EURO REGIONAL MODEL IN BOSNIA AND HERZEGOVINA

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ABSTRACT

This paper represents a possibility of implementing Euro regional model in Bosnia and Herzegovina. It is a result of research project with cost benefits and SWOT analysis with emphasis on the possibility of implementing cost beneficial model of Euro region in Bosnia and Herzegovina. The goal is to establish territorial units with possibility to receive funding from EU.

The contents of this paper are: definition of Euro region, the criteria and basis of Euro region, visibility of Euro region, institution and networking of Euro region, common statistical classification of territorial units – NUTS, the statistical basis and developmental indicators of Euro region, cost beneficial and SWOT analysis that could possibly establish Euro region model in country like Bosnia and Herzegovina, comparison of this model with models currently present in Bosnia and Herzegovina, models of regionalization of Slovenia, Croatia, Macedonia, Serbia and Montenegro and other relevant aspects.
1. Introduction

Bosnian and Herzegovinian researchers, but not just them, could have interest in researching and implementing models of Euro regions in Bosnia and Herzegovina.

Reasons are very simple and easy to recognize. Bosnia and Herzegovina could get a technical, professional and financial support from EU, its organizations, institutions, bodies and funds in the implementation of models of Euro regions. Furthermore, this model could be the answer or the solution to filling out certain developmental gaps. Some of them are gaps in capital, management, area reorganization and knowledge. The same model could offer solutions to developmental problems and elimination or decrease of poverty, especially in borders areas, and it could also be used in qualitatively important improvement of the cooperation with Croatia, Serbia and Montenegro. Likewise, this model could be used in the projects of Euro regions which include other European regions, for example the Mediterranean Euro region and the Euro region Drava-Danube-Sava.

These are some of the reasons that give meaning and practical use in dealing with this subject.

This attempt consists of highlighting certain values, from which we would have to start in model deliberation and after that the concept, drawn from recent Bosnian and
Herzegovinian experience in the reorganization and from the experience from European countries regarding Euro regions, which is the base for forming Euro regions and their characteristics.

2. Fundamental values

Euro regions model should be observed in the context of economically, ecologically, technically and socially sustainable development, complete human and holistic development that can be competitive on the regional and international markets.

In other words, Euro region model should be considered as a potentially good template for implementing new economy.

The concept of new economy implies certain implicitly and explicitly valuable premises about what is and what isn’t desirable. At the same time, what is desirable and/or good is described in terms of what Mahatma Gandhi called “the realization of human potential”, that is, the realization of economical and social uniformity, elimination of poverty, education, improvement of lifestyle, independency, democracy, participation, using personal and emotional strength, private possession, right to unlimited accumulation of personal wealth, preserving traditional values. Simultaneously, poverty, inequality, addiction, misery, and depression are regarded as undesirable (Todaro-Smith, pg. 17-20). The model of Euro regions should secure the realization of key values, including right to life, self respect and freedom.
These should be the values that every individual from all segments of society within Euro region is thriving for. Besides satisfying basic needs of all bearers with different interests in the area of Euro regions, it is important to secure self-respect and other universal components of good life and freedom from slavery or possibility to choose as the second value and the third and last universal value for which we state that it gives meaning to the term Euro region as a developmental area.

Euro region functions as a framework within which all the parties will have the sense of value and self-respect, that is, the sense that they are not being used as a tool for others reaching their own goals. Freedom in this context could be understood as the liberation from submission, ignorance, poverty, exploitation, dogmatic conviction perceived as a conviction that certain people or areas are predisposed to poverty (Todaro-Smith, pg. 20-25).

In this work and research on which it is based, Euro region is observed as an area that could serve as a template for increasing of availability and expanding the distribution of basic existential goods such as food, housing, health and protection, improving of lifestyle which include increase of income, more jobs, education, cultural and personal values, self-respect and spreading diapason of economical and social choices which are available to individuals and their institutions, organizations, communities in liberation from forces of ignorance and human misery. Or in the words of vocabulary theory 3T,

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1 We can talk about authenticity, identity, dignity, respect, honour and admiration
Euro region as a framework in which tradition, tolerance, talents and technology are securing the synergic effect visible as competitive development\(^2\).

