Europe of Regions

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ITALIAN PARADIPLOMACY IN ACTION: THE ENGINE OF CONTRAST OR PURE SELF-INTEREST?

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The article aims to examine the cases of political impact of Italian regions in the EU in the post-Brexit period. Steps of the new “yellow-green” government, which came to power in June 2018, towards political impact on the regions balancing between right- and left-wing populist economic and social reforms are assessed. The hypothesis of the article is that despite huge differences in political, economic, and social conditions, all cases illustrate that regions of Italy will focus mostly on paradiplomatic activities rather than mutating towards protodiplomacy. Special attention will be given to the northern regions of Italy, where paradiplomacy has been developed since the beginning of the 1990s.

Theorizing Paradiplomacy: Regions In or Regions Out?

The challenges of the European Union’s politics and policies illustrate that the process of the European integration, in particular in the post-Brexit period, is also shaped at the regional level. We experience the involvement of regional governments at the international level, a phenomenon known as paradiplomacy. Some regions tend to foster their paradiplomacy, thereby complicating the conditions for formulation of foreign policy for national actors. Other regions focus their efforts on protodiplomacy, a political will of greater autonomy leading sometimes to the decision to create a new independent state. The reasons lie in the dynamics at the level of state and international system, but shifts in the political and economic developments of the regions themselves are also to be taken into account.

The article will address such questions as: What are Italy’s regions’ aims, interests, and objectives in the EU policymaking? How much have these changed over the years? Is there continuity or discontinuity in the paradiplomacy, taking into account that the national government was frequently changing from one government to another? Is Italy’s paradiplomacy towards the EU coherent from region to region, or do they tend to diverge and even contradict each other?

Over the last centuries, sovereign states were established as the main compass for the modern world. At the same time, international activities of regions are getting more and more attention. Their motives as well as resources and strategies always differ prompting sovereign states to be simply “worried” due to the intrusion in their foreign policy domain.

The issue of paradiplomacy is not new in international affairs. Over the past four decades, a major transformation of the world politics took place, in particular fostering interconnectedness among various countries, regions, and other stakeholders. Brussels has already got used to numerous regional “embassies” trying to advocate their issues and making impact on the European policy communities.

As a result of globalization, as well as rise of trading regimes of the European Union at the end of the 20th century, paradiplomacy was enhanced by the digital endeavor at the beginning of the 21st century. These factors dismantled the logic of the classic distinction between national and international levels, embracing further ramifications for cities, provinces, and regions ready to influence the EU on various issues. The most vivid cases are from Belgium (Flemish and Walloon governments in the mid-1990s) and Spain (the case of Catalonia in 2017-2018), where regions were trying to develop their own foreign policies.

One of the difficult issues in theorizing paradiplomacy is the attempt to classify it and to involve formal and informal aspects. Traditionally, there is a three-layer structure of paradiplomacy presented by Kaiser or Duchacek: transborder regional paradiplomacy (or classic cross-border cooperation), transregional paradiplomacy (cooperation of regions with foreign countries), and global-level paradiplomacy (various contacts with foreign central governments, interest groups, and international organizations).

However, for the purpose of this study, we will limit our analysis to the two sets of interest represented by concepts of paradiplomacy and protodiplomacy of Italian regions in the EU structures based on the interpretation of Noe Cornago. The fate of new forms of paradiplomacy is to thrive in the most diverse contexts having notorious institutional and legal recognition. In this regard, regional and local governments demonstrate their availability to send and receive international missions. Another prerequisite for the success of regional paradiplomacy is the recognition of regions in the international domain, such as in the European Union. Economic instruments always matter and the ability to be part of the European Fund for Regional Development initiatives or the Committee of the Regions is more than just prestige.

Paradiplomacy remains weak in managing legal consequences for the states regarding international legal responsibility. It also gives grounds for secession tendencies. Voicing these ideas is justified by the presence of the notion of “protodiplomacy”, a commitment of a non-central government abroad spreading a higher degree of separatist messages on economic, social, and cultural links with foreign nations to enhance political tensions.

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7 Ibid, p. 9.
The tendency in 2018-2019, however, is that many regional governments tend to amalgamate various forms of cooperation aiming at reaching pure economic interests with some elements of political tension and lobbying. Noe Cornago does not go beyond, into other kinds of terminology, leaving it for later research. Therefore, in general, paradiplomacy tends to remain a very versatile instrument that can lend itself to the service of quite diversified interests.

