STAKEHOLDERS AND SUSTAINABILITY IN THE BALKAN WINE INDUSTRY: A MAPPING APPROACH TO GOVERNANCE

Tamara Kaftandjieva
School of Economics and Business,
University of Ljubljana, Slovenia
tamara.kaftandzieva@gmail.com

Metka Tekavčič
School of Economics and Business,
University of Ljubljana, Slovenia
metka.tekavcic@ef.uni-lj.si

ABSTRACT
The Balkan wine industry, dominated by small and medium-sized enterprises (SMEs), faces increasing pressure to adopt sustainability practices, yet efforts remain fragmented due to misaligned stakeholder interests and weak governance coordination. This paper applies stakeholder mapping to identify key actors, relationships, and governance levers influencing sustainability across Slovenia, Serbia, and North Macedonia. Using eight semi-structured interviews, document analysis, and triangulation through policy review, the study constructs a stakeholder map based on power, interest, and feasibility dimensions. Stakeholders were classified as internal or external and positioned within a power–interest matrix using qualitative coding and document triangulation. Findings reveal four clusters: Key Players, Context Setters, Subjects, and Minimal Stakeholders, whose interactions shape governance outcomes. Misalignments emerge between policy ambition and SME capacity, between market power and sustainability incentives, and between fragmented institutional levels. The analysis highlights how high interest often fails to produce action when feasibility is constrained. The study contributes a region-specific governance roadmap that links stakeholder alignment with actionable policy levers. It provides insights into how SMEs, associations and policymakers can strengthen coordination, integrate demand-side incentives and accelerate sustainability transitions in the Balkan wine value chain.

Keywords: *Stakeholder mapping; Power–interest matrix; Wine value chain; Sustainability governance; Balkan region; Small and medium-sized enterprises (SMEs); Stakeholder clusters; Value chain governance*

Jel Classification: *Q56*

1. INTRODUCTION

Sustainability integrates environmental, economic, and social dimensions of development, requiring a balance between ecological responsibility, competitiveness, and social equity (Elkington and Rowlands, 1999; Lozano, 2008). In the agri-food sector, sustainability transitions depend on governance mechanisms that reconcile diverse stakeholder expectations and align private incentives with public goals (Reed *et al.,* 2009; Alonso, 2016; Gilinsky *et al.,* 2016; Probst *et al.,* 2021). Within the European Green Deal and the Common Agricultural Policy (CAP), sustainability now underpins rural development priorities, yet implementation remains uneven across small and medium-sized enterprises (SMEs), particularly in emerging wine regions such as the Balkans (Erjavec *et al.,* 2021; Martins *et al.,* 2022). The wine industry offers a valuable lens for studying these governance challenges because it combines local production, cultural heritage, and export orientation (Baiano, 2021).

Western European regions, such as Bordeaux, Tuscany, and Rioja, have progressed through coordinated certification schemes, collective branding, and strong policy–industry interfaces. In contrast, Balkan producers operate in fragmented institutional settings with limited cross-border coordination and uneven policy enforcement (Mariani and Vastola, 2015; Merli *et al.,* 2018). Although SMEs preserve local identity, maintain rural employment, and sustain cultural landscapes, they face persistent financial, informational, and administrative barriers that hinder the adoption of sustainability practices (Flores and Medeiros, 2019; Licastro and Sergi, 2021; Lozano, 2008; Reed *et al.,* 2009). Research on the Balkan wine sector remains scarce and primarily descriptive, focusing on competitiveness and exports rather than stakeholder alignment or governance (Santini *et al.,* 2013). There is little comparative evidence on how sustainability is interpreted along the value chain or how governance mechanisms can strengthen coordination across multiple actors.

This paper addresses that gap by applying a stakeholder-mapping approach to identify how power, interest, and feasibility interact across the Balkan wine value chain. It examines Slovenia, Serbia, and North Macedonia, countries with shared viticultural traditions but differing institutional capacities. The study links institutional and market dynamics to policy design and practice, identifying where misalignments occur and which governance levers could realign stakeholder incentives.

