# Black Sea and East Mediterranean approach on sustainable development

Elena-Iulia CHITA

The Bucharest University of Economic Studies, Romania iulia\_elena95@yahoo.com

### Silvia DUMITRESCU-POPA

The Bucharest University of Economic Studies, Romania silviapopa997@gmail.com

Abstract. The Black Sea is at the intersection of Europe, Central Asia and the Middle East, being an important center of transport for steel, agriculture goods and energy. A connection between different cultures, a region with political, social and economic fragmentation. It is linked to the Mediterranean, through the Bosphorus and Dardanelles Strait, which is a region vulnerable to the impact of global warming. Historically, it has also constituted a convenient route with the west, as it is today. The trades that are made in this area are ones of high value not only for each country that surrounds it, but as well for the global market.

Innovative approaches are needed in order to implement policies and measures to ensure sustainable development in order to adapt for the future, whether it is to minimize the effects of climate changes or different crises this area may face. Adaptation and development of each country is important in order to sustain these challenges, not to mention that in these modern times, imbalances have occurred and strategies need to be rethought by each country.

Keywords: sustainable development, investments, competitiveness, trade, global warming.

JEL Classification: F53, F64, O19, Q56.

### Introduction

The sea, through all the problems it poses to the spirit and through all the possibilities offered to the material development of peoples and civilizations, is a very suitable framework for dealing with the great currents of universal history.

In the opinion of Gheorghe I. Brătianu, history can be divided into stages, in relation to a determining criterion that can be the geographical setting of a sea or an ocean. Thus, he appreciated that ancient history is centered around the Mediterranean, while modern history is, above all, a problem of the Atlantic. The Mediterranean Sea (called the Mediterranean for short) is located between Europe, North Africa and West Asia. It is highly dependent on the Atlantic Ocean, which is connected to the Strait of Gibraltar; The Suez Canal connects it to the Red Sea and therefore to the Indian Ocean.

The adjective "Mediterranean" is widely used in the description of peoples, countries, climate, vegetation; for many, the concept of "Mediterranean" is associated with a certain way of life or with an entire period in human history. The term "Mediterranean" itself is used to refer to a climate with long, hot, clear, dry summers and short, cold, humid winters.

There is a long list of small seas in which the Mediterranean Sea is divided. Each corresponds to specific geographical locations or areas where the characteristics, whether due to flora, fauna or geology, change.

List of subdivisions of the Mediterranean Sea:

- Alboran Sea, between Spain and Morocco.
- Minor Sea, southeastern Spain.
- At Mar Chica in northern Morocco.
- Adriatic Sea, between the Italian peninsula and the coasts of Slovenia, Croatia, Bosnia and Montenegro.
- Ionian Sea, between the Italian peninsula, Greece and Albania.
- Libyan Sea in Tunisia.
- Cilicia Sea between Turkey and Cyprus.
- The Levantine Sea off the coasts of Egypt, Lebanon, Cyprus, Israel, Syria and Turkey.
- The Ligurian Sea, between Corsica and Liguria.
- Tyrrhenian Sea, between the east coast of Sardinia, the Italian peninsula and the northern Sicilian coast.
- The Balearic Sea between the east coast of the Iberian Peninsula and the island of Sardinia.
- Aegean Sea, between Greece and Turkey.

Both EU and non-EU countries have coasts on the East Mediterranean. The EU countries are Italy, Slovenia, Croatia, Greece and Cyprus. The non-EU countries are Albania, Montenegro, Bosnia-Herzegovina (with coasts on the Adriatic Sea) and Turkey, Syria, Lebanon, Israel, Gaza Strip, Egypt, Libya (with coasts on the Aegean and/or Levantine Seas).

The Black Sea is a sea in the Atlantic basin, located between Europe and Asia, which borders Russia, Ukraine, Romania, Bulgaria, Turkey and Georgia. The Cherci Strait reaches the Sea of Azov, the Bosphorus into the Marmara Sea, and the Dardanelles Strait

into the Aegean Sea and thus the Mediterranean. The Black Sea connects Europe and Asia. The border established by geographers between the two continents, the Caucasus and the Bosphorus Strait, cuts this sea into two unequal parts, most of which are European.

Due to its position, the Black Sea is the only, main or one of the seas of many peoples who have lived on its shores since ancient times or newer.