**Italian Paradiplomacy: Singing Solo with Economic Shades**

Italy has been demonstrating very active efforts in paradiplomacy. It is a very recent phenomenon, although already in the 1950s there were pioneering experiences of international projection by some municipalities. In this regard, it is worth mentioning that Italian regions began having “diplomatic interests” within European and international relations only since the 1990s. On the one hand, EU institutions offer subnational governments a high level of autonomy and favor their potential as international actors. On the other, development of transnational cooperation initiatives fostered regional paradiplomatic activities. Italy was among the leaders to use such opportunities. Paradiplomacy is also prompted by security challenges. The example of the conflict in the Italian part of Tyrol regarding the German-speaking population was one of the most vivid ones. Negotiations between Austrian and Italian border regions’ representatives served as a prerequisite to cope with the international dispute.

However, Italian paradiplomatic actions failed to overcome the regulatory framework that does not fully recognize the novelties brought by the process of European integration, in particular the plurality of actors in foreign policy. All this has opened a debate on the interpretation of the constitutional provision regarding the exclusivity of the state in issues of foreign policy.

The Emilia-Romagna region, in fact, was the first among Italian paradiplomatic actors to open its presence in Brussels in 1994. In reality, this region, not being able to use its own institutional office, took advantage of having “cooperative diplomacy” and used the headquarters of the Agency for Technological Development of Emilia-Romagna, present in Brussels since 1985. The same strategy was adopted in 1995 by Tuscany, through the headquarters of its own financial company (Fidi Toscana SpA), followed by the Autonomous Provinces of Trento and Bolzano in 1995, as well as Piedmont, Lombardy, and Veneto at the beginning of 1996.

In accordance to the Italian Constitution (Article 117), the exclusive right to conduct foreign policy and international relations at the state level belongs to the Italian Republic. The same holds about relations with the

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European Union and the right to grant asylum and legal status to non-EU citizens. At the same time, Article 118 stipulates that Italy's regions may enter into agreements with foreign states only according to the state legislation\textsuperscript{12}.

Regional administrations of Italy as well as other EU member states are making efforts to get themselves involved in European issues in various formats: from opening European units or introducing European desk offices to full-fledged representation offices in the heart of Brussels. In various cases, regions manage to enter Brussels and stay there for as long as they can\textsuperscript{13}.

**Strike for the Big Fish, or Business behind the Institutions**

It is worth mentioning the reflections of Michael Tatham on how paradiplomacy works within EU institutions or how things actually take place beyond the official version provided by the European Union. He identifies six main EU institutions linked to conducting paradiplomacy: the Committee of the Regions, the Council of Ministers, the Commission, the European Parliament, regional Brussels offices, and European networks and associations\textsuperscript{14}.

The Committee of the Regions, established by the Maastricht Treaty, is a consultative body that includes several representatives of European institutions. Normally paradiplomacy here is purely based on networking. For example, in 2010 among representatives of Sardinia there were the president of the region Ugo Cappellacci and the mayor of the town of Armungia. This institution gets criticized for not being able to provide efficient decision making, limiting its spectrum to the following cases: (a) if the European Commission would like to support a certain initiative, it can seek an ally in the Committee of the Regions; (b) if the European Commission has not yet drawn up a precise position on a certain topic, it can consult the Committee of the Regions, which in this case can contribute to shaping a proposal that reflects “regional” interests. Apart from these two conditionalities, the Committee of the Regions has a very weak institutional role\textsuperscript{15}.

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\textsuperscript{12} Constituzione della Repubblica Italiana.


in some cases have even taken the place of the member state by casting a vote in the Council\textsuperscript{16}.

One of the key strategies for the Italian paradiplomacy is to use the opportunity of the Italian presidency in order to promote regional issues (like in 2014)\textsuperscript{17}.

In all cases, Italy has the power to decide when, how, and why to admit regional representatives in its official delegations. The principal idea is that the regions are called within the Council only as long as the position of the regions is in line with that of the central government. Before a state allows its own region to participate in the Council, its minister holds discussions with representatives of the region in order to reach a common position. In other words, the regions would not have the power to represent their interests independently within the Council if they did not agree with the positions of the state to which the region belongs.

However, Tatham argues that some regions have been more successful than others in taking advantage of the European Commission’s open dialogue. Regions with more resources and greater knowledge of the functioning of European institutions do not miss the opportunity to make their positions known to the Commission. Key Italian examples would be Sicily or Puglia\textsuperscript{18}. The Commission can also play the "devil card" by fostering conflicts of opinions between various regions and then using the situation for its own purposes while holding discussions with the member state\textsuperscript{19}.

There are numerous differences among the regions in what concerns international activity, because the political role of the regional body is closely linked to the quantitative and qualitative dimensions of the region itself and also the leader of the region. For these reasons, more structured paradiplomatic activities are especially widespread in the northern Italian regions\textsuperscript{20}. These regions have diplomatic accreditations from the state. This means that representatives of the regions can have access to memoranda and other official documents of the member states and have access to meetings of the Commission and the Council. In essence, “strong” regions have greater access and knowledge of European institutions and have greater resources to increase their presence and visibility in the European Union. The cases of Veneto, Friuli-Venezia Giulia, Tuscany, and Lombardy are the most vivid examples for such paradiplomatic “coming out”.