Accordingly, this paper addresses three research questions: (1) Which stakeholders influence or are affected by sustainability, and how do their power, interest, and feasibility differ?; (2) Where do misalignments between power and interest create barriers to implementation?; (3) Which governance mechanisms could support feasible, SME-sensitive sustainability transitions? The paper contributes in two ways. First, it extends stakeholder mapping to a post-transition, SME-based wine sector where informal networks and limited institutional capacity shape sustainability differently from Western European regions. Second, it develops an actionable governance roadmap that identifies priority interventions, responsible actors, and short-term feasibility for SMEs.

2. LITERATURE REVIEW

2.1. Stakeholder Theory and Sustainability

Stakeholder theory shifts the focus from shareholders to all actors who affect or are affected by organisational outcomes (Freeman, 2010). Stakeholder salience depends on power, legitimacy, and urgency (Mitchell *et al.,* 1997). In sustainability transitions, outcomes depend not only on technology or policy but also on negotiation among actors with conflicting interests and asymmetric power (Bansal, 2005; Dyllick and Hockerts, 2002).

In food and agricultural sectors, sustainability is shaped by supply chain complexity, territorial embeddedness, and cultural identity (De Steur *et al.,* 2016). However, most studies focus on large-scale Western European contexts and overlook SME-based, post-transition economies (Dodds *et al.,* 2013; Gabzdylova *et al.,* 2009). Scholars argue that stakeholder theory must account for place-based and cultural dimensions when applied to sectors such as wine (Mariani and Vastola, 2015; Flores and Medeiros, 2019).

2.2. Stakeholder Mapping Approaches

Stakeholder mapping operationalises stakeholder theory by classifying actors according to their influence and interest. The power–interest matrix is widely used, dividing stakeholders into high power/high interest, high power/low interest, low power/high interest, and low power/low interest groups (Ackermann and Eden, 2011). This framework helps identify engagement priorities and governance gaps.

Recent literature emphasises that mapping is not only diagnostic but also collaborative. Sandroni *et al.* (2022) describe stakeholder mapping as a transdisciplinary practice fostering shared understanding among scientists, policymakers, and communities. Monticone *et al.* (2024) show how network structure and actor centrality shape innovation diffusion across food supply chains. Similarly, Van den Akker *et al.* (2024) find that powerful institutions in precision agriculture can delay sustainable practices. These studies illustrate that mapping can expose governance imbalances where actors with the highest stakes lack decision-making power, while those with structural power may have low interest in sustainability.

2.3. Sustainability in the Wine Industry

Research on wine sustainability spans environmental, social, and economic dimensions. Environmental studies quantify carbon and water footprints (Schäufele and Hamm, 2017), agrochemical impacts (Corbo *et al.,* 2014), and climate-change risks (Mozell and Thach, 2014). Economic analyses explore the relationship between sustainability capabilities and performance (Annunziata *et al.,* 2018; Broccardo and Zicari, 2020), while social research examines community engagement and labor conditions (Santini *et al.,* 2013). Because wine production is embedded in territory and culture, sustainability also involves maintaining identity and heritage (Flores, 2018; Mariani and Vastola, 2015). Consumers increasingly value authenticity and ethical production (Schäufele and Hamm, 2017), creating potential competitive advantages.

Western European wine regions have developed structured sustainability frameworks through certification systems, cooperative governance, and public support (Annunziata *et al.,* 2018; Merli *et al.,* 2018). In contrast, Balkan regions face fragmented institutions, limited incentives, and inconsistent regulation (Licastro and Sergi, 2021). Yet, they possess strong potential in wine tourism, indigenous varieties, and rural development (Vukojević *et al.,* 2022; Oltean and Gabor, 2022). These conditions justify using stakeholder mapping to analyse where sustainability in the Balkan wine value chain is enabled, resisted, or constrained.

