

Development of Bulgarian Black Sea Municipalities in the Context of European Integration

Kamen Petrov, Nikolay Tsonkov

University of National and World Economy, Bulgaria

<https://doi.org/10.5755/j01.eis.1.17.34275>

The Black Sea region is an economic, trade, transport, energy, geostrategic and political crossroads. The Black Sea is not only an external border of the EU but also a strategic European macro-region that needs to be integrated into the European economy and market. Over the decades, several initiatives have been organized to satisfy the interests of global and regional players to improve the economic, environmental, social, and transport situation, including connectivity through the construction of strategic transport infrastructure (regional and interregional). Such initiatives include the Organization for Black Sea Economic Cooperation; the European Union's policies related to the development of the region as an external border, the Three Seas, and individual country strategies and policies. In fact, to a large extent, all these initiatives and policies aim at stability, security, and economic and social development of the region while protecting the environment. The analysis of the policies so far leads to the conclusion that a high degree of coherence, coordination, and implementation of a strategic approach to solving regional problems and creating integrity, connectivity, and regional coherence in the context of European integration has not been achieved so far. The focus of our study is the Black Sea municipalities. The aim of our presentation is to outline the necessary levels of regional connectivity and investment policies that can be important for the overall sustainable development of our coast in the context of European integration. In this respect, small agglomeration areas have spatially formed from north to south by 2021. This paper focuses on regional connectivity and investment policies in the Bulgarian Black Sea region, outlining an important range of issues related to its development. The present presentation provides an overview of the Black Sea coast by highlighting the common socio-economic characteristics in its spatial development. Relevant conclusions and recommendations for the development of the region are drawn. The scientific results of the study are related to some general conclusions on how Black Sea European integration, connectivity, and overcoming territorial disparities can be achieved. First, there is a need for a new approach to long-term planning in the field of strategic transport infrastructure and regional development. Secondly, there is a need to consider the idea of developing a Strategy for the Black Sea Region based on integrated territorial investments, the development of agglomerations of municipalities, and improved connectivity. Thirdly, it is necessary to establish a Black Sea operational program.

KEYWORDS: region, Black Sea, development, management, zones, connectivity, investment, fields, modeling.

The relevance of the study stems from the contemporary processes taking place in the Black Sea region. These processes are related to the increase of tensions and the strengthening of different interests for the control of the inland sea. At the same time, from the point of view of Bulgaria and the European Union, this is a region that requires a specific approach to solving the various problems that have been layered over the years. These are related to security, geo-economics, geopolitics, transport, accessibility, urbanization, investment policies, and, last but not least, resolving regional socio-economic disparities. In another direction, regional policy in certain regions and areas is proving to be one of the most feasible mechanisms for regional development.

EIS 17/2023

Development of Bulgarian Black Sea Municipalities in the Context of European Integration

Submitted 03/2023

Accepted for publication 06/2023

Abstract

Introduction



European Integration Studies
No. 17 / 2023, pp. 83-97
doi.org/10.5755/j01.eis.1.17.34275

This predetermines that the focus of European integration and sustainability of regional policies passes through making regional development a real national priority.

Along these lines, several major regions of the world have emerged to set the pace of the global geo-economy. Thus, the pattern of strong global regions also implies a drive of other smaller spatial areas to build transit economies between several smaller areas and form new regions. Thus, several socio-economic areas and spaces are beginning to have a philosophy of development that runs through the formation of a strong trans-regional space and an evolving market. This approach is not only of international importance today but often proves to be of key importance for the development of modern nation-states.

This article is dedicated to the Black Sea region, which is an economic, trade, transport, energy, geostrategic and political crossroads in the European Economic Area. The interests of the European Union, the United States, Russia, China, Turkey, and other countries are intertwined in this region. It is expected that the Black Sea region in the coming years, will be a geo-economic arena in which the countries, will seek to implement their interests and models of interaction.

The report aims to present the vision of the integration union formed in 1991 involving as many as 11 countries. Through the formation of the Black Sea Economic Cooperation, the idea of creating a special geo-economic zone of interaction and the creation of a common market was marked. This process was slowed down by the de-fragmentation of the Soviet space on the one hand and the enlargement of the European Union on the other. In practice, however, the war in Ukraine, EU-Russia relations, Turkey's role as a leader in the Middle East, and large refugee waves show that the Black Sea area has yet, to be a real alternative for regional development and the formation of a border civilization zone between East and West (Kirova, 2015). Thus, this paper frames the vision of building sustainable regional connectivity between countries through the construction of strategic transport infrastructure and intermodal transport within the Black Sea. Provided that investment was made in this direction the Black Sea would certainly, have acquired a new geo-economic path.

The methodological approach in the research

Deriving a methodological apparatus related to regional development modeling requires the use of an interdisciplinary approach. This implies the use of a network approach, statistical information, reference to expert assessment, extensive use of geographical and cartographic analyses, and other traditional methods to enable us to infer current patterns. Therefore, the main objective of this study is to outline the directions and opportunities for the development of the Black Sea region in Bulgaria based on an analysis of the main trends, processes, and problems in the region in the context of the European Union policies and new initiatives such as the Three Seas and others. Several tasks can be distinguished from the objective thus defined:

- 1 To analyze the context in which the processes in the Black Sea region are developing in the countries located in it, as well as in Bulgaria;
- 2 To analyze and assess the state of the municipalities in the Black Sea coast region;
- 3 To consider new theoretical models for the territorial development of the Black Sea coast;
- 4 To propose concrete ideas for improving the connectivity and socio-economic condition of the Black Sea municipalities in Bulgaria in the context of strengthening Black Sea cooperation and European integration in the region.

The outlined aim and objectives will be achieved through the use of a set of approaches and methods - territorial, geographic, and systems approach, geo-economic, systems, analytical, descriptive, cartographic, territorial, geographic, inductive, and deductive methods, as well as causal analysis, and reference to expert opinion.