The Italian case is of particular interest due to the existence of historically underdeveloped south and quite developed north\textsuperscript{21}. The EU presented its own instruments to deal with Italian regional disparities via structural and cohesion funds. Therefore, in the 2014-2020 period, Italy will manage around 50 operational programs within the framework of the

\textsuperscript{16} Tatham, p. 506.
\textsuperscript{17} Provisional calendar of Italy’s presidency in the Council of the European Union: http://www.esteri.it/mae/semestreeuropeo/cal_pres_ita.pdf.
\textsuperscript{19} Tatham, pp. 505-507.
\textsuperscript{21} L. Cannari, G. Iuzzorolo, Le differenze nel livello dei prezzi al consumo tra Nord e Sud [The Differences in the Level of Consumer Prices between North and South], “Questioni di economia e finanze”, no. 49, 2009, p. 43.
European Union’s cohesion policy, with a total value of around EUR 32.2 billion. Southern regions will receive EUR 22.2 billion (Campania, Puglia, Basilicata, Calabria, and Sicily). However, an interesting observation stands for well-developed regions of the north of Italy being a recipient of EUR 7.6 billion of the EU funds (Friuli-Venezia Giulia, Emilia-Romagna, Lombardy, Liguria, Piedmont, Tuscany, Valle d’Aosta, and Veneto). Only by active paradiplomatic activities and lobbyism, it is possible to explain such a phenomenon.

Italy, with 841 lobbies, is in the fifth place after Belgium (where obviously many foreign groups are registered), Germany, Great Britain, and France. Among regional representation offices, we find several volunteer initiatives or NGOs from northern Italy varying their lobbying costs from EUR 50,000 to EUR 500,000. What are they for? To maintain offices and staff, to hold conventions and opinion campaigns in various countries, as well as to promote regional interests.

Regiocrats from Italy are pretty much aware of such options and present a huge power of interests from various regions of EU member states as well as contribute thousands of Euros for lobbying support. Data collected by the Lobbyfacts.eu portal indicates that the biggest contributions in terms of Italian regions in Brussels are the Liaison Office of Tuscany Region to the EU Institutions (around EUR 500,000 in lobbying costs), region of Sardinia (around EUR 300,000), as well as Milano community (about EUR 200,000).

There are different types of European associations that include regional representatives, for example the Conference of Peripheral Maritime Regions, the Assembly of European Regions, and others. Some of these seem to be better connected and better equipped than others. Those better equipped can act effectively in contacting European commissioners or sometimes the president of the European Commission. In some cases, they even manage to obtain a formal commitment from the commissioners on some important issues.

Networking is an essential part of paradiplomacy Italian regiocrats conduct directly with Italian counterparts in the EU institutions. The reference obviously goes to Mario Draghi, president of the European Central Bank, and Federica Mogherini, high representative for foreign policy, as well as Antonio Tajani, the president of the

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26 Data aggregated by “Lobbyfacts.eu”. See: https://lobbyfacts.eu/reports/lobby-costs/all/0/2/2/6/108
European Parliament. With reference to the top positions in the European Commission, Italy is the second most represented country after Germany. There are four general managers, two deputy directors general, 30 directors, and 116 heads of units. Among the latest appointments, Silvano Presa, a deputy general manager in the Directorate-General for the Budget, has a particularly delicate role27.

Regarding senior managerial positions in the EU institutions, Italy has achieved the same enviable result in the European Parliament: three general managers, four directors, and 30 heads of units. It is also worth mentioning substantial Italian presence in the European External Action Service (two general managers and two directors), but also 13 heads of mission in various European Union delegations in the world (four of them come from the Italian MFA)28.

Counterstrike of Paradiplomats in Brussels

The quality of political debate on paradiplomatic issues in Italy is far from being bountiful or satisfactory. It rather tends to be more and more politicized as well as pragmatized in terms of influence in the EU structures. Actually, 19 regions and two autonomous Italian provinces were reported to be present in Brussels as of 2017. However, since the end of 2017, the Basilicata office has been closed, and since the end of March, the Calabria office has also been dismantled. The problems of representation are purely economic: high-rent premises, external job offers, etc. Some regions, probably due to the revealing journalistic scandals of 2011 and 2012, remain very cautious in providing information to anyone29. Regions did not have state support to run representative offices in Brussels or failed to conduct effectively the “big fish” talks.

At the same time, some of the regions do not see advantages of constant presence in Brussels and try to continue their negotiations in cooperation with business or other regions and municipalities30. However, it does not mean that the level of regional development increases afterwards. Research stipulates that even northern regions of Italy decline in the quality of regional governance (Valle d’Aosta, Abruzzo, Piemonte)31. It is a huge issue in the dialogue between Italy and EU institutions in terms of EU regional policy funding.