3. METHODOLOGY

3.1. Research Design

This study adopts a qualitative, concept-driven approach grounded in stakeholder theory (Freeman, 2010; Mitchell *et al.,* 1997). It combines document analysis with exploratory semi-structured interviews to understand how sustainability is interpreted, enabled, or constrained along the Balkan wine value chain. The purpose was not statistical representativeness but to capture diverse perspectives across value-chain stages and governance levels, consistent with stakeholder mapping in sustainability research (Sandroni *et al.,* 2022; Monticone *et al.,* 2024).

3.2. Data Collection

Data were gathered in two phases. First, academic literature, EU sustainability frameworks (Green Deal; CAP Strategic Plans 2023–2027), and national wine and rural development strategies from North Macedonia, Serbia, and Slovenia were analysed to identify stakeholder groups and policy contexts. Second, eight semi-structured interviews were conducted between April and July 2024 with winery owners/managers (n = 3), policymakers (n = 2), a wine association representative (n = 1), an NGO representative (n = 1), and a distributor (n = 1). All interviews were recorded and transcribed with consent.

Several interviewees held multiple roles (e.g., winery owner and association board member), explaining why more stakeholder perspectives and quotations are presented than the number of individuals interviewed. Stakeholder views were triangulated with policy reports, media interviews, and association documents to strengthen reliability rather than inflate the sample. The focus was on diversity of perspectives, appropriate for exploratory stakeholder mapping (Flores and Medeiros, 2019; Sandroni *et al.,* 2022).

3.3. Stakeholder Identification and Classification

Stakeholders were categorised using a two-layered approach aligned with literature and policy frameworks (Santini *et al.,* 2013; Sandroni *et al.,* 2022). Internal stakeholders include actors directly involved in the production, processing, or distribution of wine who create economic value, such as vineyard owners, winery managers, employees, oenologists, cooperatives, and distributors. External stakeholders are those who do not produce wine themselves but influence sustainability through regulation, finance, certification, knowledge, or community engagement. These include ministries, local governments, EU bodies, financial institutions, certification authorities, NGOs, local communities, research institutes, and tourism operators.

This classification was initially derived from policy documents (EU Green Deal, CAP, and national wine strategies) and refined using interview insights. It was further expanded to incorporate both vertical governance relations (EU → national → SME winery) and horizontal dynamics (winery–association, NGO–local authority), reflecting the multi-level nature of sustainability governance in agri-food systems (Monticone *et al.,* 2024).

3.4. Operationalisation of Power, Interest and Feasibility

Stakeholders were positioned in the power–interest matrix through qualitative coding of interview transcripts and document sources. Table 1 presents the operational definitions and indicators of the three constructs.

Table 1: The operational definitions and indicators

Construct	***Definition***	***Indicators / Evidence Sources***
Power	Ability to influence sustainability decisions, control resources, or shape rules	Formal authority (ministries, EU bodies), financial control (banks, CAP/IPARD funds), standard-setting power (certification bodies), market leverage (distributors, associations)
Interest	The degree to which sustainability is relevant to stakeholder goals, values, or strategies	Interview statements, participation in sustainability projects, inclusion of sustainability in strategic plans, policies, or public discourse
Feasibility	Practical capacity, especially for SMEs, to act on sustainability expectations	Access to finance, human resources, technical knowledge, administrative burden, support programmes (e.g., advisory services, subsidies)

(Source: Authors' elaboration based on Freeman (2010); Mitchell et al. (1997); Ackermann and Eden (2011); and Moore and Manring (2009)).

The criteria are built on stakeholder theory (Mitchell *et al.,* 1997), governance literature (Sandroni *et al.,* 2022; Monticone *et al.,* 2024), and SME sustainability studies (Moore and Manring, 2009; Martins *et al.,* 2022). Power and interest were coded as low, medium or high (Ackermann and Eden, 2011). Feasibility, used to interpret motivation, especially for high-interest/low-capacity actors (SMEs, NGOs), was not a separate axis. Coding followed three steps: (1) extracting stakeholder statements; (2) assigning relative power and interest; and (3) cross-validating with policy and funding documents and association reports. A traceability table (Table 2) links each stakeholder group to its matrix position and supporting evidence.