Romania is a founding member of the Bank for Trade and Development of the Black Sea (BCDMN), along with the other member states of the Black Sea Economic Cooperation (BSEC), namely Albania, Armenia, Azerbaijan, Bulgaria, Georgia, the Hellenic Republic, Moldova, the Russian Federation, Turkey and Ukraine.

The Black Sea is a semi-enclosed sea in the Atlantic basin, part of the Mediterranean Sea, to which it is connected by the Marmara and Aegean seas and the Bosphorus and Dardanelles straits. The Black Sea is the eastern gateway to the EU, an intersection between Europe, Central Asia and the Middle East, an important center of transport and energy, an intersection of different cultures, a region with political, social and economic fragmentation. The Black Sea is one of the most endangered in Europe, considered a "closed" river basin, with unique, dynamic and sensitive ecosystems, threatened by continental pressures and conflicting coastal and maritime activities. It has a geopolitical and strategic importance for the stability, cohesion and prosperity of the region and a great potential for development, to achieve the "Europe 2020" goals for smart, sustainable and inclusive growth, including "blue growth", in a wise and integrated way.

Despite numerous international European, regional and local initiatives, programs and documents developed since the early 1990s, including the Convention on the Protection of the Black Sea from Pollution (Bucharest, 1992), the World Bank and the GEF / UNDP ICZM Black Sea Program (1994-1997) and the EU recommendations for a common integrated approach through a series of communications and strategies, the region suffers from a lack of synergy and sufficient coordination.

The Mediterranean region should be one of its major priorities, with a focus on conflict prevention and addressing the root causes of fragility in the southern neighborhood. While stabilizing the region from a security perspective is a top priority for Europe, harnessing the economic and human potential of the Mediterranean region is also key to ensuring lasting peace and prosperity for the benefit of both Europeans and their neighbors.

The Mediterranean Sea is known for being an important historical trade and a powerful factor in the development of the region around it.

We can look over the area's development using a PESTLE analysis, where we can show the major assets for each category.

### Political analysis

The Pontic problem is considered to be a more complex issue, as it is an almost closed sea that communicates with the Mediterranean only through the Bosphorus and Strait Dardanelles. However, due to the rivers flowing into the Black Sea, on the one hand, but

also due to the trade routes that reach its ports, on the other hand, it has been called the hub of the great traffic and international trade. The character of the transition zone and the crossroads between Europe and Asia, imprinted on the peoples and states established on the Black Sea coast, made it an important plan for analysis and geopolitical interest.

The Black Sea Basin was the meeting place of flourishing civilizations, imperial ambitions, confrontations for domination and control, economic and cultural synergies. Most countries in the wider Black Sea region (including the Balkans) have long faced serious vulnerabilities in terms of energy security due to their dependence on a secure source of gas supply in Russia, and are thus exposed to political pressure and blackmail. They have, however, learned to cope with the inconvenience caused by this situation and have sought ways to accommodate it, while trying to diversify their sources and improve their energy balance.

Aware of its own vulnerabilities, the EU has adopted and is in the process of implementing a coherent set of legislative and regulatory measures to improve its position on energy and reduce the effects of monopolistic practices: EU Energy Strategy (June 2014), Package Energy Union (March 2015) and the European Commission's Initiative to Connect Gas Grids in Central and South-Eastern Europe – CESEC (July 2015). Despite the slow progress and persistence of political and financial uncertainties in the EU since the 2008-2009 crisis, these political decisions have given Member States and regional partners a certain amount of confidence that they will be able to cope with the turmoil.

A country's access to the sea can greatly influence its economic and political power, and in the case of Russia there is no doubt that access to the sea is a vulnerability. The Western border is another vulnerability of Russia and is of critical importance to it. Control over the Black Sea is one of Russia's most important strategic goals in terms of NATO and EU borders, as part of Russia's policy of regaining international power and limiting NATO's presence. On the other hand, it is clear that the EU is dependent on Russian gas, but also on other energy imports, just as Russia is dependent on Europe, which is the largest export market for gas, investment and technology.

Russian security experts have called this dependence an "asymmetric interdependence", as Russia can last at least a year without European and Western investment, while Europe cannot survive more than 30 days without Russian gas.

The need for a maritime strategy in the Mediterranean area is part of a 25-year program of integrated action in the Mediterranean, given the new challenges posed by the changing situation in the Arab countries of the Mediterranean basin. The Union has developed legislation and a strategy aimed at promoting the sustainable use of the seas, the conservation of marine ecosystems and the protection of basic resources that support economic and social activities related to the sea.

