ŁUKASZ LEWKOWICZ  
Institute of Political Sciences and Administration,  
Maria Curie-Skłodowska University, Poland

Format of Regional Cooperation *in Statu Nascendi*:  
Origins and Functioning of the Three Seas Initiative in Central Europe

The Three Seas Initiative (3SI) is a relatively young format of regional cooperation in Central Europe. It is an example of multilateral diplomacy carried out by heads of state. The main goal of 3SI’s activity is the development of energy, transport and digital infrastructure in the region. In recent years, the extension of the subjective and objective scope of the Three Seas cooperation has been noticeable. The governments of the Initiative countries are becoming more and more important, while the business, expert and social components are strengthening. External actors with the status of observer or participating partner are also of strategic importance for the functioning of 3SI: the US, the European Commission, Germany and Ukraine. The aim of the article is to analyze the origins and functioning of 3SI in the years 2016-2022.

Key words: Three Seas Initiative, regional cooperation, Central Europe

Introduction

The Three Seas Initiative (3SI) is a relatively young format of regional cooperation in Central Europe. It was established at the Dubrovnik summit in 2016. It consists of 12 countries of the region, which are also members of the European Union: Austria, Bulgaria, Croatia, the Czech Republic, Estonia, Hungary, Lithuania, Latvia, Poland, Romania, Slovakia and Slovenia. It is an area with significant political, demographic and economic potential. The territory of 3SI covers almost 30% of the territory of the EU. 112 million people (25% of the EU population) live in the countries of the Three Seas Initiative and produce about 20% of the EU’s GDP, measured by purchasing power parity (PPP). The initiators of the new format were the President of Croatia Kolinda Grabar-Kitarović and the President of Poland Andrzej Duda. From the beginning, Poland has been the main promoter of the development of the Three Seas cooperation. 3SI, although sometimes associated with the idea of Intermarium, differs fundamentally from the concept pushed by Polish diplomacy in the interwar period and in the political thought of the anti-communist opposition. The purpose of the format is primarily economic cooperation in the areas of: energy, logistics and transport and digital in Central Europe. 3SI is still an *in statu nascendi* project, which in 2016-2022 evolved from conceptual activities towards implementation.
activities. A breakthrough in the functioning of the Initiative took place at the Buchurest summit in 2018, when a list of priority projects was submitted and the intention to establish the Three Seas Fund was announced. During this period, the European Commission and Germany began to show greater interest in the project.

The purpose of the publication is to analyze the origins and functioning of the Three Seas Initiative. The chronological scope of the research covered the years 2016–2022. The initial turning point was marked by the establishment of 3SI at the Dubrovnik summit, while the final turning point was the last Initiative summit in Riga in June 2022. Some fragments of the work relating to the origins of regional cooperation also covered earlier years. With the subject of the publication formulated in this way, the problem structure turned out to be the most useful. The first part of the text summarizes the history of regional cooperation in Central Europe. Then, the genesis and development of the Three Seas Initiative were presented. The goals and the most important initiatives implemented within the cooperation format were subjected to a detailed analysis. The following research methods and techniques were used in the work: genetic method, document analysis, qualitative content analysis.

**Origin of regional cooperation in Central Europe**

Regional cooperation in Central Europe has a very long and rich tradition. Its origins can be traced back to the period of the first Polish-Lithuanian union, and then to the functioning of the Jagiellonian block of states at the turn of the 15th and 16th centuries, including the Kingdom of Poland, the Grand Duchy of Lithuania, the Kingdom of Hungary and the Kingdom of Bohemia. Within its framework there are also political initiatives undertaken during the several decades of splendor of the Polish-Lithuanian Commonwealth, which include: the Polish-Swedish personal union, expansion towards the Danube and the Black Sea (short-term subordination of Moldavia and Wallachia) or plans for war pushed by King Władysław IV with the Ottoman Empire and the liberation of the Balkans from Turkish rule. The idea of Poland as a strong state organizing the areas of the former Jagiellonian monarchies was revived in the 20th century. Its most outstanding representatives were, among others, Adolf Bocheński, who presented his concept in a book published in 1937 entitled *Between Germany and Russia*, and Józef Piłsudski, who made an unsuccessful political and military attempt to implement the Intermarium concept, which assumed the consolidation of Central and Eastern European countries. It was supposed to be a counterbalance to the imperial tendencies of Russia (USSR) and Germany. One of the Hungarian politicians, Oszkár Jászi, proposed building a Danubian federation on the ruins of Austria-Hungary. Several interesting concepts assuming the federalization of this part of Europe were created in exile during World War II. In the years 1939-1943, the governments of Władysław Sikorski and Edvard Beneš conducted talks on the establishment of a Polish-Czechoslovak confederation. The idea of creating a Central European federation after the war was also promoted by the Czechoslovak politician and journalist Milan Hodža in his 1942 publication entitled *Federation in Central Europe. Reflections and Remiscences*. During the period of communist Poland, the concept of Intermarium was revived in the activities of some opposition organizations. The postulate of
future cooperation between the countries of Central and Eastern Europe was included, among others, in the Declaration of Ideology of the Young Poland Movement of 1979 and was present in the political thought of the Confederation of Independent Poland, established in the same year (Sienkiewicz 2016, pp. 140-141; Lewkowicz 2016, pp. 151-164; Lewkowicz 2013, pp. 414).