3. Concept of reorganization used in Bosnia and Herzegovina

Regionalization of Bosnia and Herzegovina in period from the end of Second World War in 1945, when BiH was one of six autonomous provinces, until the end of the last war in 1995, when, in the Dayton agreement, BIH was established as a country with two entities and one district, can be presented as:

- administrative regionalization
- military-politic reorganization
- science-technology regionalization\(^3\)

Administrative regionalization as a certain expression of economical and regional policy in Bosnia and Herzegovina was present throughout country’s history.

Basic motivation was recognition of the best possible framework for implementing different policies and realizing different functions (local municipalities, economy, judiciary, statistics, banking, insurance, social services, health etc.)

\(^2\) About T3 theory see works of R. Florida
\(^3\) See Osmanković, J. Theory and Politics of regionalization
Military-political regionalization, as the second type, primarily included different “plans and suggestions” prepared and offered by the members of international community and their experts in period 1992-1995. The main motivation was ending of war.

Scientific-technological regionalization presented in works of authors from Bosnia and Herzegovina was motivated by theories of regionalization and regional development, policies of regional development and/or problems that theories and policies had to solve.

All regionalization suggestions of Bosnia and Herzegovina were thorn between fear and hope: fear of dissolution, war, poverty, misery, under-development, unemployment, and hope that dissolution, war, poverty, misery, unemployment, inequality could be stopped (Osmanković, 2001:61).

For the purpose of illustration, some suggestions presented are based on theory of axis of development and/or theory of poles of development. At the beginning of the 1960s, Hadžiomerović suggests three types of regionalization:

- Regionalization according to the zones of development (partition on priority and complementary zones of development),
- Regionalization based on economical-geographical belts, and
- Administrative regionalization based on counties as territorial-political communities (Hadžiomerović).
The author divides the zones of development on the basis of regional arrangement of factors of economical development, their importance and investment efficiency. He is basing his division into economical-geographical belts in accordance with natural characteristics as a foundation of their economic development.

He identifies three belts: Posavina with the valley of river Una, Mountain-forest belt and Karst belt.

In connection with two above/mentioned types of regionalization, there is another partition into nine sub-regions, from which five are in the priority zone and four in the complementary zone, that is, there are three zones in every economical-geographical belt. (Hadžiomerović, 1964:9)

Suggested ideas of regionalization take into consideration administrative-territorial partitions into communities and districts.

The following sub-regions belong in the priority zones of development:

- East Posavina (with seven communities)
- Central Posavina (with seven communities)
- West Posavina with the valley of river Una (with fourteen communities)
- Central Bosnia (with twenty seven counties), and
- Central Herzegovina (with eight counties);

The complementary region includes four sub-regions:

- East Bosnia (with nineteen communities)
- West Bosnia (with fourteen communities)
- East Herzegovina (with four communities), and
- West Herzegovina (with six communities);

1969 saw the publication of another research paper titled “Regionalization and centers of social-economical development,” whose theoretical point of support is the theory of developmental poles. The basic principle of regionalization is functional-gravitational principle aiming at the functional regionalization of Bosnia and Herzegovina.
Final result of this research was the proposal of division of Bosnia and Herzegovina into four macro regions\textsuperscript{104} and 16 regions, including:

- Macro region Bosnian Krajina with five regions: Banja Luka, Prijedor, Bihac, Jajce and Drvar.
- Macro region North-East Bosnia with four regions: Tuzla, Brcko, Doboj and Zvornik
- Macro region Sarajevo-Zenica with three regions: Sarajevo, Zenica and Gorazde
- Macro region Herzegovina with four regions: Mostar, Trebinje, Konjic and Livno;

\textbf{Map}


\textsuperscript{104} Macro region is defined as a functional-gravitational area where certain smaller structural territorial units with certain co-dependency of social-economical interest and needs can be found. Territorial unity is based on functions which meet the needs of one wider area, and regional resources which support the development of the center.
In the research conducted during the 1970s, chambers of commerce and trade associations are treated as areas.

