# REVISION OF THE EUSAIR ACTION PLAN Position of Albania

## I. Background

The EU Strategy for the Adriatic and Ionian Region (EUSAIR) is a macro-regional strategy adopted by the European Commission and the Adriatic-Ionian Region countries in 2014. The Action Plan is one of the outputs of the Strategy approach. It was built on an extensive bottom-up consultation process involving a wide range of stakeholders from the Adriatic-Ionian region, including representatives from national, regional and local authorities, but also from the private sector, academia and civil society. The Action Plan is structured to reflect the four pillars (I. Sustainable Tourism, II. Environmental Quality, III. Connecting the Region, IV. Blue Growth) as well as the topics selected under each pillar.

Adriatic Ionian region includes ten countries, four of which are EU member states (Italy, Greece, Slovenia, and Croatia) and six non-EU member states (Albanian, Bosnia and Herzegovina, North Macedonia, Serbia, Montenegro and San Marino. All of them with the exception of San Marino are candidate for EU membership. Among the EU candidate, Serbia, Montenegro, North Macedonia and Albania have already opened the negotiations. The Adriatic Ionian region has about 70 million inhabitants, out of which, 54 million are EU citizens.

The Representatives of the Governments of Albania, Bosnia and Herzegovina, Croatia, Greece, Italy, Montenegro, North Macedonia, Serbia and Slovenia, acknowledged that in the last few years of the EUSAIR implementation, several changes have taken place, not only with regard to the inclusion of new members to the Strategy, but as well as the new challenges that the region is facing. The discussions that emerged from the Pillar and National Coordinators' meetings showed that a revision of the Strategy was needed. The revision of the strategy should also take into consideration the disparities between EU and non-EU countries (disparities in the income per capita and development) and provides mechanises that would increase the absorption capacities of non-EU member states to access EU funds and to increase their role in the management of programs including EUSAIR governance.

In May 2022, the Declaration of Tirana welcomed the start of the process of revision of EUSAIR Action Plan to adapt the Strategy to respond better to current challenges and needs of the region, including the changes in its membership. In addition, as stated in the Declaration, EUSAIR members will support the process of revising the EUSAIR Action Plan to ensure the

<sup>&</sup>lt;sup>1</sup> VII Adriatic and Ionian Council / EUSAIR Ministerial Meeting Tirana Declaration, 16 May 2022

strengthening of EU enlargement. Thus, in order to better meet the current needs of the macroregion and to better reflect current EU policies, the Action Plan should be reviewed and, if necessary, updated both thematically and in terms of actions.

Albania strongly supports the work done so far in each Pillar and encourages further development of common solutions and better collaboration within and across Pillars. The revision of the EUSAIR should focus on finding incentives and actions to deepen cooperation within the region to find common solutions and adequately address economic and social challenges that facilitate and support sustainable development.

## II. Content revision and update

The EUSAIR revision is a comprehensive issue that has been on the table for quite some time. Albania appreciates the progress made in promoting regional cooperation as an instrument of joint political and economic actions that contribute to the acceleration of the European integration process and remains committed to further support the process of European integration of the Western Balkans. We believe that the strategy should be revised to better respond to the current crisis and the new geopolitical situation, ensuring that our common objectives, ambitions and priorities are properly reflected in the revised documents.

One of the very important issues that should be taken into considerationsince the strategy operate based on the 'three NOs' rule (No new EU funds; No additional EU structures; No new EU legislation), should be the alignment of the actions with funds at EU, regionaland national level. In this context, for the new financial perspective 2021-2027 Albanian structures in charge for coordination of EUSAIR were in contact with Commission services to identify the funding instruments and opportunities under IPA III for EUSAIR flagships. Albanian Strategic Response contributes to the Green Agenda and to the goals set in the 2030 Agenda and EUSAIR. The process of programming of the national IPA 2021-2024 programmes puts attention on the EU and national strategies and EUSAIR and EUSAIR flagships. Thus, Albania highlights the importance of aligning the actions and the objectives of EUSAIR with the financial support and the Multiannual Financial Framework.