Analysis of the theoretical framework for Integration and Cooperation in the Black Sea

The formation of large spaces and macro-regions is linked to the development of integration processes from a global perspective. In this connection, the development of theories of integration and its effects logically began. An important part of integration theories is related to the development of European integration (Wiener, 2019; Hanf & Soetendorp, 2014; Jones, Kelemen, & Meunier, 2016; Ioannou, Leblond, & Niemann, 2015; Kutun, & Yigit, 2007; Dabrowski, 2010). Authors such as Tanja Börzel and Thomas Risse examine grand theories of integration and lessons from the European experience in this direction. Their analyses are linked to standard integration theories such as neo-functionalism or liberal intergovernmentalism, in which privileged economic dependence is the main driver of regional integration (Börzel & Risse, 2019). At the same time, European integration theory is directly linked to concepts of regional economic integration (Ma, 2022; Bergstrand & Clance, 2018; Cheng, Loo & Vickerman, 2015). Many of the integration theories consider the objective relationship between integration processes and trade (Baier, Bergstrand & Feng, 2014). Related to this is the research of Bergstrand, Larch, and Yotov, who focus on analyzing the impact of cross-border cooperation agreements and their effects (Bergstrand, Larch, & Yotov, 2015). In their conceptualization, the elasticity of distance is investigated by applying the gravity equation. Other researchers focus on the use of basic resources by 40 developing countries (Nguyen & Su, 2021).

An analysis of the theoretical framework of integration shows that not a few researchers have paid attention to integration processes in Africa. The studies cited are concerned with the development of African integration in the context of global supply chains (Obasaju, Olayiwola, Okodua...2021). Other authors pay attention to the effects of integration processes in Africa on the environment (Awad, 2019). Some analyses look at industrialization as a way to rethink integration in Africa (Rekiso, 2017). In this part of the world, integration is also accompanied by processes of de-fragmentation and strong regional development of some regions at the expense of others.

Asian integration processes have also featured prominently in integration-related research. Various authors present the results of their studies on integration processes in Central Asia, Pacifica, East Asia, and ASEAN (Koh & Kwok, 2017; Huh & Park, 2018; Boubakri & Guillaumin, 2015; Song, Huang, Paramati & Zakari, 2021). Noteworthy is the proposed regional integration index, which shows several features of individual countries and their regional significance (Huh & Park, 2018).

In this study, the main object of analysis is the Black Sea region and the integration processes in it. The Black Sea region is closely linked to the Danube. At the same time, this region is an external border of the European Union. This circumstance makes it important and relevant for the implementation of a targeted European policy as well as for research. Vladova and Knieling discuss transnational cooperation in detail in the context of regional dynamics and achieving synergies between the Black Sea countries (Vladova & KNIELING, 2014). Another author, Mehmetcik, provides a comparative analysis of regional cooperation between countries in the Black Sea region, observing that intraregional trade is not growing as fast as in other regions of the world (Arzu & Mehmetcik, 2017). For the development of the region, it is necessary to implement strategic maritime spatial planning. In this regard, some authors consider planning as a part of the integration process, and four directions must be considered: economic, social, environmental, and territorial (Stan, Filip, Vintilă & Țenea, 2017). The authors consider the impact of planning in integration processes in the cross-border area between Bulgaria and Romania. Other authors focus their scientific interest on the role and place of Georgia in the Black Sea region. The analysis of Georgia shows that the Silk Road passed through it, the Georgian alphabet is about six centuries older than the Cyrillic alphabet, and Georgia was one of the first countries to produce wine. Moreover, it turned out to be very close to Bulgaria - the distance by sea between Varna and Batumi is only 1140 km (Khokrishvili & Lebanidze, 2022).

The main pillars of connectivity in the Black Sea are cities and agglomerations, transport infrastructure (roads and ports), and economic links. In this regard, some studies analyze the place and role of agglomerations and their development in improving connectivity in the region (Azhaman, et. al., 2021). These authors focus specifically on three of the major cities in Ukraine - Odesa, Kherson, and Mykolaiv. Related to that study is the analysis of the degree of urbanization of the Black Sea ports in the region - Burgas, Varna, Constanta, Braila, Galati, Batumi, Odesa, Mykolaiv, Mariupol, Sevastopol, Rostov-on-Don and Theodosia. The authors propose an original methodology for assessing urbanization, which includes GDP per capita, location, population relative to the total population of the country, degree of development, and connectivity by rail, among others (Lyratzopoulou & Zarotiadis, 2019). Other researchers analyze external factors such as foreign trade relations with China to develop Black Sea synergy (Liu & Feng, 2020). Here we see that the authors are based on a classical concept of the influence of foreign trade on the development of integration processes in different regions.

Characteristics of the Black Sea region

The Black Sea region is distinguished by its great cultural, historical, linguistic, economic, and social diversity. Despite the natural geographical connectivity of the countries in this region, they are not characterized by very high levels of cooperation, which is also reflected in the levels of economic development. The Black Sea region encompasses six countries that have access to the Black Sea - Turkey, Georgia, Ukraine, Bulgaria, Romania, and Russia. Of course, we should consider the Black Sea region from a much broader perspective, which includes the entire territory of the Danube up to Germany, as well as the countries close to the Black Sea, such as Azerbaijan, Belarus, Armenia, Moldova, Greece, Albania, North Macedonia, and Serbia.

The analysis of the Black Sea region shows that there are no convenient and fast communication and transport links between the Black Sea countries. Including the need to think about more border crossings between the countries. The only transport corridor that passes through the territory of the Black Sea region is corridor number 9 (Helsinki - St. Petersburg - Pskov - Vitebsk - Kyiv - Lubashevka - Chisinau - Bucharest - Ruse - Dimitrovgrad - Alexandroupolis provides a link between the countries of North-Eastern Europe via Romania and Bulgaria with the port of Alexandroupolis on the Aegean Sea). Considering the geographical position and the availability of water space, it is logical that the well-developed transport is maritime, and hence maritime trade. However, there are no strongly developed economic links between these ports.

Despite the existence of the Black Sea Economic Cooperation Organisation, which celebrated its 30th-anniversary last year, the countries in the region maintain rather formal relations. A major problem in this direction is the lack of common projects in the fields of infrastructure, energy, education, environment, and economy.

Data for recent years show large fluctuations in real and nominal GDP per capita. Of course, there are objective circumstances for this, i.e. Russia's conflict with Ukraine dating back to 2014. As we can see in both [Figures 1](#) and [2](#) we can see that real and nominal GDP is growing slowly. It makes an impression that Turkey's GDP has increased significantly during the period 2015 - 2019.

In the following graph, we see the economic growth trend of some of the countries in this region. We can see that economic growth is varied and depends on the state and size of the country and its economy. In [Figure 3](#) we see the share of high-tech products in the total export volume of countries in the region. Most of these products are at the medium-technology level, with Armenia having the highest share in technology exports. It is noteworthy that the countries in the wider region are characterized by better economic performance.