Politically, there has always been a contradiction between the need to reform the political systems of some Mediterranean countries and maintaining, at least apparently, the EU's *status quo* out of a desire to avoid open confrontation. Addressing positive impact of migration policy is a constant goal of the Mediterranean states, as any success of the new initiative depends on the effective management and resolution of the Arab-Israeli conflict.

The gradual change of the EU's borders has provoked reactions from Russia and created new security risks, but also new opportunities for the states in the areas adjacent to the Union, which have had to adapt their strategies and adjust their foreign policy. Of course, these trends have also manifested themselves at the level of the states that have joined the EU. Romania, with the accession, was forced to redefine its priorities in relations with its neighbors and to generate special strategies for the consolidated neighborhood, being at the eastern border of the organization.

At the same time, as a maritime state with a Eurasian extension, it has integrated into the major defining programs and aligned itself with the constructive initiatives on the Black Sea Synergy, the Union for the Mediterranean and the Eastern Partnership.

The EuroMed model sought, like the partnership developed in the Black Sea, to aim for the gradual achievement of an area of peace, prosperity and stability in the region, especially for states that did not have a prospect of EU membership.

EuroMed wanted to be a multilateral partnership designed to increase the potential for regional integration and cohesion, bringing to the sphere of influence of the European Union African states such as: Mauritania, Morocco, Algeria, Tunisia, Libya, Egypt, but also those in the East. Middle, such as Jordan, the Palestinian Authority, Israel, Lebanon, Syria, Turkey and Albania. At the same time, a number of European countries, such as Croatia, Bosnia and Herzegovina, Montenegro and Monaco, were drawn to the model of the Extended Black Sea Cooperation Area.

Market share trends indicate that the EuroMed trade liberalization process has not had the expected effects on trade between the two areas. On the contrary, not only their shares respective market conditions have not been improved, but they tended to erode under the effect of a stronger international competition from emerging countries and countries with low wage costs. The geographical proximity does not seem to have constituted a significant determinant of trade integration Euro-Mediterranean.

Similarly, the positive impact of trade openness on the economic growth of the SEMCs is not EuroMed trade liberalization had a limited macroeconomic and sectoral impact during the 2000s, as shown by the lack of a convergence economy with European countries.

## **Economic analysis**

The Black Sea region is of particular economic importance, in view of the future transport corridors for goods and resources, on the one hand, but also in terms of concerns about the deposits of natural resources that the Black Sea has, on the other hand.

On the other hand, the Black Sea region is extremely important for the West, from at least two perspectives:

- is an area of vulnerability for NATO's eastern flank;
- has a special economic importance.

The economic importance of the Black Sea for the West is given by the need to diversify energy sources, diversification possible only in the context in which the networks and transmission lines of energy resources in and through the Black Sea are out of Russia's control.

The European Union is a major provider of assistance to the Mediterranean countries. The region 's dependence on exports and external assistance make it a sensitive area, vulnerable to any fluctuations in the foreign market. Foreign direct investment is asymmetrically distributed in the Mediterranean region.

Energy has played an important role in the Euro-Mediterranean Partnership. In its regulation, by part of regional cooperation, funds have been allocated to support regional energy projects. The Mediterranean area has differences and inequalities in terms of energy, both between the northern part where countries are energy consuming and the southern part, as well as in terms of energy resources, the most important being concentrated in three countries: Algeria, Libya, and Egypt.

The Mediterranean area has potential resources of renewable energy (solar, wind) which could be an alternative to classical resources.

# Social analysis

The SRIA was developed on the basis of the objectives already agreed, as mentioned in the Burgas Vision Sheet to address the challenges. The initiative has identified four main pillars on which a new set of actions can be developed research and innovation:

- Addressing the fundamental challenges of Black Sea research the Black Sea Knowledge Bridge.
- Development of products, solutions and clusters to support the Blue Growth and Blue Economy of the Black Sea.
- Creation of critical support systems and innovative infrastructures Common Key Infrastructure and Policy Facilitators.
- Education and capacity building Skilled Citizens and Improved Blue Workforce.

## Technological analysis

The investments in research, development, education and skills constitute a key policy element to an economic growth and to the development of a knowledge-based economy, leading to a growing interest in the role and measurement of skills. In this context, there is an increased need to measure and analyze the most highly skilled parts of the labor force.