4. FINDINGS: STAKEHOLDER MAPPING AND ANALYSIS

4.1. Overview of Stakeholder Distribution

Twelve stakeholder groups active in sustainability across the Balkan wine value chain were identified. They differ in power (ability to influence decisions), interest (motivation to engage) and feasibility (capacity to act). Based on interviews and documents, they were placed in four quadrants of a power–interest matrix (Figure 1) supported by a traceability table (Table 2).

4.2. Stakeholder Traceability and Placement

Table 2 summarizes each stakeholder cluster, its position in the power–interest grid, and supporting evidence.

Table 2: Stakeholder Clusters, Power–Interest Position and Evidence Source

Cluster	Stakeholder Groups Included	Power	Interest	Evidence (Interview/Docum
Key Players	Ministries of Agriculture, EU institutions (CAP/DG AGRI), Winery owners/managers, Wine associations	High to Medium–High	High	INT1, INT2, INT6, INT7, INT8; CAP Strategic Plans 2023–2027; National Rural Development Strategy 2023
Context Setters	Distributors/intermediaries, Certification bodies, Financial institutions	High	Low to Medium	INT1, INT5; EU Organic Regulation 2023; IPARD II Guidelines 2024
Subjects	Local communities, NGOs, Tourism operators, Winery employees	Low to Medium	High	INT3, INT4, INT6, INT8; Tourism Strategy Slovenia 2023
Minimal Stakeholders	Bulk wine buyers, External investors, Low-engagement suppliers	Low	Low	INT5, INT6; Trade Data Report 2023

(Source: Author's elaboration using interview and document data)

Note: The same interviewees may appear across clusters due to overlapping roles within the wine value chain. For instance, INT1 is both a winery owner and association board member; INT5 manages a distribution company influencing certification; INT6 combines winery management with cross-border sustainability work; and INT8 represents an NGO collaborating with wineries. Coding was role-based rather than individual-based, reflecting the multifunctional nature of actors in SME-dominated sectors.

The stakeholder matrix is illustrated in Figure 1.

Figure 1: Stakeholder Mapping of the Balkan Wine Industry (Power – Interest Matrix)

(Source: Author's elaboration using interview and document data)

4.2.1 Key Players: High Power, High Interest

Key Players include national Ministries of Agriculture, EU institutions, wine associations, and proactive winery owners/managers. They shape policies, funding mechanisms, and sector-wide coordination. Five of eight interviewees (INT1, INT2, INT6, INT7, INT8) emphasised that sustainability is now integrated into agricultural policy, eco-schemes, and national wine strategies. As one policymaker stated, "*Sustainability targets exist in all three analysed countries, though implementation depends on administrative capacity and available funding*" (INT2). Similarly, wineries link sustainability with export competitiveness, tourism value, and vineyard resilience. One winery owner noted: "*We are ready to go greener, but we can't do it alone; collaboration is the missing ingredient*" (INT1). However, despite high interest, many face feasibility constraints: administrative burdens, lack of staff, and limited access to CAP/IPARD funds, particularly for small wineries. Wine associations help bridge gaps by disseminating knowledge, organising workshops, and mediating between policymakers and producers, though cross-border collaboration remains weak (INT7).

4.2.2 Context Setters: High Power, Low Interest

Context Setters (distributors, certification bodies, financial institutions) hold considerable economic or regulatory influence but show limited or inconsistent commitment to sustainability. Distributors determine which wines reach domestic and regional markets, yet purchasing criteria remain dominated by price, reliability, and volume rather than environmental or social performance. As one distributor explained: "*Our buyers want low prices, not sustainability labels. If a wine is certified but costs more, it simply doesn't move*" (INT5). Certification bodies control access to sustainability labels but are often perceived as bureaucratic, expensive, and poorly adapted to SMEs. Four interviewees described certification as "paperwork rather than improvement" (INT1, INT3, INT6, INT8). Financial institutions and

CAP/IPARD mechanisms officially promote green transitions, yet access depends on collateral, compliance, and administrative capacity, thresholds often too high for small wineries (INT2, INT7). Consequently, sustainability often remains a procedural requirement rather than a strategic priority for this group.