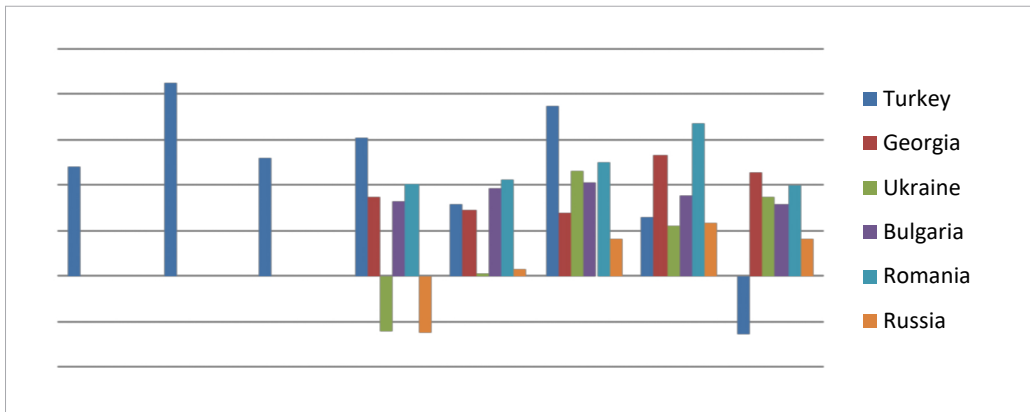


Figure 1

Real GDP of countries in the Black Sea region in the period 2015 – 2019

Source: Abuselidze, L. Mamaladze (2019)

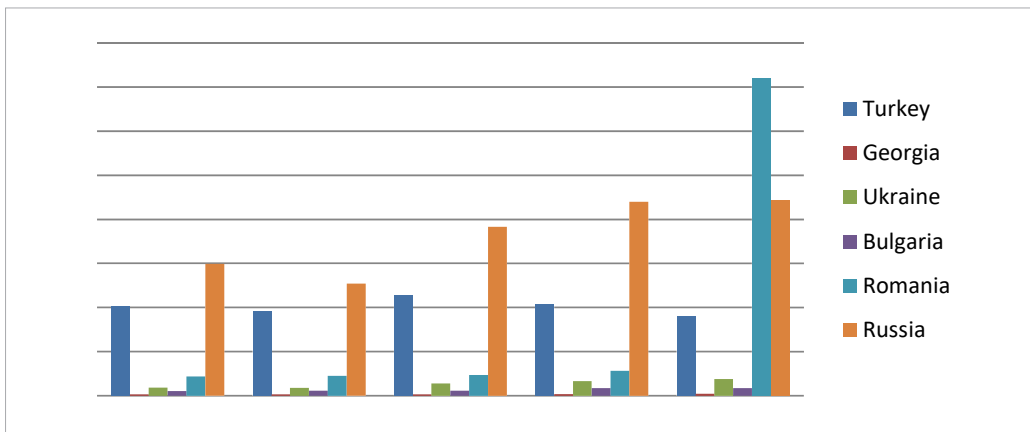


Figure 2

Nominal GDP of countries in the Black Sea region in the period 2015 – 2019

Source: Abuselidze, L. Mamaladze (2019)

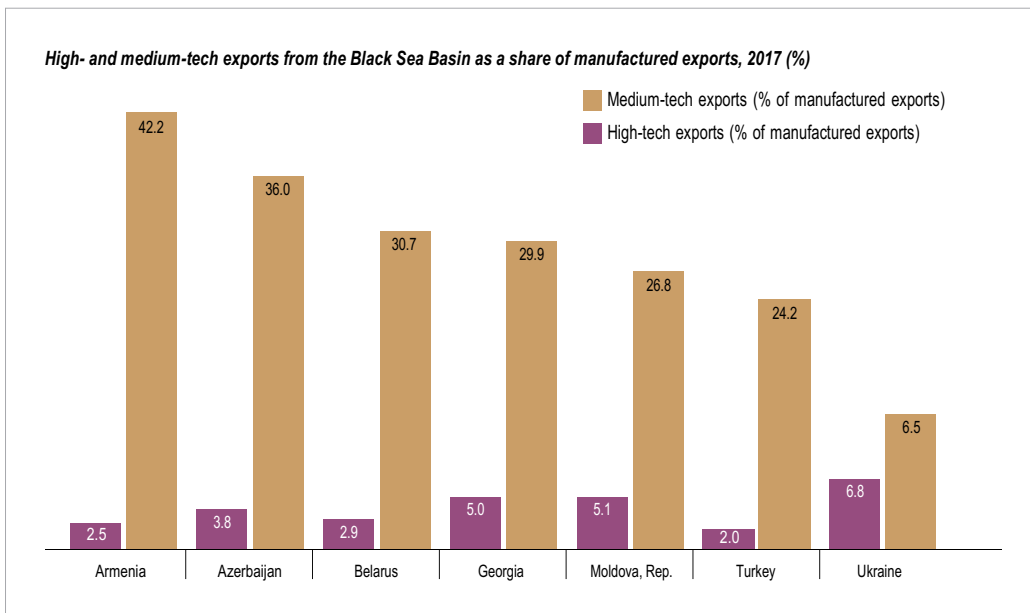


Figure 3

Share of exports of high- and medium-technology products in total exports of Black Sea countries in 2017

Source: UNESCO SCIENCE REPORT (2021)

In the following [Figure 4](#), we can see the levels of openness of countries and connectivity to the global economy. In the figure, we can see the dynamics of indicators such as foreign direct investment in some Black Sea countries, as well as exports of industrial and commercial goods for the period 2013–2018.

