and from some socio-economic (e.g. agingageingaging population) and environmental trends, calling for the a reduction of the impacts of passengers and goods mobility in the cities. The improvement of Integrated Local Public Transit systems (including active mobility, and also new and innovative services such as shared mobility solutions) is essential to increase transport efficiency and to achieve the decarbonisation targets by the promotion of urban low -emission mobility.Topic 2.4 Energy networksEnergy systems are made up of energy networks, energy markets and energy uses. These three prongs that are interrelated as networks, are essential for the effective operation of the markets and energy delivery to the final users. The opening of the EU electricity and natural gas markets, pursued by the EU directives and regulations, contributes to both competition and security of supply and competitiveness and is facilitated by the European Agency for Cooperation of Energy Regulators and the Energy Community. Extensive networks, interconnections and interoperability are needed for energy security, diversification and effective energy operation. The energy policy objectives of the EU – environmental sustainability, security of supply and competitiveness – can only be achieved through a well-interconnected and well-functioning internal energy market.Topic 2.5 Green energyThe commitment to tackling global climate change and other environmental challenges is this generation’s defining task. It is a new growth strategy that aims at transforming EU member states and EU candidate countries into a fair and prosperous society, with a modern, resource-efficient and competitive economy where there are no net emissions of greenhouse gases in 2050 and where economic growth is decoupled from resource use. This green strategy also aims to protect, conserve, and enhance the Adriatic-Ionian region’s natural capital, and protect the health and well-being of its citizens from environmentally-related risks and impacts. At the same time the transition should be just and inclusive. It must put people first, and pay attention to the local communities, industries and workers who will face the greatest challenges. Since it will bring substantial change, active public participation and confidence in the energy transition is paramount if policies are to work and be accepted. Opportunities offered by improved energy efficiency will be exploited while concerns regarding supply of strategic materials and critical green energy components will be addressed for the Adriatic-Ionian Region. |  |

* 1. **Pillar 3: Environmental quality**

The Pillar, coordinated by Slovenia and Bosnia-Herzegovina, sets out to improve the marine and costal environment and transnational terrestrial habitats and biodiversity, by further strengthening the development and use of common platforms for data exchange and joint monitoring, supporting cross-border and transnational aspects of Maritime Spatial Planning (MSP) and Integrated Coastal Zone Management (ICZM), strengthening the exchange of experience and the development of new innovative solutions in the region and ensuring that the results of existing cooperation efforts are disseminated and capitalised.

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| Topic 3.1 Marine and costal environmentThe objective of this topic is to strengthen the collaboration in the Adriatic-Ionian region in improving the marine and costal environment and biodiversity and ecosystem services. This includes a range of different issues where joint or coordinated efforts to analysing risks, mapping, monitoring, awareness raising and targeted actions are needed. Particular efforts are needed to capitalise on existing networks, platforms and also on results from EU-funded projects. This topic is also to be seen in the context of strengthening circular economy activites in the region. Topic 3.2 Transnational terrestrial habitats and biodiversityThe objective of this topic is to address threats to terrestrial biodiversity and contribute to the aimaimsaim of EU Biodiversity Strategy, so that Europe's biodiversity will be on the path to recovery by 2030 for the benefit of people, the planet, the climate and economy, in line with the 2030 Agenda for Sustainable Development and with the objectives of the Paris Agreement on Climate Change. In the context of the Adriatic-Ionian region the aim is to protect and enhance natural terrestrial habitats and ecosystems with particular attention to the ecological connectivity of blue and green corridors/infrastructure.Joint management of eco-regions across borders will be encouraged, as well as of healthy populations of large carnivores, and measures to increase compliance with hunting rules for migratory birds. |

* 1. **Pillar 4: Sustainable tourism**

The Pillar, coordinated by Croatia and Albania, takes into consideration all the key dimensions of economic, environmental, cultural and social sustainability. The focus includes the digital and green transition of the tourism ecosystem considering relevant sectors and different public and private actors. It also promotes innovative ways for tourism and contributes to building its resilience against global crises such as wars, climate change and loss of biodiversity. It aims to develop the full potential of the Region in terms of innovative, sustainable, responsible quality tourism. Diversification of tourism products and services, along with tackling seasonality, will boost business and create jobs.