Territory of Bosnia and Herzegovina is divided into seven regional/economical chambers: Banja Luka, Bihać, Doboj, Mostar, Sarajevo, Tuzla and Zenica. Creators of this type of regionalization assumed that the basic chambers of commerce represent a particular form of economic association and, as such, have the mandate in directing and coordinating economic development in their respective areas, as well as in ensuring a high-quality and solid statistic/documentational research basis concerning the evaluation of employees work in the chambers. (Kamenica, 1982:40).

In the period of specific political and economic atmosphere in 1992, the Economic institute in Sarajevo suggested regionalization of Bosnia and Herzegovina based on regions defined as geographical-technological, infrastructural, economic and social-political units, but at the same time as part of a united, economically and socially integrated Bosnia and Herzegovina.

According to this partition, Bosnia and Herzegovina would be divided into four regions:

- Banja Luka-Bihac (Bosnian Krajina)
- Sarajevo-Zenica (Central Bosnia)
- Tuzla-Doboj (North-East Bosnia)
- Mostar-Trebinje (Herzegovina);
Results of this regionalization research could not be implemented in Bosnia and Herzegovina due to the onset of aggression on its territory and profound change of the socio-political climate. However, the importance of this research was not diminished, and the article “Regional development” from 1996 examines if the revival of functional-gravitational regionalization based on four regions is still possible, and under what conditions.
In period between 1945 and 1992 other scientific concepts of regionalization were suggested. Some geographers, economists and economy-geographers were using Bosnia and Herzegovina as a model of regionalization.

Regionalization model of A. Melika leans against theoretical premises recognizable in the concept of “Homogenous macro-regional and natural-geographical complexes”. The basic criterion is homogeneity of elementary conditions, so in this case it is about geographical regionalization. In this context, the following regional units were identified: Panonic area of Bosnia, Pobrđe and Sredogorje of central Bosnia, West Bosnia plateau area, big Karst plateau of south Bosnia and Highland Herzegovina and Lowland Herzegovina.

While respecting natural-geographical and administrative-political borders, in 1957 R. Petrović divides territory of Bosnia and Herzegovina into four regions: Panonic region, Highland Dinara region, Highland Dinra region of Bosnia, and Lowland Herzegovina Karst region. This geographical regionalization is based on homogeneity of natural conditions.

In papers published in 1960 and 1969, V. Rogić starts from theoretical theories of homogeneity understood as unity and uniformity of certain areas and identifies four geographical units: North Bosnia, Middle Bosnia, Highland Karst region of Bosnia and Herzegovina and Lowland Herzegovina.
By the end of 1970s, K. Papić suggests regionalization based on natural conditions, traditional connections between some areas, communication and other infrastructural connections of municipalities and the network of main regional centres. He suggests the division of Bosnia and Herzegovina in four macro regions (West Bosnia or Banja Luka, East Bosnia or Tuzla, Middle Bosnia or Sarajevo-Zenica and Herzegovina or Mostar) and twenty four regions.

The Lexicography institute material from 1983 presents the division of Bosnia and Herzegovina in four regions and eight areas. They include: North Bosnia with areas of Unska Krajina, Banja Luka-Doboj North-East Bosnia, Middle Bosnia with upper area of Vrbas river, Sarajevo-Zenica valley with Upper area of river Drina, the Upper Karst region of West Bosnia and Highland Herzegovina, and Lowland Herzegovina.

The researchers established and proved the advantages of functional-gravitational regionalization of Bosnia and Herzegovina, based on the theory of poles growth, indicating that such regionalization might offer possible solutions for numerous developmental as well as other significant problems.

As far as the number of regions is concerned, there is a consensus on theoretical level suggesting that the optimal division is based on four regions with regional centers in Banja Luka, Mostar, Sarajevo and Tuzla. The research allows for the possibility for the number of centers to increase with certain measures of precaution.
4. Conceptual definition

On the level of conceptual definition, certain precision is needed when defining the concepts such as: region, region in Europe, Euro region, NUTC region. Certain concepts are very often used as synonyms.