After the fall of communism, new formats of regional cooperation began to emerge in Central Europe. The most important of them was the Visegrad Triangle established on February 15, 1991 (after the dissolution of Czechoslovakia in 1993, the Visegrad Group, V4), whose main goal from the beginning was to deepen cooperation between the Czech Republic, Poland, Slovakia and Hungary. In the first years of its activity, the Visegrad format also contributed to the integration of member states with the EU and NATO. In order to strengthen the social component, the International Visegrad Fund (IVF) with its seat in Bratislava was established in 2000. In 2014-2015, the Russian Federation attacked Ukraine and the biggest migration crisis in the history of the EU took place. In such a turbulent international environment in Central Europe, there has been a certain revival in the sphere of regional cooperation. In January 2015, Austria, the Czech Republic and Slovakia adopted the Slavkov Declaration, giving rise to the Slavkov Triangle, and in November 2015, on the initiative of the presidents of Poland and Romania, the Bucharest Nine (B9) was established to strengthen military cooperation within NATO, between nine countries of the Alliance’s eastern flank (Poland, Romania, Estonia, Lithuania, Latvia, Slovakia, the Czech Republic, Hungary and Bulgaria). In turn, the V4 increased its activity on the international scene at that time, taking a common position on the migration crisis (Lewkowicz 2017, pp. 407-422; Pawłowski 2020; Kałan 2015).

Creation and development of the Three Seas Initiative

Nowadays, the idea of Intermarium was returned to during the first governments co-created by Law and Justice (PiS) in 2005–2007 and during the presidency of Lech Kaczyński, which ended with his tragic death in 2010. Polish foreign policy in this period focused on building relations on the North-South axis, decisive support for Ukraine’s pro-Western aspirations, and activity in the post-Soviet area. At the same time, these activities were accompanied by efforts to strengthen relations with the United States, ruled at that time by the administration of President George W. Bush. The US was to support the implementation of Polish plans for Central and Eastern Europe, which were to a large extent aimed at developing energy cooperation in the form of infrastructural projects enabling the diversification of hydrocarbon supplies to Poland. This policy was weakened after PiS lost the elections and dismissed the government of Jarosław Kaczyński, and then extinguished after the death of President L. Kaczyński (Sienkiewicz 2016, p. 141).

The authors of the renewed concept of Intermarium - the Three Seas Initiative - are considered to be the presidents of Poland and Croatia, Andrzej Duda and Kolinda Grabar-Kitarović. They both took office as head of state in 2015, winning the elections as candidates of centre-right parties. They held preliminary talks on regional cooperation in Cracow and on the occasion of the 70th session of the United Nations General Assembly in New York in September 2015. However,
3SI was formally launched at the First Summit of the Three Seas Initiative on August 25-26, 2016, in Dubrovnik, Croatia. During the forum on *Strengthening Europe: Connecting North and South*, on August 25, the *Joint Declaration on the Three Seas Initiative* (commonly known as the Dubrovnik Declaration) was adopted there. The meeting was attended by representatives of twelve 3SI founding countries (Austria, Bulgaria, Croatia, the Czech Republic, Estonia, Hungary, Lithuania, Latvia, Poland, Romania, Slovakia, Slovenia). The diplomatic rank of the summit in Dubrovnik was enhanced by the presence of representatives of the USA, China and Turkey. At the same time, representatives of the EU, Germany and France were absent. In the Dubrovnik Declaration, 3SI was defined as an “informal platform” for regional cooperation. The founding document did not mention the establishment of formal structures, but two main goals of the Initiative were distinguished: striving to develop economic cooperation and strengthening the EU as a whole (Kowal, Orzelska-Stączek 2019, pp. 56-57).