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| Topic 4.1 Facilitate the digital and green transition of the tourism and cultural heritage offerThe objective of this topic is to develop favourable framework conditions and facilitate the digital and green transition with the aim to diversify and strengthen the tourism offer in the Adriatic-Ionian region, including cultural and natural heritage. This covers the promotion of collaborative and sustainable governance of tourism destinations, improved exchanges, best praticies and knowledge on statistics, sustainable schemes and indicators for tourism, and the promotion of digital and green objectives in tourism strategies. Particular efforts are needed to capitalise on existing networks, platforms and also on results from EU-funded project, especially ADRION. There is also need of strengthening the efforts to improve understanding of the vulnerability of cultural heritage in the green transition and the need to better integrate the power of culture and the CCSI into other socio-economic activities and industries to address climate changes.  Topic 4.2 Preparing for the future: knowledge, skills and management.managementThis topic addresses the knowledge gaps on sustainable destination management and green and digital skills in tourism in the Adriatic-Ionian region. The objective is to raise awareness on the opportunities of the twin transition and to develop, support and promote effective dissemination, sharing and learning on green and digital skills among all tourism stakeholders, especially Destination Management Organisations, tourism business associations/clusters and SMEs. |

* 1. **Pillar 5: improved Social Cohesion**

The Pillar, coordinated by Croatia and XXX, promotes to aligning the Adriatic-Ionian region with the EU strategies and policies for improving social cohesion, in line with the broader framework of the green and digital transition. These strategies and policies are designed to create a demand and supply for new and relevant skills, swift adaptation to increasingly changing economic landscape and increase resilience toward future crisis. The Pillar 5 should promote social cohesion, contribute from the macroregional context to achieve equal opportunities, youth engagement and access to the labour market.

Topic 5.1 Youth engagement and employment

The objective of this Topic is to stimulate the empowerment of young generations, by increasing their capacity to actively participate in the social and economic life, and by supporting their increased participation in society and labour market. It is important to involve youth in topics such as education, employment, cultural exchange, social inclusion and environment care.

The EUSAIR should give to their young population the tools and mechanisms that will help them building their own capacities and allow them to develop innovative and entrepreneurial thinking, in order to be properly equipped for tackling joint existing and future challenges within the region. This should not be limited to the capitals and cities, but it should include youth from rural areas.

Topic 5.2 Promoting skills acquisition for future labour markets

The global objectives of this Topic are to promote life-long learning opportunities and access to the labour market for the Adriatic-Ionian population, by addressing current issues such as skills mismatching, brain drain, underemployment and precariousness, and technological changes. To promote respect for diversities and equal opportunities in a social and economic environment free from discrimination is a strong asset to promote sustainable development, to contribute to the 2030 Agenda objectives, and to promote innovation at large. Better cooperation and exchange can pave the way to enhance social cohesion in the region, and promote quality of life, encouraging economic and social development.

EUSAIR should promote harmonization of skill policies in the macro-region. That includes joint work in development of both VET and adult education curricula and supporting their implementation. Since other Pillars include sectoral skills (blue economy, tourism), activities under this Topic should pay closer look at supporting such activities. Objectives include a boost in upskilling/reskilling opportunities, and better targeting of skill policies for disadvantaged groups, such as people with disabilities, women, Roma etc.

Topic 5.3. Decent work and Gender Equality

The global objectives of this topic are to promote gender equality and decent work in the Adriatic-Ionian region, by addressing current issues such as gender inequality and discrimination, gender pay gaps, irregular work, precariousness, labour exploitation (especially for seasonal and cross-border labour, and particularly in sectors like tourism, agriculture and aquaculture, services connected to transport, home care). To promote respect for diversities and equal opportunities in a social and economic environment free from discrimination is a strong asset to promote sustainable development, to contribute to the 2030 Agenda objectives, to achieve the targets of the European Pillar of Social Rights and to promote innovation at large. Better cooperation and exchange can pave the way to enhance cohesion in the region, and promote quality of life, encouraging economic and social development.

Topic 5.4. Social Innovations

Objectives of Social Innovations Topic are to further promote this concept in the Adriatic-Ionian region by addressing some of the most pressing issues that for example include active and healthy ageing as a response to a trend of ageing population in the region and in developed countries. Better cooperation and knowledge transfer between stakeholders can promote the field of social innovations in the region and enhance the overall wellbeing of individuals, including vulnerable groups such as the elderly and people with disabilities, while indirectly contributing to overall better wellbeing and quality of life in our society as a whole.

1. **Governance and implementation**

Experience with existing macro-regional strategies shows that good and stable governance mechanisms are crucial for effective implementation. The Commission’s Report on governance of May 2014[[4]](#footnote-5) identifies three main needs: stronger political leadership, effective decision-making, and good organisation, which still remain pertinent.

Better governance is not about new funds nor bureaucracy, but how and by whom the Strategy is implemented and joint actions initiated and financed. Governance must have both a political and operational dimension, with line ministries and implementing bodies setting strategic objectives, and then making sure the work is strictly followed up. This will give clearer results and greater impact.