We believe that we should continue to strengthen cooperation in our region in order to find common solutions and address the multiple economic and social consequences of the pandemic and the current crisis. Therefore, we consider that the following issues should be addressed:

## **II.1 Supporting the current Pillars**

The following suggestions and recommendations are drafted by taking into consideration the fact that in July 2022 Albania started the screening process and in February 2023 it has approved the National Strategy for Development and European Integration 2022 - 2030.

**<u>Pillar 1- Blue Growth</u>**: Albania strongly supports the work done so far with regards to the Blue Growth and promotes further efforts to develop common solutions in this area. In this view, we encourage the efforts of the TSG 1 during the embedding process, which was finalized with the approved list of three main flagships.

Albania believes that enhanced cooperation throughout the Adriatic-Ionian region should trigger a positive process towards increasing the competitiveness of maritime regions. In this line, we think that we should deepen the efforts made so far to promote innovative maritime and marine growth in the region. This will lead to sustainable economic development and job creation as well as busting the business opportunities.

Albania seeks to implement an integrated and sustainable plan to increase the economic contribution and exploit the potential of the Blue Economy. The Albanian Government has already taken important steps towards the preparation of a national Blue Economy programme and it is worth mentioning that it is drafting an inter-sectoral National Blue Economy Strategy (planned to be approved within 2023), which will reflect Albania's specific circumstances and the opportunities arising from integrated economic development of maritime sectors.

Four countries of the region (San Marino, Serbia, Bosnia, and North Macedonia) have no direct access to the sea which means that their economies do not rely on blue economy. Therefore this pillar presents interest only for some of the countries.

NSDEI (2022-2030)<sup>2</sup> policy vision – Blue economy

- 1. Creation of the Regulatory Framework and Strengthening of Capacities.
- 2. Preservation of the coast and biodiversity.
- 3. Improvement of Infrastructure and Public Services.

<u>Pillar 2-Connecting the Region</u>: Albania supports all efforts for better connected and sustainable mobility in the Adriatic and Ionian region. With regards to the sustainable growth, we promote the sustainable transport as well as sustainable energy through the interconnection of systems. We believe that improving connectivity within the Adriatic-Ionian region is a key factor for growth and job creation. Moreover, special attention should be on technical standards and

<sup>&</sup>lt;sup>2</sup>The revision of the Action Plan takes into consideration the policy vision of the newly adopted Albania National Strategy for Development and Integration 2022-2030, January 2023

soft measures such as aligning and simplifying border crossing procedures, road safety and maintenance schemes.

With regards to the Western Balkan counties, special focus should be put on linking the Strategy action with the connectivity agenda for the WB. On the other hand, the extension of the TEN-T core network corridors to the Western Balkans ensures closer integration with the EU and provides the basis for mobilising infrastructure investments. In this regard, it should be highlighted the inclusion of the VIII Corridorin TEN-T network, amulti-modal transport system that connects Adriatic Sea with the Black Sea. Moreover, the adoption the Economic and Investment Plan for the Western Balkans supports a green and digital transition of the region.

With regard to the energy sector, a very important action worth mentioning is the Adriatic Ionian Pipeline (IAP) project, which will connect the existing Croatian gas transport system, via Montenegro and Albania, with the Trans Adriatic Pipeline (TAP) system. Albania has been working and advocating for this project, which will enable the gasification of Montenegro and Albania, as well as the southern part of Croatia and Bosnia and Herzegovina.

Albania has one of the largest shares of renewable energy in its energy mix in South Eastern Europe. The share of renewable energy in Albania is predominantly hydroelectric. In order to improve energy security and climate resilience and to meet the growing demand for energy, Albania will continue to increase its power generation capacity based on renewable sources, mainly solar and wind.

The revision of the Strategy should also take into consideration the latest developments as a result of Russia's aggression against Ukraine and the consequences it has brough to the detriment of energy security throughout the Europe. Energy security should be the key word under this pillar, either for hydroelectric or for the Ionian-Adriatic gas pipeline. There is also a rapid development in solar energy in the EUSAIR countries. Shifting in new energy alternatives might be beneficial for individual countries in the region.

### NSDEI (2022-2030) policy vision – Energy and Transport

<u>Vision: Energy</u> - Development of national energy resources capable of meeting domestic demand for energy that operates in an integrated and diversified regional energy system based on market principles, and contributes to the sustainable development of the economy, ensuring safety and quality of supply, environmental protection and climate action, and increasing wellbeing with minimal social cost.