Figure 4

Level of economic openness of the Black Sea region in the period 2013–2018

Level of economic openness in the Black Sea Basin, 2013–2015 and 2016–2018

	FDI inflows (US\$ millions)		R&D funded from abroad (US\$ millions)		Merchandise exports (US\$ millions)		Manufactured exports (US\$ millions)	
	2013–2015	2016–2018	2013–2015	2016–2018	2013–2015	2016–2018	2013–2015	2016–2018
Armenia	309	281	5.0	4.3	1 495	2 150	326	499
Azerbaijan	3 699	2 923	1.0	0.2	25 518	16 695	620	581
Belarus	1 920	1 333	264.5	357.5	33 330	28 831	15 750	15 610
Georgia	1 502	1 528	3.4	10.6	2 659	2 734	1 206	1 016
Moldova, Rep.	267	163	19.8	6.6	2 245	2 392	782	863
Turkey	15 391	12 840	615.2	970.8	151 084	155 830	118 563	120 039
Ukraine	2 802	2 915	1 281.3	955.6	52 221	42 324	28 875	20 200

Source: UNESCO Institute for Statistics; World Bank's World Development Indicators, April 2020; UNESCO SCIENCE REPORT (2021)

Development and Connectivity of Black Sea Municipalities in Bulgaria

According to the theory of international relations, the maritime spaces and inland waterways, as well as the ports of Bulgaria exercise sovereignty, certain sovereign rights, jurisdiction, and control by the generally recognized principles and norms of international law and international treaties. Therefore, the Bulgarian Black Sea coast plays an essential role in our socio-economic development and affects our national security. In practice, the region is linked naturally to the Danube, and from Passau to the Rhine, Main, and Atlantic Oceans. It is important for Bulgarian cities on the Black Sea they can develop shipping and the ports of Varna and Burgas shipbuilding and ship repair. From this point of view, the Black Sea and Danube ports are important for the national economy. They should therefore develop their activities, and do river and maritime science and education, as well as all activities and services serving maritime business. It is characteristic that all activities in the maritime industry are interrelated and the development of one of them leads to the development of the others. The maritime industry has always worked to international requirements and standards in a market environment. A good prerequisite for the growing importance of the industry in the future is the fact that the EU has identified the development of the maritime industry as a priority [32].

The Black Sea region of Bulgaria covers three districts - Burgas, Varna, and Dobrich, with a total length of the sea coast - 403 km (Burgas - 224 km, Varna -79, Dobrich - 100 km). At the same time, the Black Sea coast is an important structural element of the territory of Bulgaria with its specific characteristics and problems. This gives us enough reason to approach the Black Sea region as a national space in which there is an intensive socio-economic activity with a focus on the utilization of tourist resources.

One of the most developed industries is Black Sea tourism. Tourism, in turn, defines the existence of Varna and Burgas Black Sea coast as a tourist regionalization and segmentation of the market of tourist services. Therefore, apart from the coastline, the functional area of tourism in these regions covers spaces up to 80-100 kilometers in depth. Thus, spatially, we can assume that the area of the Black Sea area goes beyond the coastal territories and the most correct way to analyze it is to use administrative-territorial units for this purpose. Thus, the focus of our study

is on the Black Sea municipalities, which stretch from Cape Kartal in the north to the Rezovo River in the south. In addition to the natural tourist resources, such as the climate, the sea, sea beaches, sea mud, and mineral waters, we should also mention the mountains that reach the sea - the Balkan Mountains in the central part of the Bulgarian Black Sea coast and Strandzha. They offer opportunities for diversification of resort-tourist and sports activities and for a unique combination of sea and mountain. These are functionally and spatially linked structures with a leading tourist function - settlements, resort complexes, holiday villages, and other forms of tourist infrastructure.

It is particularly important to outline the necessary levels of regional connectivity and investment policies because they are essential for the overall sustainable development of the Bulgarian coast. In this respect, by 2021, small agglomeration areas have spatially formed from north to south, starting from the localization Durankulak-Shabla, going through Bulgarevo-Kavarna-Topoli; Tuzlata-Balchik-Albena-Kranevo, Golden Sands-Druzhba-Varna-Galata, Byala-Obzor, Nessebar-Ravda-Sunny Beach-Saint Vlas; Burgas-Pomerije; Sozopol-Kavatsite-Duni; Primorsko-MMC-Kiten-Lozenets and Tsarevo-Varvara-Ahtopol-Sinemorets. Thus the Black Sea coast acquires its specific spatial expression, as a new model of regional development emerges. In this part, it is necessary to emphasize that the focus of spatial management in Bulgarian conditions is attributed to the municipalities.

Opportunities for the implementation of a new approach to the management and organization of the territorial development of the Black Sea region

The geo-pedagogical features of the territory, its topographical features, and its economic development predetermine the formation of two intensively developed areas in social and economic terms around the two regional centers of national importance - Burgas and Varna. These two regions account for about 80% of the bed base in the whole region. It is no coincidence that out of the seven large-scale and large-scale hotel complexes planned in the 1960s - Albena, Golden Sands, Kamchytzi Sands, Sunny Beach, Kavatsite, Aleppo, and Stampolu, only three have been built, and all three are close to the two city centers. Three "peripheral" districts - Дкбркјкск, Сктаркрклкнск, and Сктркнск - are formed as a konth of these two central nuclei, характектеп-изизат с far less socio-economic development, but with largely preserved natural resources. These, peripheral' areas have relatively difficult accessibility, are distant from aktitive urban centers, and have the харак tive characteristics of isolated territories.

The "peripheral" харак options of these three regions have partially managed to preserve them from the first and most powerful wave of spontaneous urbanization at the beginning of the new century. This was also one of the opportunities in the 1920s and 1930s for the Black Sea coast to develop as a deconcentrated area for regional economic development. Thus, it could meet the requirements for modernization in certain agglomeration areas that were already established and on the other hand ecologically develop the remaining suburban areas. Bulgaria in the period from 2021-2027 should think to develop a "Black Sea Coast Operational Programme" that can implement several projects and programs for the development of the region. The development of the Black Sea coast can also be done through joint programs with Romania, such as the implementation of the Black Sea Motorway, with the construction of a new route in the direction of the Hemus Motorway - Aksakovo-Kichevo-Obrochishte- Balchik-Vrani- Zahari Stoyanovo-Border with Romania- Kopucci (Romania)- Molivita (Romania) - Constanta. This could be a parallel expressway that could improve connectivity between Bulgaria and Romania and encourage tourist access to Bulgaria not only from Romania but also from Moldova and Ukraine. A similar road of supranational importance could be in the direction of the Trakia Motorway - Kameno-De-

belt- Gabar- Inje Voyvoda (branch to Tsarevo) - Malko Tarnovo- Lozengrad (Turkey). Through this direction, the prerequisites for the use of the tourist potential of Strandja will be achieved, as well as an alternative to the road Burgas-Sozopol-Ahtopol-Sinemorets. The considered common characteristics of the Chepukomopcki region are among the most influencing factors on the development of tourism in the individual municipalities at the local level. They are fundamental for the degree of local and foreign investment interest, for the political and opportunistic nature, and for the commitment of the local government and the local population to tourism activity.