4.2.3 Subjects: Low Power, High Interest

Subjects: local communities, NGOs, winery employees, and tourism operators demonstrate strong interest in sustainability but lack institutional power. Interviewees (INT3, INT4, INT6, INT8) highlighted local concerns about heritage, landscapes, and rural livelihoods, yet noted that decisions are made without meaningful community involvement. One tourism actor stated: *"Wine tourism affects our villages and landscapes, yet decisions are made without asking us"* (INT4). NGOs promote awareness and biodiversity projects but remain consultative rather than decision-making actors. Tourism operators view sustainability as vital for wine tourism competitiveness, but they lack authority in agricultural or certification policy. Winery employees were mentioned in relation to labour conditions and pesticide exposure (INT3, INT6), yet they rarely participate in governance discussions.

4.2.4 Minimal Stakeholders: Low Power, Low Interest

Minimal Stakeholders include bulk wine buyers, external investors, and low-engagement suppliers. Their influence and interest in sustainability are both limited, except when it directly affects profitability or export requirements. Interview evidence (INT5) shows that bulk buyers primarily evaluate wine on price, supply volume, and consistency. External investors often prioritise short-term gains over long-term sustainability commitments. Input suppliers (for packaging, logistics, or chemicals) remain operational rather than strategic actors and are seldom involved in sustainability planning.

4.3. Misalignments and Tensions

The stakeholder mapping reveals several structural misalignments that explain why sustainability in the Balkan wine sector remains fragmented despite being widely endorsed in policy and discourse. A key tension lies between ambitious policy frameworks and the limited feasibility for SMEs to implement them. Although sustainability is embedded in EU and national strategies, many wineries lack the financial, human, and administrative capacity to meet certification requirements or access CAP/IPARD funding. As one winery owner noted, *"EU rules seem made for bigger producers; we don't have the people or time to handle all the paperwork."* (INT6). This gap shows that high interest does not always translate into action when feasibility is constrained. A second misalignment concerns the role of market intermediaries, particularly distributors and financial institutions, whose decisions largely remain driven by price and volume rather than sustainability criteria. As one distributor admitted, *"Our buyers want low prices, not sustainability labels."* (INT5). This weakens economic incentives for wineries to adopt sustainability practices unless exporting to markets where certification is required. Certification systems constitute another source of tension. While intended to ensure quality and traceability, they are widely perceived by wineries as bureaucratic, expensive, and insufficiently adapted to small producers. Several interviewees described certification as "*paperwork more than improvement*," which discourages engagement rather than enabling it. Stakeholders with high interest but low power, such as local communities, NGOs, tourism actors, and winery employees, also experience exclusion from formal decision-making processes despite being directly affected by vineyard expansion, landscape changes, or tourism flows. A tourism representative explained, *"Wine tourism affects our villages, yet decisions are made without asking us."* (INT4). Their participation remains informal and reactive rather than institutionalised. Finally, coordination across the value chain and governance levels is weak. Ministries, associations, and producers often act in isolation, resulting in disconnected initiatives rather than an integrated governance framework. Cross-border collaboration among Serbian, Slovenian, and Macedonian institutions is sporadic, despite shared challenges and opportunities.

Together, these tensions indicate that the main barriers to sustainability are structural misalignments between power, interest, and capacity rather than a lack of awareness. These findings provide the analytical basis for the Discussion section.

5. DISCUSSION

This section interprets the stakeholder-mapping results through the lenses of governance, power relations, and feasibility. It explains why sustainability progresses unevenly in the Balkan wine sector and how stakeholder dynamics shape implementation. Four main themes emerge: **power asymmetries**, **interest without influence**, **feasibility constraints**, and **fragmented coordination**. A final part reflects on the study's contribution and proposes demand-side governance instruments, as suggested by reviewers.