Since 2016, the annual summits of heads of state have set the directions for the activities and development of 3SI. After Dubrovnik, another meeting was held in 2017 in Warsaw, with the participation of US President Donald Trump. His arrival testified to the support of the American side for the Three Seas Initiative and changed the importance of this regional project. At the same time, for political reasons, the formula of the 3SI summits was narrowed down and representatives of China and Turkey were not invited. The aftermath of the Warsaw meeting was also the Three Seas Regions Forum organized in the summer of 2018 (so far, three editions of the Forum have been held in 2018, 2021 and 2022). The third summit in 2018 in Bucharest was a breakthrough for the functioning of the Initiative. In the Romanian capital city, support for 3SI was expressed for the first time by the European Commission and Germany, where the decision to establish the Three Seas Initiative Investment Fund (3SIIF) was also taken. In addition, a list of priority projects was adopted in Bucharest and the first edition of the 3SI Business Forum was organized in parallel to the meeting of presidents. The Fund was launched in 2019 at the Ljubljana Summit. During the Slovenian summit, the state of implementation of multilateral and bilateral projects adopted at the meeting in Romania was also evaluated. The next summits were held in 2020 in Tallinn and in 2021 in Sofia. Due to the ongoing pandemic, the Estonian meeting was held in a hybrid formula. A meeting of government plenipotentiaries for 3SI, usually in the rank of deputy foreign ministers, was organized there, and the development of digital cooperation was also discussed. On the other hand, in Bulgaria there was a sharp increase in the number of projects planned for implementation under the Three Seas Initiative (from 48 to 90). In order to dynamise economic cooperation, investment agencies also signed agreements on the creation of innovation support networks, and chambers of commerce of the 3SI countries - on their own cooperation network.

The subject scope of the Three Seas cooperation was also extended by inaugurating the 1st Three Seas Parliamentary Forum. The last, seventh 3SI summit was held in 2022 in Riga, where, among others, special status was granted to Ukraine, and the US announced financial support for the Three Seas Fund. A few weeks before the Latvian summit, the social component was strengthened through the organization of the 3SI Civil Society Forum. Currently, Germany, the US, Ukraine, the European Commission, the European Investment Bank, the European Bank for Reconstruction and Development and the World Bank have observer status in 3SI (Lewkowicz, Gołębiowska 2022a; Orzelska-Stączek, Ukielski 2020, pp. 50-52; Żornaczuk et al. 2021 ).
The functioning of the Three Seas Initiative

The most important documents that define the goals of the Three Seas Initiative are the declarations from the individual summits in 2016-2022. The objectives were also presented on the official website of this cooperation format (http://three-seas.eu/). It should be emphasized that 3SI is not a classic international organization, which means that there is no legally binding document, e.g. a statute, that would clearly define its goals. There is also no secretary-general or other officials who could represent and speak on behalf of this cooperation format. The lack of institutionalization hinders a broader analysis of its goals, decision-making mechanisms and functioning. Based on official 3SI documents, it should be stated that this is an intra-EU group whose main declared goal is to strengthen infrastructural, energy and economic cooperation between the Baltic, Adriatic and Black Seas, which is intended to strengthen EU cohesion (Kowal, Orzelska-Stączek 2019, pp. 75-77).

The key instrument of cooperation under the Three Seas Initiative is currently the Three Seas Fund. It was established to finance commercial infrastructure investments in the Central European region in three sectors: energy, transport and digital technologies. The initiator and originator of the Fund was Bank Gospodarstwa Krajowego (BGK). The signing of a letter of intent by six Initiative countries (Croatia, the Czech Republic, Latvia, Poland, Romania and Slovakia) regarding the establishment of the Fund took place in September 2018 during the Business Forum accompanying the summit in Bucharest. Luxembourg, one of the most important financial centers in the world, was chosen as the place of registration for 3SIIF. Activity under Luxembourg law is to increase the Fund’s credibility in the eyes of potential investors and make it more neutral towards the current political situation in the countries of the region. The founding countries of 3SIIF are Poland and Romania represented, respectively, by BGK and Banca de Export-Import a Romaniei (Eximbank Romania). 3IIF is used to raise funds for the implementation of projects involving at least three countries of the Three Seas Initiative. The source of financing will be state and international capital institutions, which will contribute to the fund with a target value of EUR 5 billion. Of the twelve countries of the Initiative, nine belong to the Fund - Austria, the Czech Republic and Slovakia remain outside. Poland contributed the largest contribution of EUR 750 million, Slovenia - EUR 23 million, and the other countries - EUR 20 million each, i.e. at the lowest possible level. At the summit in Riga, the American side declared a contribution to the Fund in the amount of USD 300 million. The total value of priority projects (currently there are 90 of them) amounts to approx. EUR 181 billion, while the investment needs in the area of the Three Seas Initiative are estimated by the International Monetary Fund at least EUR 1.15 trillion (Wilczek, Rudowski 2021).