In practice, 14 municipalities in Bulgaria have access to the Black Sea, but the municipalities of Malko Tarnovo, Dalgopol, Devnya, Suvorovo, Valchi Dol, and Dobrich town and rural municipality are assumed to be part of the zone of gravity of the Bulgarian Black Sea coast. The population in this region reaches 1 079 838 people (Dobrich - 189 677 people - 2,6 % of the population of the country, Varna - 474 344 people - 6,5 %, Burgas - 415 817 people - 5,7 %) - 14,8 % of the population of Bulgaria. The coast is also affected by climate change, which has implications for agriculture, tourism, water resource management, and forestry. And this climate change may also lead to a change in the amount and characteristics of rainfall in the region - to more torrential and seasonal. At the same time, the Black Sea region is lagging in the level of regional connectivity, attracting investment, and strengthening the level of public works. We can point to results such as improved connectivity between Burgas and Sunny Beach, but there are still many outstanding issues. Everything said so far argues for the need to plan and develop the Black Sea coast in Bulgaria considering it in a broader context within the Three Seas Initiative in terms of the development of strategic transport infrastructure. And it is the basis for the subsequent improvement of connectivity, economic links, and socio-economic development, including in this part of the Bulgarian territory.

Regarding the regional development and management of our Black Sea territory, it can be stated that the most intensive absorption of new territories for tourism purposes has been observed since 1990. Large agglomeration zones are being formed with the dangerous tendency of linear, continuous construction along the seashore. Among them, the most striking is the construction of the three-point agglomeration of Ravda - Nessebar - Sunny Beach - St. Vlas. Similar trends, but of course to a greater extent, are observed in the area of Pimopcko - Sozopol - Kavatsite and Kiten - Lozenets - Tsarevo, where the scale is smaller, the coast is more dynamic and there are still a lot of undeveloped areas. Of course, we should also add the territory between Varna and Golden Sands, where, without significant absorption of new land, large-scale infill and densification of existing development has taken place (Patarchanov, 2016).

In this direction, it should be clear that our country is facing a choice of development model for our coast. Of course, it must be linked to the postulates of sustainable development and the implementation of strategic policies for a targeted maritime policy in the Black Sea region. This is enshrined in the vision of a common policy that covers the six Black Sea gateway countries - Bulgaria, Romania, Ukraine, Russia, Georgia, and Turkey - and combines maritime spatial planning with integrated coastal zone management. Thus, in 2021 Bulgaria adopted the Marine Spatial Plan 2021-2035, which is to be updated every 10 years. It will allow us to make optimal use of the natural assets and resources in the Black Sea area and to create the preconditions for the development of all economic activities in compliance with environmental standards.

The Plan does not envisage any change in the permanent use of the coastal areas, nor any investment initiatives or new construction under the regulatory framework for spatial planning. On the other hand, we also propose to consider a model for the development of strategies to be financially secured.

Modeling the territorial development and connectivity of the Black Sea region in Bulgaria

Two possible approaches can be identified for the development and implementation of Black Sea development strategies. One can be called centralized, which is carried out from top to bottom as part of the planning and regulatory process in the implementation of policies and management of territorial development. This approach is guided by the state. For example, integrated territorial investment strategies, which take into account the specificities and problems of individual territories, are associated with this approach. The second approach is bottom-up. In this approach, local communities are important as they have the initiative and are the drivers of regional growth (Patachanov, 2016).

Examples of such practices are local initiative groups, which as a form of planning, organizing, and managing territorial development have serious potential. Here it is the place of the state to create the appropriate conditions, legal framework, institutional environment, and realistic, highly coherent strategic documents. It can be assumed that Integrated Territorial Investments (ITIs) are a product of the new way of thinking, planning, and approaching territorial development in the European Union (European Commission, 2015). They are associated with the so-called network approach to regulatory influence in territorial development, including in the Bulgarian state. In this case, all municipalities are struggling to attract investment and have developed their development strategies. And there is a deficit in an overall spatial development strategy to coordinate and plan the modeling of the territory. This is why we need to think through the prism of agglomeration areas. Therefore, a comprehensive concept of the spatial pattern and development could be developed, including common recreational and recreational areas, areas for logistics, areas for basing industries, administrative centers, and improving connectivity between different urban centers. In this case, we will also have a development strategy management that covers all municipalities. In this process, there is a need to accelerate the renewal of port infrastructure and technological facilities and to improve links with technical and transport infrastructure on the coast. There may also be insufficient control over marine aquaculture areas, installations, and facilities that pollute the marine environment and pose a risk to recreational activities at sea. This may also mean the need for additional surveys in remote areas of the water area to reduce conflicts with other activities.

In the medium term, it is necessary to achieve and maintain a good state of the marine environment and rich biodiversity in the marine areas of the Republic of Bulgaria. The most important marine ecosystem services and cultural values are restored and protected. Marine spaces can develop an innovative, competitive, and sustainable blue economy (EU, 2020). The Marine Spatial Plan ensures predictability and security in marine spaces, coordination and synergy between uses, and reduces harmful impacts from human activities. Collaboration between governance, science, and economy creates new knowledge and culture, services, and biotechnologies to support blue growth and improved the well-being of local communities. This means approaching the Black Sea as the development of a sub-region.

The perception of the territory of the Bulgarian Black Sea coast as a single and integrated region implies a change in the way of strategic thinking at the state level. This approach creates the necessity to amend the system of regionalization in the Republic of Bulgaria, which objectively needs to be updated by the changes in the territorial distribution of the non-population in the Bulgarian state. Looking at the Black Sea region as a whole allows us to outline the functional and territorial links between the different settlements. And this will help to cluster the Black Sea municipalities and identify the similarities and significant differences in assessing their socio-economic situation.

Such a sub-region could be formed between Burgas and Varna because both cities are large. Together they have about 600 thousand people. Provided they are connected by the Black Sea Motorway, they will form two poles and a very large area with strong geo-economic linkages. In this case, the sub-region is characterized by the presence of a few small towns, an underdeveloped, rural area, in which fisheries or agriculture is best developed. In such merged areas, dependence on the primary sector is very strong, which places limits on the potential for development.

Such are the villages between Varna and Burgas inland from the Black Sea coast. They are characterized by a poorly developed labor market, underdeveloped economic and industrial infrastructure, and services offered at a lower level. A new approach is therefore needed in such areas to help solve problems and create conditions for regional growth and territorial development. This will also create an opportunity for the sustainable development of local communities through coordinated management of marine uses in line with macro strategic development documents for the region (European Commission, 2015).