5.1. Power and Governance Asymmetries

The results show that actors with the strongest influence over sustainability in the Balkan wine sector are national ministries, EU institutions, producer associations, and proactive wineries. These stakeholders shape policy, funding allocation, and sector-wide coordination, reflecting governance structures within the Common Agricultural Policy (CAP), where sustainability priorities are defined at the EU level and implemented nationally (European Commission, 2023; Merli *et al.,* 2018). This supports findings that sustainability in viticulture is largely policy-driven rather than market-driven (Flores and Medeiros, 2019).

Conversely, distributors, certification bodies, and financial institutions hold high power but demonstrate low or inconsistent interest in sustainability. Their decisions shape which wines reach consumers and under what conditions, yet price, volume, and reliability remain the main purchasing criteria (Van Den Akker *et al.,* 2024). This alignment with market-based logic over sustainability performance mirrors patterns in global agri-food chains (Santini *et al.,* 2013; Gilinsky *et al.,* 2016). Certification bodies, despite promoting sustainability in principle, are often perceived as administrative gatekeepers rather than facilitators, reinforcing bureaucratic rather than participatory governance (Mitchell *et al.,* 1997; Moore and Manring, 2009).

5.2. Interest Without Influence: Stakeholders at the Margins

Stakeholders such as local communities, NGOs, tourism actors, and winery employees show strong interest in sustainability but limited institutional power. Their concerns relate to landscape preservation, cultural identity, and rural development, yet they remain largely excluded from decision-making processes. This reflects broader evidence that stakeholders with moral or cultural legitimacy often lack structural power in agricultural governance (Reed *et al.,* 2009; Mariani and Vastola, 2015).

Tourism actors, particularly in Slovenia and Serbia, connect sustainability with economic potential via wine tourism, but remain outside formal agricultural policymaking. Winery employees face direct implications from sustainability decisions, such as labour standards and pesticide exposure, yet have almost no representation in governance structures. These dynamics indicate that interest alone does not translate into influence without institutional mechanisms.

5.3. Feasibility Constraints in SME-Dominated Wine Sectors
Even when stakeholders demonstrate high interest, especially SMEs, associations, and communities, feasibility often limits implementation. The Balkan wine sector is dominated by SMEs that face financial constraints, limited administrative capacity, and high compliance costs. Access to CAP and IPARD funds requires paperwork, co-financing, and collateral that many SMEs lack (Erjavec *et al.,* 2021; Martins *et al.,* 2022). Certification systems are perceived as costly, rigid, and designed for larger producers, discouraging participation from small wineries (INT6). These findings align with research demonstrating that sustainability frameworks often overlook SME constraints (Moore and Manring, 2009).

5.4. Fragmented Coordination Across the Value Chain and Territory
Beyond individual stakeholder constraints, sustainability in the Balkan wine sector is also limited by fragmented coordination across institutional, territorial, and value chain levels. Stakeholders often operate in isolation rather than as part of an integrated governance system.

Horizontal coordination gaps appear between stakeholders at the same level of the value chain. Producers, distributors, certification bodies, and tourism actors frequently lack structured platforms for dialogue or joint action. For example, associations can facilitate knowledge-sharing and regional branding but have limited influence on market incentives or certification policies. Distributors and tourism actors rarely engage with producers on sustainability planning, despite influencing consumer demand and value perception.

Vertical coordination gaps exist between governance levels: EU, national, regional and local. Sustainability objectives are formulated at the EU level through CAP and Green Deal policies, interpreted by national ministries, and expected to be implemented by local administrations and SMEs. However, this top-down path often overlooks local variations in infrastructure, knowledge systems, and cultural practices. Interviewees noted that while policies exist on paper, practical support mechanisms, such as advisory services, local partnerships, or simplified application procedures, are often missing.