The notion of region comes from Latin regio/regionis which means certain territory with numerous and very specific characteristics. That is why some authors see it as an administrative and economical natural unit populated with certain social groups.

For proper understanding of this concept it is important to draw a line between two very similar terms: region and region (note:”region” and “regija” are both covered with English term region)

The term “region” refers to a geographical unit within the continent, defined by dominant natural resource. The term “region”(regija) is different from the term “region”(region), and it defines a narrower territorial units within certain countries, that is regions.

“Region” (regija) refers to a relatively homogenous area polarized around one or more centers of social and economic activity with functional interactions. It is a part of the

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4 Region (region) – refers to area, understood in the wider sense, namely as part of larger unit defined by political, economic or other (invisible) borders. (Oxford Dictionary, 1995)
process that specifies the future, open system with flexible borders, different nodal and functional influence of the city which depends on gravitational intensity\(^2\). “

“Regions” (regija) refer to well-rounded geographical, historical, cultural and economic unities where all or some of the public work in the following areas is being done: area planning, health protection, development of communications and economic infrastructure, protection of human environment and directing natural resources\(^3\).

“In the context of one country, regardless of the size, region represents its territorially defined area, with some characteristics that are in connection with the country and others that are very specific\(^4\).”

When we are talking about concept of region in European legislature, European Declaration on regionalization from 1988 defines “regions as areas that represent clearly closed geographical units, or the sum of similar areas inhabited by population that shares certain general characteristics (e.g. language, culture, historical tradition, common communication infrastructure, economic and other elements) and is intent on preserving its common characteristics with the goal of improving the cultural, economic and social standards.

\(^4\) Prašo M (2000): Regional Economics. Univerzitetska knjiga, Mostar
“It is a fact that these areas could be recognized under different names and political-legal forms in some member countries (autonomous communities, Lender et al.) does not exclude them from legislature of this Declaration\(^5\).”

The notion “Euro region” describes a concept of order and provides guidelines which in spite of increase in functional centralization on the level of European Union emphasizes regional independence and specific regional goals in the decision-making process and the protection of their rights.

EU regional policies anticipate the obligation of its members to implement administrative partition in line with the rules of NUTS classification (Nomenclature of Units for Territorial Statistics)

NUTS system consists of five levels (NUTS 1 till NUTS 5) where three levels describe regional units, while other two define local units. This system insures basics for collection and analysis of statistical information necessary for planning and programs of regional development. Basically, NUTS defines favorable regions for certain type of financing.

- Regions that are under NUTS 1 category have population of 3-7 million. In case of Luxemburg, Denmark and Ireland, the whole country is considered to be under NUTS 1 category, while in Germany that is the region of Bundeslander - federal provinces

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• Under NUTS 2 are regions that have population between 800,000-3,000,000. In Germany those areas are Regierungsbezirke – administrative areas.

• NUTS 3 regions have population from 150,000 to 800,000. Again, in case of Germany, that can be considered as counties – Kreise.

European Union insists on implementing NUTS 3 divisions, that is territorial units with population between 150,000 and 800,000, as a condition for a country to have the access to structural funds.

In negotiations with future members, so far the EU was representing the attitude that all organs of NUTS 3 territorial units should be elected by people and have certain legislative and financial autonomy.

As a system of distribution of resources and financial instruments that are available, nomenclature of statistical and territorial units NUTS is using a principle of territorial standardization in harmony with developmental priorities. Subventions that structural funds can offer have an additional role, respectively regions that are seeking for subventions must have their own sources of income.

Euro region can be defined as an improvement of near-the-border areas according to institutional autonomy for improvement of cooperation and stimulation of development in areas that would be sentenced to stay in marginalized status where it would be close to impossible to secure quality life for its population.
That process of cooperation started in areas that are close to the state borders of wealthy countries (Belgium, Germany, Nederland, Switzerland, and Italy) and were marginalized in comparison to central areas.