<u>Strategic objective: Transport</u> - Development of infrastructure in a sustainable, intelligent manner, as well as integrated with European and regional networks, based on the green use of resources, as well as providing incentives for economic development and quality services for citizens.

**Pillar 3- Environmental Quality:** Albaniaencourages the efforts done sofarwithin this Pillar and believes that enhancing cooperation in this area will make the region more resilient to the impact of climate change. We endorse the work done during the embedding process in developing three main flagships and believe that the implementation of these actions will bring positive results in the region. Albania believes that the focus of the work of this TSG should continue to be on the marine environment and transboundary terrestrial habitats and biodiversity, although we should set new and feasible deadlines for the post-2020 period.

Furthermore, we consider it very important to include the topic of circular economy under this pillar. We should promote the circular economy based on research, innovation, technological improvements and management.

Environmental protection is one of the priority sectors identified by the Albania government for the next decade. In this regard, Albania has increased the coverage of Protected Areas to 605,433 hectares or 21 percent of the country's territory as a result of revising the boundaries of protected areas. Moreover, VjosaRiver, which is the last wild river in Europe, has been declared National Parkby the Albanian government in 2023. This will prevent the construction of hydropower plants along the waterway and will facilitate solutions to challenges such as water and land pollution, waste management, and deforestation.

#### NSDEI (2022-2030) policy vision – Environmentally sustainable development

- 1. Improving waste management by fulfilling the legal requirements of planning and harmonization of the legal framework with the EU.
- 2. Increasing awareness, education and involvement of the public in the framework of environmental protection.
- 3. Sustainable financing of waste management.

<u>Pillar 4- Sustainable tourism</u>: Albania supports a continuous commitment and constructive engagement of all stakeholders to work together towards a sustainable, responsible and diversified tourism, recalling that the region is one of outstanding natural beauty and rich cultural, historic and archaeological heritage.

We believe that by promoting competitiveness in the tourism sector, we can contribute to sustainable and inclusive growth and consolidate the profile of the Adriatic-Ionian region as a sustainable and high-quality tourist destination. We support the work of this TSG in developing five flagships with concrete actions to be taken by the countries of the region at national level.

Albania has start work for the preparation of the new tourism strategy 2024 - 2030.

In addition, the Albania government acknowledge the importance of development of tourism for the whole region. Three countries (Serbia, Bosnia, North Macedonia) have a relatively small tourism sector (not more that 2% of the national economy) compared to the rest of the countries where tourism provides more than 15% to the national economy.

The above should be reflected either in the priorities of the 2021-2027 program, or in the way that available funds will be used during the implementation of the program.

## NSDEI (2022-2030) policy vision – Development of tourism

- 1. Supporting the private sector and investments in sustainable tourism throughout the value chain that is created within the country according to the best international standards.
- 2. Establishing a national tourism education system with contemporary professional curricula.
- 3. The implementation of investments that turn protected areas into natural parks, with suitable infrastructure for their visitation, where a sustainable economy is created;

## II.2 New pillars/ horizontal pillars

#### A. Social Cohesion

Given that the overall objective of EUSAIR is to promote economic and social prosperity and growth in the region by improving its attractiveness, competitiveness and connectivity, Albania considers that social cohesion is a very important issue that requires discussions and welcomes the proposal to introduce a new pillar on this topic to the Strategy. Cooperation in this area is very important for all countries in the Adriatic-Ionian region, but it is especially important for non-EU countries to work together with a focus on sharing experiences, coordinating actions, setting priorities, and standardizing approaches to addressing social challenges that cross national borders.

Furthermore, Albania has included social cohesion as a very important pillar in its National Strategy for Development and Integration<sup>3</sup>. Our goal is to provide all citizens with basic public services, fight poverty, promote employment, and strengthen the social protection system.

## NSDEI (2022-2030) policy vision – youth empowerment

- 1. Youth Participation in democratic processes, participation, and organisation.
- 2. Youth innovation, ICT skills and professionalism, improving their labour market access.
- 3. Inclusion and wellbeing of young people (marginalised and diversity groups).