However, some other outcomes are becoming evident as well. It happens when economic voices are combined with political ones for the new government coalition representatives. To avoid criticism by EU institutions of Italy as not being innovative in engaging municipalities or citizens, the Five Star Movement promoted a new position for the “yellow-green” cabinet – a minister for direct democracy. Riccardo Fracarro, an environmental activist at a
local level in northern Italy, became the first minister and was appointed in June 2018. Since that time, he presented his vision in the Global Forum on Modern Direct Democracy in Rome (September 2018)\(^\text{32}\). It is probable that he will try to balance citizens’ initiatives and more of the regions will become paradiplomatic in their activities. However, this is still early to judge.

While regional offices formally represent public authorities and their opinions, in many cases they voice private interests of companies, NGOs, civil society organizations, or other business institutions. The cases of Liguria, Piemonte, or Lombardy as well as others prove that.

In fact, political liaising on behalf of Lega becomes a reality for Confindustria, Italian network of companies. It proves to be linked to Lega of Salvini at the EU level as well. MEP Ciocca supports multiple agenda meetings with Assolombarda or FamIndustria, being linked politically to the new ministry of internal affairs\(^\text{33}\).

A notorious example is the political activity of the NGO “Altreconsumo”, which presented numerous letters in 2018 to Italian MEPs, asking them for some amendments to a proposal for a directive on distance selling. It was also hoped that extensive guarantees against operational defects would be extended to digital goods, and so they were\(^\text{34}\).

However, the issues of protodiplomacy also came into attention with the new “yellow-green” coalition. While European and world media were focused on the budgetary spending of Italy and inability to implement pension reform and introduce a new minimum wage rate, and Italians focused on their smartphones and TVs in order to see who will win Sanremo song contest, just few noticed that there was another factor that the new “yellow-green” coalition was passionate about. It is called “differentiated autonomy for three Northern regions: Veneto, Lombardy, Emilia Romagna”, and it is a game that Lega wanted to be finalized by 15 February 2019\(^\text{35}\). The idea was supported by Vice Prime Minister Matteo Salvini, who has prioritized secession messages as a legacy of his party since the 1990s.

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\(^{34}\) Altreconsumo has always influenced the EU directives against the use of antibiotics in intensive farming. Slow Food has made its voice heard in the GMO guidelines. Altreconsumo claims to be 98.08% financed by membership fees and subscriptions. Slow Food, minimum costs of EUR 800,000 for 2017, receives EU grants for EUR 730,285, and the contribution of members is EUR 816,331. From the material of M. Gabanelli, L. Offrêdu, *Ue, 11.800 lobby per influenzare Commissione e parlamentari. I casi di corruzione*, “Corriere della Sera”, 07 April 2019, [https://www.corriere.it/dataroom-milena-gabanelli/ue-lobby-commissione-parlamento-bruxelles-corruzione/547560ca-57d7-11e9-9553-00a7f633280-va.shtml?refresh_ce-cp].

\(^{35}\) V. Petrini, *Autonomia si’, ma solo per i ricchi* [Autonomy Yes, But Only for the Rich], “Il Fatto Quotidiano”, 07 February 2019, [https://www.ifattoquotidiano.it/2019/02/07/autonomia-si-ma-solo-per-i-ricchi/4954614/?tclid=IwAR0S9L1HHw5fwQpNYLXQXdhpK1Dr3Rj6dqP86yD-fJmISW-A-Lb4dFbg0].
Conclusion: Pure Interests to Be Continued...

Paradiplomacy continues to be a flexible tool for regions and municipalities demonstrating the rights to conclude formal contracts and make impact on the EU decision making. Moreover, by bringing up the voices of regions and municipalities, it is convenient for the EU institutions as well to follow their own agenda in the negotiations with central governments evidencing that regional issues matter equally.

There is an impressive record of regional activities that Italy presents in the EU institutions. It is also becoming trendy and convenient for the Italian political leaders to follow some of the paradiplomatic issues while trying to adopt multiple identities suitable for further impact in the negotiations and influence in the regional and municipal elections. The benefits will be obviously fruitful. It also increases the level of reliance and support in various activities in the EU decision making. Regiocrats are also able to operate in various arenas linking up proper networking with power and resources. However, it still does not mean that the priority of the regional development will be of utmost importance. In such a situation, regions can be used in order to forward messages from national political leaders. It happens when the ruling government is trying to use these opportunities to gain more political benefits in the EU and at the national level.

Regions can still benefit from their paradiplomatic activities and “use the momentum” to become intermediaries for a wide range of actors willing to represent themselves within regional territories. “Molta carne al fuoco” (“Much meat on fire”) would say Italians about this idea, meaning that there will be many more opportunities to benefit as well as many challenges ahead.

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