General development of the fuel and transport industry as in electric vehicles are becoming more important. Consideration of starting a biofuel production company at this time should include the expected life cycle of the industry.

If the evolution of the electric vehicle industry increases significantly, investments in biofuels could be unprofitable due to declining demand. The technological influence on the biofuels industry highlights the importance of expected demand and raises the question: Is the expected time to biofuel demand that will decrease due to other technologies long enough to be profitable investment? On the other hand, the ability to convert the production process or use it for other applications will influence the estimated life of the investment.

Also, it is well known that technology development helps Europe's leading firms boost their productivity, failure to adopt new technologies is holding many firms back. As a result, productivity and wage gaps are widening.

The Black Sea region is an area of production and distribution of strategic importance for EU energy security. It has a significant potential for diversification of energy supply and is therefore a key element of the EU 's external strategy in the energy sector. Diversifying security of energy supply is of great interest for partners in the region as well as the EU.

# Legal analysis

The Council of Europe and the OSCE have established rules on human rights and democracy applies to all Black Sea states. In this respect, EU actions are mainly bilateral in nature. However, actions taken at regional level can play an important role in consolidating and boosting national measures.

In recent years, organizations Black Sea regional governments have committed themselves to creating democratic institutions to promote good governance and the rule of law. The EU supports these regional initiatives by sharing the experience gained in the field of promoting and defending human rights and democracy by proposing programs for training and exchange and by stimulating regional dialogue with civil society.

Improving external border management and regional customs cooperation increases security, helps fight organized cross-border crime, such as trafficking in human beings, arms and drugs, and helps prevent and manage illegal migration. The EU Border Assistance Mission to Moldova and Ukraine, is a success in this area and demonstrates that such measures can contribute equally in conflict resolution.

The Global Approach Method approach to immigration to eastern and southeastern neighbors that provides for new initiatives for better migration management and to combat illegal migration.

The Black Sea region is traversed by important colors of illegal migration, regional cooperation on issues described above becoming, therefore, all the more important. It's encouraging that countries in the region continue to develop cooperation practices to combat cross-border crime in general through channeling experience gained in other similar initiatives in South East Europe and the Baltic area.

Intensifying regional cooperation will strengthen law enforcement capacity especially in the fight against corruption and organized crime. It could be useful as regional actors in the Black Sea region to establish best practices, to develop common rules for the rescue and exchange of information, to establish alert systems for cross-border crime and develop training programs.

In other aspects of legal matter, it's important to mention that in the majority of the region, the following are priority areas for social grow:

- Equal economic independence for women and men.
- Reconciliation of private and professional life.

- Equal representation in decision-making.
- Eradication of all forms of gender-based violence.
- Elimination of gender stereotypes.
- Promotion of gender equality in external and development policies.

# **Environment analysis**

The Black Sea region is an area of production and distribution of strategic importance for EU energy security. It has a significant potential for diversification of energy supply and is therefore a key element of the EU 's external strategy in the energy sector. Diversifying security of energy supply is of great interest to partners in the region as well as the EU. And also supports countries in the region to focus more on sources of alternative energy, on energy efficiency and on energy saving, in order to release significant energy resources.

Energy stability is desired through modernization of the existing energy structure and by building new infrastructures. In this context, the Commission is developing, in collaboration with its partners, a new energy corridor on the axis Caspian Sea – Black Sea. The aforementioned corridor offers several possibilities for additional exports of natural gas from Central Asia through the region Black Sea, in the EU. Moreover, taking into account the increase in the amount of oil that Transit the Black Sea, a concern for safety and the environment, the EU is interested to provide a sustainable and environmentally friendly oil dimension in its activities cooperation in the region. Several Bosphorus Bypass projects are already underway. Investments with significant impact are needed.

There are many regional processes in the environmental area, but there are delays in their implementation. The need to address marine issues at regional level is recognized in the EU Marine Strategy and the proposal for a Directive on marine strategy. In line with the EU Marine Strategy, EU Member States must cooperate with all countries in the region in all regional seas where the EU is riparian. To this end, Member States will be encouraged to work in the framework of regional conventions on the seas, including the Black Sea Commission.

The Black Sea countries need to improve the implementation of multilateral environmental agreements and establish more strategic environmental cooperation in the region. In this regard, the approach adopted by the DABLAS Working Group, which consists in cooperating to improve investment in the water sector, can be applied to other environmental issues at regional level such as nature protection, waste management, industrial pollution or pollution.