In this view, Albania emphasizes the importance of youth and all-inclusiveness, which has been a key priority during its EUSAIR presidency, and believes that special attention, should be given to this issueunder the proposed new social pillar. Strengthening youth cooperation in the region by seeking long-term and inclusive solutions, reminding that the youth is a key driver of regional cooperation, reconciliation and peacebuilding. Albania is a keen supporter of an inclusive and transparent process of integrating young people at the EUSAIR implementation and institutional level. We believe that the involvement of young people will boost the implementation of the Strategy in different ways.

In March 2023 Albania has approved the National Strategy for Employment and Skills 2023 – 2030.

On the other hand, brain drain and labour migration have been lowering the potential and narrowing the perspective of the Western Balkans. The close interplay of youth exchanges between WB countries of EU countries will promote and strengthen youth cooperation. An allinclusiveness approach, encompassing the stockholders, social and non-governmental actors, media and business community of the region will be a solid ground for a successful implementation of the Strategy.

## B. Acceleration the Enlargement Process

Acceleration and Enlargement should become an important pillar of EUSAIR due to the fact that four countries of the EUAIR has opened the negotiations with EU and 55 % of ADRION funding is provided by Instrument for Pre-Accession (IPA).

EUSAIR has enabled important achievements in cooperation between EU Member States and accession countries and has provided a unique opportunity for Albania, Bosnia and Herzegovina, Montenegro, Serbia and, more recently, Northern Macedonia, being established as a cooperation

 $<sup>^{3}</sup>$ NSDEI 2022 – 2030 pg. 112-132

platform for EU and non-EU countries. One of the main achievements in implementing EUSAIR, can be mentioned the active role that non-EU countries have acquired within the strategy. The co-leading role has facilitated the involvement of all relevant levels of governance as well as civil society, triggering a greater awareness of the opportunities for cooperation, both in terms of exchange of experience and financial opportunities

EUSAIR presents a great opportunity for capacity building and exchange of experiences. Besides contributing to create an atmosphere of cooperation, it is concretely expected to become a key factor for achieving and maintaining modern standards, growth and employment, which is particularly crucial for candidate countries aspiring to join the EU.

#### NSDEI (2022-2030) policy vision - EU integration

Membership in the European Union is the political and strategic goal of the Republic of Albania and its legal, economic, and institutional systems. The process of joining the EU represents a support for the democratization of Albania, the consolidation of institutions and the rule of law and the ongoing processes of fundamental reforms in the direction of the European Union and membership.

In this view, Albania strongly believes that the cooperation in the Adriatic-Ionian region is one of the best tools to push forward the integration process. By closely interacting for joint projects and taking advantage of the current situation, the aim of our activities is to share the same values that are common across EU member states. As a platform encompassing EU members and candidate countries, EUSAIR provides a cooperation format that can be a great opportunity for the whole region and could give impetus to the enlargement and integration process.

Albania believes that EUSAIR can serve as a platform for discussing the support to the Western Balkans as EU candidate countries, not only under the Instrument for Pre-Accession Assistance (IPA), but also under the Cohesion Fund, which can contribute to stabilising their economies and promote growth, employment, and sustainable development.

Possible potentials in accessing Cohesion Funds can be discussed under EUSAIR setting. EUSAIR Facility Point is a program part of INTERREG IPA ADRION. INTERREG IPA ADRION 2021 – 2027 itself is a program that is financed 55% by IPA funds and 45% by ERDF funds. While INTERREG IPA ADRION 2014-2020 was financed 17% from IPA funds and 83% from ERDF funds.

#### C. The Governance and the implementation mechanisms

Albania believes that the governance system adopted for the implementation of the strategy should be substantially revised without compromising notable steps were made during the first implementation period.

However, Albania points out that a major challenge concerns the countries' administrative capacity to manage thematic policies and, in particular, to live up to the cooperation approach, which requires a specific change in mind-set. Accelerating the process in this direction is crucial and can be achieved through the following targets:

- Reduce the communication gap between high-level decision makers and experts in the field. In this view, clear and strong advocacy from the highest political level and a renewal of the Adriatic-Ionian macro region project is needed.
- Improve the administrative capabilities of national administrations to prepare mature projects and manage them in a timely manner.
- Increased clarity in work organization and management and harmonization of work within and among TSGs.