Another example of tightening economic cooperation within 3SI is the creation of a common stock market index. The CEEplus index, called the Three Seas Index, was launched in September 2019 during the Economic Forum in Krynica. The letter of intent in this matter was signed by the presidents of stock exchanges from the Visegrad Group countries as well as Croatia, Romania and Slovenia. It was decided that the largest stock exchange in the region, i.e. the Warsaw Stock Exchange, would be responsible for the calculation and publication of the CEEplus index. To prevent Polish companies from dominating the index, a limit has been set – the weight of
companies from one country cannot exceed 50%. In addition, the weight of the largest company was limited to 10%, and the sum of companies weighing more than 5% to 40%. The main criterion for qualifying companies to the index was the liquidity of shares (average turnover per session in six months over EUR 90,000). Currently, the index includes 114 of the most liquid companies listed on the markets of the stock exchanges in Warsaw, Prague, Budapest, Zagreb and Bucharest. The stock exchanges in Bratislava and Ljubljana also see the prospect of joining. In this way, the Three Seas Initiative gained a tool that can help achieve recognition and attractiveness in the eyes of investors. It should be remembered that stock market indices are indicators illustrating the trends occurring in the markets. CEEplus will therefore provide authoritative knowledge about the potential of 3SI countries. So far, “fragmentation”, i.e. a large number of relatively small countries in the region, has not been conducive to attracting capital. And it is needed - especially for investments in more innovative, and thus also more risky, ventures. Thanks to CEEplus, the voice of stock exchanges from Central and Eastern Europe will also be better heard in the debate on capital markets in the EU. The promotion of the TSI exchange involved, among others, the largest insurance company in Poland - PZU, which at the beginning of 2020 launched the first financial product based on the Three Seas Index - a passive fund managed by TFI PZU. PZU also actively participated in promoting the potential of companies in the region during the World Economic Forum, an event attracting the best business and political leaders in the world (Gołębiowska 2020).

At the summit in Bucharest, a catalog of priority projects was adopted for the development of the infrastructure of the 3SI countries. In the field of infrastructure, the main communication axis of the twelve Initiative countries is to be the Via Carpatia. This route runs along the eastern border of the EU, crossing routes connecting Western Europe with Russia. Via Carpatia is to improve road crossings from the Lithuanian port of Klaipeda to Thessaloniki in Greece, connecting Lithuania, Poland, Slovakia, Hungary, Romania, Bulgaria and Greece. The idea of creating Via Carpatia was born in 2006 in Łańcut, Poland, at a meeting of the Ministers of Transport of Lithuania, Poland, Slovakia and Hungary, who, under the patronage of the President of Poland, Lech Kaczyński, adopted the Łańcut Declaration. In 2010, at the next meeting in Łańcut, Romania, Bulgaria and Greece joined the initiative. In Poland, Via Carpatia coincides with the S19 expressway. After the 3SI summit in Warsaw in 2017, the Ministry of Infrastructure presented the exact, planned route of the S19 expressway from the northern border of the country through Białystok, Lublin and Rzeszów to the Polish-Slovak border in Barwinek. Currently, Poland, together with some 3SI countries, as well as Moldova and Ukraine, is applying for a revision of the Trans-European Transport Networks (TEN-T) and adding Via Carpatia to it. Basically, this project is implemented by individual countries on their own and is at very different stages of implementation - the section in Hungary has been completed at present, advanced work is underway in Poland, the situation is worse, for example, in Slovakia (Ukielski 2018, pp. 45-58; Przybylski 2022). In the case of Via Baltica, the transport route is to connect the north-eastern regions of Poland with the Baltic States. The Polish section will run first on the S8 expressway from Warsaw to Ostrów Mazowiecka, and then on the S61 expressway through the ring road of Łomża, Elk and Suwałki, to the Polish-Lithuanian border. Currently, works in Poland are at the halfway point (200 km of the route are passable). In the Baltic states, however, the construction
of the Via Baltica road is slower. Key sections, such as the Riga bypass, are planned for completion after 2030. Also after 2030, the section from the Latvian-Lithuanian border to Panevėžys is expected to be rebuilt, and the central section from Panevėžys to Kaunas is to be rebuilt after 2025 (Sienkiewicz 2016, p. 149; Kwinta 2022).