Throughout cooperation those brink areas got their own centrality, especially economic, thanks to cooperation with marginalized areas of neighboring countries. Under same conditions this process could be expended on all borderline areas, especially on Balkan-Danube area where development could influence political stability, overcoming ethnic and national loyalty on local level.

However, the expansion of Euro region accepts different symbols in time and space. In time, because Euro regions could represent starting point for international cooperation, that was started by private factors in which case that process was relatively linear and developed over time with a goal of institutionalizing cooperation.

Euro regions can be formed even if there was no prior cooperation, in which case it can be a driving force that stands behind that cooperation.

First type of Euro region. That is Euro region that intends to ensure macro-structural or political agreements for international cooperation, with the goal of connecting the given area with international partners. This type of Euro region is aimed at ensuring communications and ports macro-structures (ports, highways, airports), structures that
could improve cooperation in border areas, respective to national legislature and border agreements between two countries and/or regions.

Those goals can be brought to life by realizing Euro regional bodies (for example, Presidential conference), that would take legal initiative on legislature throughout conventions and decisions about operational interventions.

The second Euro region type is aimed at implementing the cooperation through functional networking. Its basis are institutions focused on establishing and stabilizing relations between companies, administrative institutions, cultural institutions, media, etc. Cooperation launched by particular Euro region institutions creates the network of relations that are fundamentally shaped by the means of exchange: money, information, culture, etc.

The third type of Euro regions is aimed at close cooperation. That cooperation is closely connected with community, by developing across-the-border area specialized for some economic function (for example, winter tourism, universities, “small tourism”…) and intensive involvement of population.

If we imagine that across-the-border cooperation is present in any of these three types of Euro regions, the presence of one if not all the three types of Euro regions could be expected within one borderline area.
Euro region can be an association of some areas with similar characteristics, based on complementarities, to the effect that the natural, economical and social potentials blend into a socio-economic territory. Examples like this could be found around the Baltic Sea.

Euro regions can be defined as areas of borderline cooperation, like voluntary associations with national and international legislature, territorial-administrative uniformity, with the goal of eliminating territorial isolation, and developing the neighboring culture as well as a completely balanced and competitive human development.

5. Experiences

The first form of international cooperation that was named Euro region was born in 1958 and was named EUREGIO. After that “Reggio Bassilenesis”, or today called Three Rhein on the border of Switzerland, Germany and France, was formed. During the seventies, another region was formed in the valley of river Rhein that connected Benelux, France and Germany. Today, there are more than hundred and fifty Euro regions, that is, areas that can be thus qualified. Areas vary according to their origin, their proclaimed goals, as well as their structure and size.

List of some euro region with time when funded\(^5\)