This will unlock the potential of marine spaces beyond the territorial sea and adjacent zone for knowledge addition, development of innovative technologies, and full use of the resources of the sub-region. This model can develop the inland spaces in such a way as to create the conditions for inextricably linking the whole territory with the favorable opportunities offered by the Black Sea for the prosperity of Bulgaria (available for any maritime state).

In Bulgaria, however, the processes are different. First of all, urban agglomerations are limited in size compared to those in Europe. They develop based on cities located on flat and fertile land, which limits their growth. Secondly, the formation of agglomerations has been accompanied by restrictive settlement measures in the largest and largest cities. Migrating populations settle in the surrounding settlements and only externally a suburbanization effect is created. The conditions for the emergence of agglomerations are the territorial proximity of settlements and the complex and diverse links between them (economic, social, transport, and cultural).

Within the Black Sea settlements, such stratification will mean more opportunities for the socio-economic development of the whole urban space and the possibility to establish secondary centers of development. The city is growing at the expense of urbanizing neighboring areas by building new satellite settlements or converting previously independent settlements into satellite ones. They are the location of various activities - industrial plants, manufacturing and commercial warehouses, science centers and technology parks, new residential areas, new recreational areas, etc.

Because most of the Black Sea municipalities are bordering or near the border, it is necessary to be able to foresee programs and strategies for the development of cross-border cooperation. This can be done by applying the model of implementing a development strategy through integrated territorial investments, which is aimed at improving the socio-economic condition of the border areas (Maritime Spatial Plan of the Republic of Bulgaria 2021-2035).

Traditionally, analyses have shown that border areas are underdeveloped and lag behind the interior of EU countries. Therefore, a targeted border territorial development policy should be pursued. A prerequisite, in this case, is that urban centers are located in the border area on both sides of the border. These cities must develop their potential and capacity for territorial and socio-economic development through a common strategy and planned investments. The integrated investments shall be planned in such a way that the two cities complement each other and in cooperation increase their investment attractiveness and competitiveness.

In the cross-border area between Bulgaria and Romania, cooperation needs to be strengthened. For example, between Kavarna and Mangalia, Balchik-Novodari, Varna, and Constanta, creating

conditions for the entry of integrated territorial investments in the cities, promoting common urban innovation actions and cross-border cooperation Interreg. In recent years, there has also been progress in the Bulgaria-Turkey program, which provides many opportunities for small border municipalities. Projects are being worked on to develop tourism infrastructure to boost the development of border regions (Marine Strategy for..., 2016).

The border location of the border areas in the Bulgarian Black Sea predetermines their difficult connection with the neighboring border areas (especially in the past). Served by a dead-end infrastructure, in the absence of BCPs, their deteriorated transport accessibility and broadband connectivity restricts the normal development processes. This is why there is often a dichotomy in solving similar problems between two neighboring districts and especially to implement different policies on similar problems due to the lack of an integrated approach and a consensus vision for spatial development from a regional scale (Patarchanov, 2016).

Regional policy is intended to have a focused and effective impact that is mutually supportive and complementary to the economic development of individual territorial communities by providing a clear and workable regulatory framework that generates security and stability for local economic actors. Regional development at the level of the region is thus called upon to implement a single integrated concept of regional development that excludes sectoral fragmentation. This means that between the cities such as Ahtopol, Tsarevo, Primorsko, Malko Tarnovo, and Bolyarovo it should be possible to create conditions for cooperation with counterpart cities on the Turkish side such as Karklarelili (Lozengrad), Chorlu, Ineada, and Demirkoy. In practice, for both districts, border crossings also have an impact on the degree of accessibility and connectivity to the transport networks of neighboring countries. This will undoubtedly lead to increased opportunities for transit traffic and the development of cross-border cooperation. There is a need to address the existing critical deficit of transport infrastructure both in terms of access to the regional center and intra-regional, inter-regional, and cross-border connectivity. The territorial development of the road network determines the possibilities of transport access of the population to the centers offering certain types of services (administrative, health, educational, cultural, etc.) In addition, we can also look for positive solutions in terms of the development of small municipalities, which would build models of regional economic integration between them, especially in the implementation of several common projects, capacity sharing, and building common infrastructure. For example, building a common medical center for long-term treatment between the municipalities of Tsarevo, Malko Tarnovo, and Primorsko, would allow the region to improve the quality of health care.

The need to develop a strategy for the Bulgarian Black Sea coast

In our opinion, in the Bulgarian context, both types of strategies should be used - strategies with local communities' initiative and spatial development through integrated territorial investments. This is because, according to expert assessment, the socio-economic development of the Black Sea municipalities is quite contrasting. The reasons are rooted both in the potential of the municipalities themselves, including their demographic characteristics, but apart from tourism in other sectors, investment in Black Sea municipalities lags (EU, 2020). The municipal centers and the two large cities of Varna and Burgas stand out to a significant extent in terms of their level of development. In practice, however, Burgas and Varna are leaders of the South-East and North-East planning regions respectively. This creates centrifugal processes towards the two cities and increases their area of gravity. In addition, both planning areas fall within the geographical reach of the Black Sea region.

This predetermines three important conditions in the drawing of the strategic framework for the development of the Black Sea. Firstly bringing the centrifugal potential of Varna and Burgas to

strong regional economic leaders, secondly creating a high level of connectivity between the towns of over 5 thousand people in the Black Sea gravity zone (up to about 80-100 kilometers from the coast) and thirdly orienting the economy of the coastal settlements towards the sea and creating a “maritime economy” that is at least 40%-50% of the main activity of the settlement. In this way, more permanently, local economic development will be embedded with the Black Sea and a model of sustainable coastal development will be set in practice. Of course, given the state of socio-economic processes in the country and the world, it is necessary to take into account internal to the country and external conditions when developing long-term development plans.

First and foremost, we must recognize that the formulation of a European Black Sea strategy and a financial instrument to ensure its implementation is essential. Secondly, the development of the Black Sea is directly linked geographically, transport-wise, economically, and strategically to the Three Seas Initiative. Thirdly, we must bear in mind the European Union Strategy for the Development of the Danube Region. All of this leads to the development of a credible model for an optimal transport infrastructure that includes rail, water, air, and road transport (EU, 2020).