In terms of energy security, the planned North-South gas corridor is to connect the LNG terminal in the Polish port of Świnoujście, which was opened in 2015, and the Baltic Pipe with the Adria LNG terminal on the island of Krk in Croatia. In October 2013, the European Commission granted this investment the status of a Project of Common Interest (PCI), which was extended in subsequent years. At the beginning of May 2022, the Polish-Lithuanian GIPL gas pipeline was officially opened. In August this year, the transmission of gas via the Poland-Slovakia interconnector was launched, and in October the Baltic Gas pipeline will start operating, which will transport gas from Norway to Poland. Intergovernmental talks on the launch of the Polish-Czech Stork II gas pipeline were also resumed (Lewkowicz, Gołębiowska 2022b). The least developed within 3SI is the digital plane. In 2018, only two projects of this type were launched - one concerning the organization of the Three Seas Forum of „smart cities”, and the other the construction of an autonomous vehicle testing zone. Other projects are at the initial planning stages without a specific implementation schedule and estimated costs. Among them was a proposal submitted by Poland to create a „digital highway”, i.e. connecting 3SI countries with a secure fiber optic network and basing data transfer on fifth generation (5G) mobile technologies (Wiśniewski 2018).

Conclusion

Undoubtedly, the Three Seas Initiative is still an in statu nascendi regional cooperation project. Its current functioning is determined by the agenda of the last 3SI Summit in Riga. In the declaration summarizing the summit, the economic nature of the Initiative was upheld. The Latvian side declared support for the activities of the chambers of commerce, whose meeting was held as part of the Business Forum. The 3SI countries in Riga also reaffirmed their support for Ukraine’s bid for EU membership and granted the country the status of a participating partner in the Initiative. Ultimately, this will enable Ukraine’s participation in the Three Seas infrastructure and energy projects, and to help rebuild this country after the end of the war. During the summit in Latvia, the Americans, who have observer status in this format, also recalled their involvement in 3SI. At the Business Forum, the American development agency DFC confirmed its contribution to 3SIIF worth USD 300 million.

The next, eighth 3SI Summit will take place in 2023 in Bucharest. Romania will host it for the second time. The first summit took place in 2018 and was a breakthrough for the entire Initiative - as part of it, a list of priority projects was submitted and for the first time the participants were representatives of the European Commission and Germany. The Romanian vision of the Three Seas Cooperation is based on strengthening transatlantic ties and the security of NATO’s eastern flank. During this year, a special focus on the economic and military importance of the Black Sea can be expected. Undoubtedly, the issue of ending the Russian-Ukrainian war and rebuilding Ukraine will be important elements of the agenda of the next 3SI summit.
One of the ideas to improve the activities of 3SI may be the institutionalization of this format. So far, the countries that organized the Initiative’s summit in a given year were the most involved in the functioning of 3SI. They include e.g. Croatia, Poland, Romania, Bulgaria. At the same time, some countries participating in 3SI were not interested in organizing a meeting of heads of state - Austria, the Czech Republic, Slovakia and Hungary had such an ambivalent attitude towards the Three Seas cooperation. Moreover, the previous quasi-presidencies were not very rich in events that could promote the cooperation format. The creation of a secretariat in one of the 3SI countries (or possibly the organization of a mobile secretariat) would make it possible to organize the organization of summits, facilitate meetings for politicians, businessmen and experts, and would also allow for more effective promotional activities within 3SI itself and on the international arena.

Bibliography


LEWKOWICZ, Łukasz – GOŁĘBIOWSKA, Marlena (2022b). Szczyt Inicjatywy Trójmorza w Rydze w cieniu wojny rosyjsko-ukraińskiej [online] In Komentarze IEŚ, 06.06.2022. Available at: https://ies.lublin.pl/komentarze/szczyt-inicjatywy-trojmorza-w-rydze-w-cieniu-wojny-rosyjsko-ukraińskiej/.