The Council in its Conclusions of 3 December 2020, UNDERLINES the importance of capacity-building, clear-cut and results-oriented governance of the MRS and, in that context, CALLS on the Commission to continue to play a leading role in the coordination of MRS and CALLS on participating countries/regions to: optimise governance aspects according to best practices across all MRS as appropriate for the geographical and institutional context of each macro-region and participating countries/regions; ensure effective involvement of national/regional/local stakeholders, citizens and civil society, including young people, in the implementation of the MRS; ensure that MRS key implementers are duly empowered and provided with a clear mandate to fulfil their tasks in a continuous way; establish and continue a fixed rotating order of presidencies for the MRS in order to strengthen predictability and ownership; enhance continuity in the implementation of the MRS by establishing and continuing a trio format of consecutive presidencies (predecessor / incumbent / successor) for each MRS; enhance MRS governance through regular ministerial meetings, for example in the context of the MRS’ Annual For a, as appropriate; enhance coordination, exchange of experience and transfer of best practices between MRS through continued cooperation between MRS trio presidencies; ensure stable functioning of MRS governance support and coordination structures during the whole programme period 2021-2027 especially through the relevant Interreg Transnational Cooperation programme covering the respective MRS territory.

Further more, the Commission in its 4th Report (2022) underlines that “the role of the thematic/priority/policy steering or action groups who are the drivers of the day-to-day implementation of MRS action plans has grown noticeably. Further work is nevertheless required to empower these key MRS implementers with clear mandates, effective decision-making capacity and a clear vision on how their fields of work contribute to the broader policy context, while ensuring a stable environment with access to the resources, technical capacity and skills needed.”. “Progress is reported on the technical support structures that facilitate the implementation of the MRS. … The EUSAIR Facility Point is an essential element for the functioning of the EUSAIR governance. … It will be crucial that these technical support structures, soon operational in all MRS, are empowered with sufficient resources so that the work can be properly carried out and continuity ensured.”

**Coordination**

Co-ordination is needed between participating countries, and between the different ministries and decision-making levels within each country. The Governing Board is the main coordinating and deciding body. It provides strategic guidance for the implementation, its monitoring and evaluates the progresses achieved. National Coordinators, representing each participating country ensure with close coordination and cooperation with the thematic representatives in the Steering Groups, an effective link in each participating country with the relevant bodies involved in the implementation of the Strategy. For each Pillar, a Thematic Steering Group, composed of appointed representatives of participating countries and Pillar Cooordinators from relevant ministries representing usually two different countries will work closely with their counterparts to develop and implement the Action Plan.

The EUSAIR governance support structure will provide assistance and support to the Governing Board, the Thematic Steering Groups and the relevant stakeholders.

The Commission will act as independent facilitator, and provide an EU perspective, supported by a High-Level Group on macro-regional strategies with representatives of the EU-27, as well as non-EU countries participating in the strategies.

**Implementation**

Key conditions for good implementation include:

* countries recognising the Strategy as cutting across sector policies, and of concern to every level of government;
* full and effective involvement of the EU candidate and non-EU countries at all levels;
* high level political support, with Ministers determining the overall direction of the Strategy, taking ownership and responsibility, aligning policies and funds, and providing the resources and status for the decision-making and technical levels;
* as guarantor of the EU dimension, the Commission ensuring a strategic approach at EU level;
* EUSAIR governance system monitoring and evaluating progress, and providing guidance to implementation;
* good use being made of the work of existing regional organisations;
* reliable support provided to National and Pillar Coordinators, especially using the assistance from the 2021-2027 Adriatic-Ionian transnational cooperation programme;
* involving key target stakeholders: national, regional and local authorities, members of parliaments (regional, national and European), economic and social actors, civil society, academia, YOUTH and NGOs.

For the Strategy to re-start on solid ground, early decisions on these matters need to be taken.

**Funding**

The Strategy is implemented, inter alia, by mobilising and aligning existing EU and national funding of relevance to the five Pillars and their Topics. By endorsing the Strategy, the Governments of the participating countries commit themselves to drawing on this funding to implement the Action Plan. In particular, the European Structural and Investment Funds and the Instrument for Pre-accession Assistance provide significant resources and a wide range of tools and technical options. It is of main importance to mobilise and use all EU, national and regional programmes and funding sources. Besides the Structural Funds and the IPA funds (including Western Balkan Investment Framework initiative – WBIF initiative), these are, as an example, the European Agricultural Fund for Rural Development (EAFRD), the European Maritime, Fisheries and Aquaculture Fund (EMFAF), Horizon Europe**,** Trans-European Networks for Transport (TEN-T), Trans-European Networks for Energy (TEN-E), Digital Europe, Erasmus+, LIFE and the Connecting Europe Facility (CEF).