In the context in which the regional approach would bring real benefits. Furthermore, the Commission should promote regional activities to combat climate change, in particular through the joint application of the clean development mechanism established by the Kyoto Protocol and involve the countries of the Black Sea Region in international discussions on future actions. Other mechanisms could be considered, such as the long-term development of national emissions trading programs in the region.

#### Conclusions

There are several other ways that the Black Sea and East Mediterranean regions can promote sustainable development:

Infrastructure development: Investment in infrastructure, such as transportation, communication, and energy networks, can help to promote economic growth and improve the quality of life for people in the regions.

Education and skills development: Investing in education and training can help to build a skilled workforce and promote technological innovation, which are key drivers of economic growth and sustainable development.

Water management: The Black Sea and East Mediterranean regions are facing water scarcity and degradation, which can have negative impacts on human health, agriculture, and the environment. By working together, the regions can promote sustainable water management practices that ensure the availability of clean and safe water for all.

Natural resource management: The Black Sea and East Mediterranean regions are rich in natural resources, including forests, fisheries, and minerals. By working together, the regions can promote the sustainable management of these resources, which can help to protect the environment and generate economic benefits.

Environmental protection and biodiversity conservation: The Black Sea and East Mediterranean regions are home to many important ecosystems, including wetlands, forests, and marine environments. By working together, the regions can protect these ecosystems and promote biodiversity conservation, which can help to ensure the long-term sustainability of the regions.

Climate change mitigation and adaptation: The Black Sea and East Mediterranean regions are vulnerable to the impacts of climate change, including sea level rise, increased frequency and intensity of extreme weather events, and changes in precipitation patterns. By working together, the regions can promote climate change mitigation and adaptation measures that reduce the risks and impacts of climate change.

Through regional cooperation, the Black Sea and East Mediterranean regions can promote sustainable development and ensure that their growth and development benefits all members of society and protects the environment for future generations.

The configuration of the Black Sea region has changed considerably in recent years and will continue to evolve. Under these circumstances, the new EU regional cooperation initiative would complement this way. The very wide range of activities currently carried out at bilateral and sectoral level is useful.

The presence of the European Union in the Black Sea region opens the way to new perspectives and possibilities. This requires consistent, long-term action making the most of these possibilities and bringing greater stability and prosperity in the region. Greater EU involvement in regional cooperation on the Black Sea contributes to this goal.

The Black Sea has had and still has a status in the scientific world, depending on the geographical, geopolitical and geostrategic orientations of Russia, Turkey, the Euro-Atlantic or Germany. In any case, from the Greco-Roman domination to the Euro-Atlantic one, it had the status of a closed lake or sea, of small or great geostrategic importance, depending on the historical events that manifested in this area. What is certain is that it has always been a Eurasian bridge and a strategic rift between European and Asian civilizations.

## References

- Agenda strategică pentru cercetare și inovare la Marea Neagră, 2020. Available at <a href="http://connect2blacksea.org/wp-content/uploads/2020/09/2019.12.03\_Black\_Sea\_SRIA\_Final-RO.pdf">http://connect2blacksea.org/wp-content/uploads/2020/09/2019.12.03\_Black\_Sea\_SRIA\_Final-RO.pdf</a> Black Sea Synergy | EEAS Website, Black Sea CONNECT CSA financed by EU H2020.
- Comolet, E. and Madariaga, N., 2013. Euro-med growth and trade integration: can we talk of a cost of the non-mediterranean?. Available at <a href="https://www.afd.fr/en/ressources/euro-med-growth-and-trade-integration-can-we-talk-cost-non-mediterranean">https://www.afd.fr/en/ressources/euro-med-growth-and-trade-integration-can-we-talk-cost-non-mediterranean</a>, MACRODEV.
- Goulding C., Stobberup, K. and O'Higgins, T., 2014. Potential economic impacts of achieving good environmental status in Black Sea fisheries. Available at <a href="https://www.ecologyandsociety.org/vol19/iss3/art32/">https://www.ecologyandsociety.org/vol19/iss3/art32/</a>
- Toucas B., 2017. The Geostrategic Importance of the Black Sea Region: A Brief History. Available at <a href="https://www.csis.org/analysis/geostrategic-importance-black-sea-region-brief-history">https://www.csis.org/analysis/geostrategic-importance-black-sea-region-brief-history</a>