Cross-border fragmentation further restricts collective action. The Balkan wine sector is regionally diverse but institutionally disconnected. Associations from Slovenia, Serbia, and North Macedonia develop sustainability initiatives separately rather than collaboratively, limiting opportunities for shared certification schemes, joint tourism routes, or common branding. Unlike Western European regions such as Tuscany or Bordeaux, regional identity in the Balkans is not institutionally organised around wine sustainability. This pattern reflects what Alonso (2016) observed in other wine regions, where wineries act as local anchors yet rarely form cohesive governance structures.

This lack of coordination reinforces the power of individual actors, ministries, large wineries, or distributors, while weakening collective capacity to innovate or negotiate sustainability standards. As argued in value chain governance literature, sustainability transitions require not only individual commitment but networked alignment across economic and territorial actors (Trienekens, 2011; Probst *et al.,* 2021).

5.5. Contribution of the Study and Demand–Side Governance
This study contributes analytically, empirically, and practically. Analytically, it integrates feasibility, often overlooked in stakeholder-mapping, into the traditional power–interest framework, better reflecting the realities of an SME-dominated sector. Empirically, it provides

one of the first systematic stakeholder maps of the Balkan wine value chain, covering three countries and twelve stakeholder groups. Practically, it clarifies that sustainability is not primarily hindered by opposition but by misalignments between power, motivation, and capacity.

While most sustainability policies in the Balkan wine sector rely on supply-side instruments (regulation, subsidies, certification), the findings suggest potential in demand-side governance. Such instruments could incentivise high-power but low-interest actors like distributors, retailers, and financial institutions by making sustainability economically relevant. Examples include sustainable procurement standards in retail and hospitality, tourism-linked labelling schemes, and integration of sustainability in public catering or wine tourism branding. Evidence from Italy and Spain shows that such approaches can re-engage passive intermediaries and shift market expectations (Flores, 2018; Santini *et al.,* 2013).

6. POLICY AND GOVERNANCE IMPLICATIONS

Sustainability in the Balkan wine sector will not advance through individual initiatives alone, but through coordinated governance that aligns policy frameworks, market incentives, and local realities. While sustainability goals are embedded in EU and national strategies, their translation into practice remains inconsistent because responsibilities are spread across actors who hold unequal power, resources, and motivation. Thus, sustainability is not only a technical challenge but a governance issue involving institutional capacity, power dynamics, and territorial identity.

National ministries and EU institutions define standards, funding mechanisms, and regulatory frameworks, yet these often assume administrative and financial capacities that small wineries do not have. To increase feasibility, support schemes must be simplified, application procedures reduced, and advisory services strengthened. Certification and funding requirements should be adapted to SME realities rather than scaled down from large-producer models. Funding mechanisms such as CAP and IPARD should encourage not only compliance, but also capacity-building, shared infrastructure, and collaborative projects, which are crucial in a fragmented production landscape.

Market intermediaries, distributors, certification bodies, and financial institutions hold significant influence but show limited motivation to promote sustainability unless required by export markets or specific buyers. Governance should therefore focus not on creating new bodies but on reorienting existing ones towards enabling behaviour: introducing sustainability into loan evaluations, certification procedures, and purchasing contracts. Wine associations are well-positioned to coordinate this shift by linking wineries, policymakers, and market actors.

High-interest but low-power actors, local communities, NGOs, tourism operators, and employees, remain largely excluded from formal governance. Involving them through regional wine councils or participatory planning platforms would strengthen local legitimacy and ensure that sustainability reflects territorial identity, not only regulatory compliance. A key policy opportunity lies in demand-side instruments. If retailers, tourism operators, or public institutions reward sustainable wine through procurement standards, labelling schemes, or tourism branding, this could activate currently disengaged actors and make sustainability economically attractive. Rather than relying solely on subsidies and regulation, this approach turns sustainability from a cost into a market advantage.

In summary, effective sustainability governance in the Balkan wine sector depends on three shifts: (1) reducing feasibility barriers for SMEs, (2) aligning powerful but passive market actors with sustainability goals, and (3) integrating local voices into decision-making. These elements form the foundation for the concluding policy roadmap.