Furthermore, EU policy tools such as Integrated Territorial Investments (ITI), Community Led Local Development (CLLD), Local Action Groups under LEADER or Energy Communities are important players to be addressed by the EUSAIR. Activities under the revised EUSAIR Action Plan can offer them useful stepping stones to connect across the Adriatic-Ionian region for exchanging experience and advocating their bottom-up approaches. Other means are available, notably from the European Investment Bank and other International Financial Institutions.

For the implementation of EUSAIR priorities close and long-term cooperation between EUSAIR governance structures and managing authorities is needed through establishment of operational networks of managing authorities and NIPACs.These funds and instruments should create significant leverage and attract funding from private investors. The Strategy will also capitalise on the work done through the other three macro-regional strategies in innovative financing.

**Reporting and evaluation**

Reporting and monitoring is conducted by external experts based on the work of the Pillar Coordinators, who will report progress towards targets. Evaluation of the Strategy and the Action Plan will be also conducted by external experts in connection with the reporting and evaluation exercise implemented by the European Commission on all macro regional strategies.

To fill gaps in available data needed to establish baseline situations, notably in non-EU countries, data collection will be promoted as a cross-cutting capacity issue via the Interreg Adriatic-Ionian transnational cooperation programme.

1. **Links with EU policies**

Requiring no changes to EU legislation, this Strategy aims to strengthen EU policies relevant to the Region[[5]](#footnote-6). It also supports greater observance of EU legal obligations, addressing gaps and practical difficulties leading to delays, especially in relation to the Single Market and the environment[[6]](#footnote-7). Emphasis is placed on an integrated approach, tying together different policy areas for a territorially-coherent implementation of EU policies. This emphasises linkages between EU policies and programmes, including the EU strategies on Biodiversity[[7]](#footnote-8), Adaptation to Climate Change[[8]](#footnote-9),

1. **Wider links**

Coordination with the adjoining EU Strategy for the Danube Region, and with the EU Strategy for the Alpine Region, needs to be ensured. The programme INTERACT plays a central role in cross-MRS exchange and interaction.

Synergies must be sought with other inter-governmental bodies, matching the geography of the Strategy such as the Adriatic-Ionian Initiative (AII), or with a different/broader scope, such as the Regional Cooperation Council (RCC), or the Central European Initiative (CEI).

Coordination with Mediterranean-wide programmes and initiatives[[9]](#footnote-10) and consistency with existing legal frameworks[[10]](#footnote-11), are important.

1. **Conclusion**

After years of difficult political and economic circumstances, the Adriatic-Ionian Region has brighter prospects. as it has profited from the experience and lessons learned of the implementation and governance of the 2014-2020 period. By providing an overall framework for policy coordination and territorial cooperation, the Strategy will make the Region a better place to live, work and enjoy, and will facilitate the EU enlargement process. It can act as a showcase for growth, jobs and ideas and as a gateway to other parts of the world. Joint efforts can prepare the Region well for the challenges and opportunities of the 21st century.

The Commission therefore invites the Council to endorse this Communication. The European Parliament, the Committee of the Regions and the European Economic and Social Committee are also invited to examine this document.

1. The North Adriatic has an average depth of around 50 metres. The waters of the Adriatic Sea are exchanged only once every 3 or 4 years with those of the Mediterranean. [↑](#footnote-ref-2)
2. In terms of SO2, NO2 and particulate matter. [↑](#footnote-ref-3)
3. COM (2013) 468 of 27.6.2013 [↑](#footnote-ref-4)
4. Report from the Commission on the governance of macro-regional strategies, COM(2014)284 of 20 May 2014. [↑](#footnote-ref-5)
5. Such as the Maritime Spatial Planning Directive, the Common Fisheries policy, the EU disaster risk management policies, Trans-European Networks (transport and energy), the Energy and Transport Communities, etc. [↑](#footnote-ref-6)
6. Notably the Birds and Habitats, Water Framework, Marine Strategy Framework, Nitrates, Ambient Air quality, National Emission ceilings and Waste Framework Directives. [↑](#footnote-ref-7)
7. COM(2020) 380 [↑](#footnote-ref-8)
8. COM(2021) 82 [↑](#footnote-ref-9)
9. In particular the Union for the Mediterranean and the General Mediterranean Fisheries Commission. [↑](#footnote-ref-10)
10. Notably the "Barcelona Convention for the Protection of the Marine Environment and the Coastal Region for the Mediterranean. [↑](#footnote-ref-11)