\(^5\) See [www.encyclopedia.thefreedictionary.com](http://www.encyclopedia.thefreedictionary.com)
Archipelago committee (1978)
ARKO euroregio (1978)
Balticeuroregion (1998)
BarnetsEuro-Arctic (1993)
Belasica euroregion (2003)
Benelux_Middengebied euroregion (1984)
Beskydy mountains euroregion (1998)
Bialwieze Forest euroregion (2002)
Bihor-Hajdo-Bihor euroregion (1997)
Bornholm and Southwestern Skane euroregion (1980)
BUG euroregion (1995)
Capratihian euregion (1993)
Central North euroregion (1977)
Cieszyn Silesia euroregion (1998)
Danube-Drava-sava euroregion (1998)
Danube 21 euroregion (2001)
Danube_kris-Mures-Tisza euroregion (1997)
Danube-Dobrogea Euroregion (2002)
Danubius Euroregion (2002)
Dobrava euroregion (2001)
Drina-Sava_majevica euroregion (2003)
Elba/Laba euroregion (1992)
Ems-Dollart euroregion (1977)
Euregion (1958)
Glacensis euroregion (1996)
Giurgiu_Ruse euroregionn (2002)
Helsinki-Tallinn euroregion (1999)
Inntal euroregion (1998)
Insbruck euroregion (1995)
International lake Constance conference (1997)
Karelia euroregija (2000)
Kvarken council (1972)
Catalonia Euroregion (1998)
Low Danube (2001)
Maramures Euroregion (1997)
Metsa_nestos euroregionn (1997)
Meuse-Rhine euregion (1997)
Neisse euroregion (1991)
Nis-Sofia-Skopje euroregion (EuroBalkans) (2002)
Nieman euregion (1997)
North Calotte Council (1971)
Ore Mountains euregion (1992)
Ostfold:bahusia/Dalia euroregion (1980)
Pomerania euroregion (1995)
Pomoravi-Zahorie_Weinvertel euregion (1999)
Praded euroregion (1998)
Pro eurpe Viadriana euroregion (1993)
Rhine-Waal euroregion (1973)
Rhine-Meuse-North euroregion (1978)
Saar-Lor_lux-Rhin euroregion (1995)
Salzburg-…-Traunstein euroregion (1995)
Scheldemond euroregion (1989)
Silesia euroregion (1998)
Silva nortica euroregion (2002)
Southern Danube Euroregion (2001)
Spree-Neisse-bober euroregion (1992)
Trtras euroregion (1994)
Tronio River Valley Concil (1987)
TriRhena euroregion (1995)
Tyrol-South Tyrol-trentino euroregion (1998)
Upper Prut (2000)
Via Salina euroregion (1997)
West_West Panonia euroregion (1998)
White Caprathia euroregion (2000)
The Danube-Drava-Sava, Drina-Sava-Majevica, and Adriatic Euro regions are of particular importance for Bosnia and Herzegovina.

The Danube-Drava-Sava Euro region was formed in 1998. In the Bosnia and Herzegovinian municipality of Tuzla, Tuzla-Podrinje Canton and the chamber of commerce of Tuzla region took part in the formation of this Euro region. This area has the surface of 28,000 square kilometers with the population of around 2.5 million that lives in 2.2 thousand settlements.

The region consists of 11 regional units ranked NUTS 3 and 713 units of local self-government (rank NUTS 4 and 5). The criteria for forming were common geographical and historical connections, common interests for improving status of minorities, participation in realization of international and regional projects, access to financial and other EU resources.

The Drina-Sava-Majevica region occupies area of 3,800 square kilometers with 490,000 inhabitants. BIH parties involved were Bijeljina, Zvornik, Ugljevik, Lopare and Brčko district. Common interests of member regions are connection and improvement of natural resources, communication, realization of common projects, cooperation between population and companies etc.

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6 www.seuro.org
The Herzegovina-Neretva Canton participates in the Adriatic Euro region. Economic power of Adriatic regions rests on their size and goods exchange with the rest of the world. For example, total industrial value in Adriatic region measured by GDP was estimated around 5.1 billion EUR with the lowest level of around 2,000 EUR up to the highest of 29,000 EUR per capita. According to this, economic potential of Adriatic area could be estimated close to average levels in EU (considering greater or lesser regional deviation from the average value). Adriatic area has the population of 22 million spread out on 229.028 square kilometers. Average population of the region is measured by one
individual per one square kilometer, and it amounts to 96. Total export profit is measured by all Adriatic regions with the sum of 1 billion USD. Total communication infrastructure is around 62.293 square kilometers of local, community and municipal roads and highways\footnote{See web site: Adriatic Euro region}.

![Map from web site Adriatic euroregion](image)

6. Conclusion

Bosnia and Herzegovina lags behind in the process of regional differentiation and formation of new regional structures as well as elements that would generate and/or speed up balanced and harmonized regional development as an element for establishing regional connection with the surrounding areas, as a means of accessing EU funds for regional development.
First steps were made with the establishment of the Danube-Drava-Sava, Drina-Sava-Majevica and Adriatic Euro regions. In the near future, we can expect intensification of efforts in the realization of Euro region around Plitvice and Una National parks.

Formation of these Euro regions as areas that connect borderline territories in Bosnia and Herzegovina, beside obvious benefits, will certainly be overloaded with fears from the war period in 1992-1995.

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