For example, it is necessary to develop the airports in Balchik and Primorsko as alternatives to Burgas and Varna. Next, it is advisable to build new port complexes in all Black Sea settlements related to maritime and fisheries development in the region. These measures and activities should be justified in government documents and strategies. In this direction, it is also important to look for regional development opportunities through the Maritime Spatial Strategy of the Republic of Bulgaria and the Black Sea Spatial Planning Act. In the future, work could also be done on the elaboration of a more comprehensive Regional Strategy for the development of the Black Sea region in Bulgaria, which would be based on the concept of integrated territorial investments and linked to financial resources through a Black Sea Operational Programme (European Commission, 2015).

This approach, in our view, creates a real opportunity to achieve a higher degree of connectivity between the Black Sea municipalities, their specialization, complementarity, and support. With a common strategy, the specificities of the region can be taken into account. This will create the conditions for partnership between municipalities, as well as ending rivalry and the concentration of investment in just one or a few municipalities. In practice, over the next 15 years, the Bulgarian Black Sea coast has the opportunity to restructure and play an important role as part of the global Three Seas project, and this is Bulgaria's chance to develop the Bulgarian municipalities in the Black Sea region. Moreover, socioeconomic development and transport connectivity will be decisive in pulling the development of our territory towards a more worthy place for Bulgaria in the European Union. It is in this direction that Bulgaria should set new priorities and programs to strengthen our role in the Three Seas project. Through these projects, we will be able to ensure both cross-border infrastructure connectivity and funding for large-scale transport projects. And this circumstance can be a prerequisite for improving economic ties, transport, trade, and development not only for Bulgaria but also for the other countries of the Black Sea.

A good example of strategic planning and management is the joint project between Bulgaria and Romania for the joint long-term management of the coastal area (Cross-border Maritime Spatial Planning....., 2019). Such projects show that achieving synergies in the Black Sea region is possible through joint projects in the field of infrastructure, digital connectivity, development of a blue economy, joint terminals (e.g. the liquefied gas terminal in Alexandroupolis), and boosting maritime transport. An important project could be the construction of a Black Sea Ring to connect ports in the different Black Sea countries. This would improve connectivity and achieve integration between countries in the region.

The border position of the Black Sea is favorable in terms of development opportunities. The focus of regional development on it determines a significant potential for the Black Sea municipalities for economic and social cross-border cooperation. On the other hand, the development prospects of the Black Sea municipalities are very much related to the opportunities for integrating the Black Sea area as a strong regional economy with the creation of preconditions for the common use of resources, the creation of common tourism products, and business infrastructure. Also, their competitiveness to overcome competition in terms of attracting investments. This new strategic approach implies the development of a strategy for the Black Sea region in the Republic of Bulgaria based on integrated territorial investments. Such a strategy should focus on three directions - agglomeration development of municipalities, improvement of connectivity, and opening them to the sea. These three directions are linked through common planning, programming, regional specialization, and sharing of development resources.

The Black Sea municipalities are facing opportunities for the construction of industrial zones, modernization of airports, railway junctions, resorts, gas transmission networks, development of maritime industries, etc. These attempts at joint projects, and especially the construction of economic zones along the Black Sea, can be a major means of boosting economic growth at the regional level, having a beneficial impact on the local economy to generate capital and employment. The different levels of development of the municipal territories included in the cross-border Black Sea region, as well as the concept of polycentric development and urban influence, strongly influencing the programming and planning process in the Romanian part of the territory, will create an imbalance in scale on both sides of the border.

The Black Sea is a common border, but this is not enough for a monolithic and balanced cross-border cooperation between the Bulgarians and the Romanian part. On the other hand, it would allow for an increase in the population's income and the payment of more taxes, and thus a more reliable public sector. In this regard, it is important to develop a regional economy, but in a way that respects nature, without limiting the development of tourism or agriculture on the Black Sea coast. In practice, with the potential outlined, the Black Sea has every reason to be a regional economic leader in the European Union economy.

This article is part of the research project NI-5 / 2022, financed by the University of National and World Economy.

Conclusions

References

- Abuselidze, G., Mamaladze U., S (2019) Turkey Crisis and Its Impact on the Economy of the Black Sea Region, E3S Web Conf. 135 03077. <https://doi.org/10.1051/e3sconf/201913503077>
- Arzu, A. L., & Mehmetcik, H. (2017) Economic Regionalization and the Black Sea in a Comparative Perspective. *Marmara Üniversitesi Siyasal Bilimler Dergisi*, 5(Özel Sayı Nisan 2017), 33-45. <https://doi.org/10.14782/sbd.2017.54>
- Awad, A. (2019). Does economic integration damage or benefit the environment? Africa's experience. *Energy Policy*, 132, 991-999. <https://doi.org/10.1016/j.enpol.2019.06.072>
- Azhaman, I., Kambur, O., Pandas, A., Petryshchenko, N., & Serohina, N. (2021). Features of urban agglomerations formation in the system of the Black Sea region. In *SHS Web of Conferences* (Vol. 92, p. 07005). EDP Sciences. <https://doi.org/10.1051/shsconf/20219207005>
- Baier, S. L., Bergstrand, J. H., & Feng, M. (2014) Economic integration agreements and the margins of international trade. *Journal of International Economics*, 93(2), 339-350. <https://doi.org/10.1016/j.jinteco.2014.03.005>
- Baier, S., Boubakri, S., & Guillaumin, C. (2015) Regional integration of the East Asian stock markets: An empirical assessment. *Journal of International Money and Finance*, 57, 136-160. <https://doi.org/10.1016/j.jimonfin.2015.07.011>
- Bergstrand, J. H., & Clance, M. W. (2018) Heterogeneous effects of economic integration agreements. *Journal of Development Economics*, 135, 587-608. <https://doi.org/10.1016/j.jdeveco.2018.08.014>

- Bergstrand, J. H., Larch, M., & Yotov, Y. V. (2015) Economic integration agreements, border effects, and distance elasticities in the gravity equation. *European Economic Review*, 78, 307-327. <https://doi.org/10.1016/j.euroecorev.2015.06.003>
- Börzel, T. A., & Risse, T. (2019) Grand theories of integration and the challenges of comparative regionalism. *Journal of European Public Policy*, 26(8), 1231-1252.7. <https://doi.org/10.1080/13501763.2019.1622589>
- Cheng, Y. S., Loo, B. P., & Vickerman, R. (2015) High-speed rail networks, economic integration and regional specialization in China and Europe. *Travel Behaviour and Society*, 2(1), 1-14. <https://doi.org/10.1016/j.tbs.2014.07.002>
- Cross-border Maritime Spatial Planning for Black Sea, Bulgaria and Romania, 2019 - 2021.
- Dabrowski, M. (2010) The global financial crisis: Lessons for European integration. *Economic systems*, 34(1), 38-54. <https://doi.org/10.1016/j.eco-sys.2010.01.002>
- EU (2020) Joint paper on Interreg NEXT Strategic Programming 2021 - 2027.
- European Commission (2015) Scenarios for Integrated Territorial Investments. Brussels.
- Hanf, K., & Soetendorp, B. (2014). *Adapting to European integration: small states and the European Union*. Routledge. <https://doi.org/10.4324/9781315842431>
- Huh, H. S., & Park, C. Y. (2018) Asia-Pacific regional integration index: Construction, interpretation, and comparison. *Journal of Asian Economics*, 54, 22-38. <https://doi.org/10.1016/j.asieco.2017.12.001>
- Internet Access: <https://jomsa.science/index.php/jomsa>
- Ioannou, D., Leblond, P., & Niemann, A. (2015) European integration and the crisis: practice and theory. *Journal of European Public Policy*, 22(2), 155-176. <https://doi.org/10.1080/13501763.2014.994979>
- Jones, E., Kelemen, R. D., & Meunier, S. (2016) Failing forward? The Euro crisis and the incomplete nature of European integration. *Comparative political studies*, 49(7), 1010-1034. <https://doi.org/10.1177/0010414015617966>
- Khokrishvili, E., & Lebanidze, B. (2022) Georgia and the Black Sea: Risks, Resilience and Opportunities. *Zeitschrift für Außen-und Sicherheitspolitik*, 15(2-3), 189-200. <https://doi.org/10.1007/s12399-022-00913-9>
- Koh, S. G., & Kwok, A. O. (2017) Regional integration in central Asia: rediscovering the silk road. *Tourism management perspectives*, 22, 64-66. <https://doi.org/10.1016/j.tmp.2017.01.002>
- Kutan, A. M., & Yigit, T. M. (2007) European integration, productivity growth and real convergence. *European Economic Review*, 51(6), 1370-1395. <https://doi.org/10.1016/j.ecosys.2009.03.002>
- Liu, S., & Feng, X. (2020) Spatial-Temporal Evolution Characteristics and Influencing Factors of the China-Black Sea Economic Cooperation Trade. In *IOP Conference Series: Earth and Environmental Science* (Vol. 428, No. 1, p. 012035). IOP Publishing. <https://doi.org/10.3390/land11010013>
- Lyratzopoulou, D., & Zarotiadis, G. (2019). Urbanization in the Black Sea Ports: An Empirical Analysis. *Int J Econ Manag Sci*, 8(562), 2. <https://www.hilarispublisher.com/open-access/urbanization-in-the-black-sea-ports-an-empirical-analysis.pdf>
- Ma, S. (2022) Growth effects of economic integration: New evidence from the Belt and Road Initiative. *Economic Analysis and Policy*, 73, 753-767. <https://doi.org/10.1016/j.eap.2022.01.004>
- Marine Strategy for Environmental Protection in the Marine Waters of the Republic of Bulgaria. Decision of the Council of Ministers No. 1111/29.12.2016.
- Maritime Spatial Plan of the Republic of Bulgaria 2021-2035.
- Nguyen, C. P., & Su, T. D. (2021) Economic integration and economic complexity: The role of basic resources in absorptive capability in 40 selected developing countries. *Economic Analysis and Policy*, 71, 609-625. <https://doi.org/10.1016/j.eap.2021.07.001>
- Obasaju, B. O., Olayiwola, W. K., Okodua, H., Adediran, O. S., & Lawal, A. I. (2021) Regional economic integration and economic upgrading in global value chains: selected cases in Africa. *Heliyon*, 7(2), e06112. <https://doi.org/10.1016/j.heliyon.2021.e06112>
- Patachanov, P., Patachanova, E. (2019) *Contemporary Theory and Methodology in Studies and Development Models of Peripheral Areas*. 95-100.
- Rekiso, Z. S. (2017) Rethinking regional economic integration in Africa as if industrialization mattered. *Structural Change and Economic Dynamics*, 43, 87-98. <https://doi.org/10.1016/j.strueco.2017.10.001>
- Song, Y., Huang, R., Paramati, S. R., & Zakari, A. (2021). Does economic integration lead to financial market integration in the Asian region?. *Economic Analysis and Policy*, 69, 366-377. <https://doi.org/10.1016/j.eap.2020.12.003>
- Stan, M. I., Filip, C., Vintilă, D. F., & Țenea, D. D. (2017) The impact of maritime spatial planning on the de-

velopment of the Black Sea. *Ovidius University Annals of Constanta-Series Civil Engineering*, 19(1), 29-35. <https://doi.org/10.1515/ouacsce-2017-0003>

Tsonkov, N. (2023) On the necessity of shaping Bulgarian national interests in terms of global uncertainty. *International Journal on Information Technologies and Security*, vol.15, no.2, pp. 109-120. <https://doi.org/10.59035/RDXF8060>

UNESCO (2021) UNESCO Science Report: The race against time for smarter development.

Vladova, G., & KNIELING, J. (2014) Potential and challenges for the Black Sea regional cooperation. *Eastern Journal of European Studies*, 5(1), 39.

Wiener, A. (2019). *European integration theory*. Oxford University Press. <https://doi.org/10.1093/hepl/9780198737315.001.0001>

KAMEN PETROV

Prof., PhD

University of National and World Economy

Fields of interests

Regional development, geoeconomics, urbanism, city development, geodemography, regional policy

Address

Students District, 19 December 8th str.,
1700 Sofia, Bulgaria
+359 888 617 850

petrovkamen@abv.bg

ORCID ID: 0000-0002-6295-0664

NIKOLAY TSONKOV

Associated Prof., PhD

University of National and World Economy

Fields of interests

Regional development, geoeconomics, smart development, city development, regulatory policy, emerging markets, regional development, economic security of regions

Address

Students District, 19 December 8th str.,
1700 Sofia, Bulgaria
+359 888 241 031

kolio_tzonkov@abv.bg

ORCID ID: 0000-0002-9169-6511

About the authors