7. CONCLUSION

Sustainability in the Balkan wine sector is not absent but unevenly applied, constrained by imbalances of power, interest, and feasibility. While embedded in EU and national policies and supported by many wineries and communities, implementation remains hindered by limited administrative capacity, weak market incentives, and fragmented coordination. The stakeholder mapping shows that policy institutions and associations guide sustainability, yet their efforts are not reinforced by distributors and certifiers, while local communities and tourism actors remain marginalised.

The findings underline that progress depends not only on regulations or individual initiatives but on governance mechanisms capable of aligning incentives, reducing feasibility barriers for SMEs, and involving actors who possess local knowledge and long-term commitment to the landscape. This includes simplifying certification and funding procedures, enabling cross-sector collaboration, and recognising sustainability as both an economic strategy and a territorial responsibility. What is learned here for policymakers is clear: sustainability will not be achieved solely through policy documents or funding calls but through adaptive systems that connect institutions, producers, intermediaries, and place-based actors.

For policymakers and associations, three practical lessons emerge. *First*, administrative complexity and certification procedures must be simplified and adapted to SME capacities. *Second*, regional governance platforms, such as cross-sector wine councils involving tourism actors, associations, and local communities, can reduce coordination gaps. *Third,* demand-side tools such as sustainable wine labelling, tourism-linked branding, and green public procurement can motivate currently disengaged intermediaries. Sustainability in the Balkan wine sector will advance not only through regulations but through governance arrangements that align authority, incentives, and feasibility.

8. LIMITATIONS AND FUTURE RESEARCH

This study has several limitations that should be acknowledged and addressed in future work. It draws on eight interviews across three countries, providing depth but not representativeness; perspectives from retailers, seasonal workers, or local authorities may be underrepresented. The analysis is primarily qualitative and interpretive, based on interviews and document analysis, and while triangulated with policy evidence, it remains perception-driven. Future research could employ mixed-method approaches, combining stakeholder mapping with surveys, social network analysis, or quantitative indicators, to strengthen robustness. The findings also reflect a specific period during ongoing CAP and Green Deal policy reforms; as funding instruments and regulations evolve, stakeholder priorities and influence may shift, calling for longitudinal studies to trace governance changes over time. Finally, this research focuses on governance dynamics rather than measuring environmental or economic performance; future studies could link stakeholder configurations to tangible sustainability outcomes such as water use, certification uptake, or export results.

REFERENCES

Ackermann, F. and Eden, C. (2011), "Strategic management of stakeholders: Theory and practice", *Long Range Planning*, Vol. 44 No. 3, pp. 179-196.

Alonso, A.D. (2016), "Wineries' contribution to the local community: a stakeholder view", *International Journal of Economics and Business Research*, Vol. 12 No. 4, pp. 295-312.

Annunziata, E., Pucci, T., Frey, M. and Zanni, L. (2018), "The role of organizational capabilities in attaining corporate sustainability practices and economic performance: Evidence from the Italian wine industry", *Journal of Cleaner Production*, Vol. 171, pp. 1300-1311.

Baiano, A. (2021), "An overview on sustainability in the wine production chain", *Beverages*, Vol. 7 No. 1, pp. 1-15.

Bansal, P. (2005), "Evolving sustainably: A longitudinal study of corporate sustainable development", *Strategic Management Journal*, Vol. 26 No. 3, pp. 197-218.

Broccardo, L. and Zicari, A. (2020), "Sustainability as a driver for value creation: A business model analysis of small and medium enterprises in the Italian wine sector", *Journal of Cleaner Production*, Vol. 259, 120852.

Corbo, C., Lamastra, L. and Capri, E. (2014), "From environmental to sustainability programs: A review of sustainability initiatives in the Italian wine sector", *Sustainability*, Vol. 6 No. 4, pp. 2133-2159.

De Steur, H., Wesana, J., Dora, M.K., Pearce, D. and Gellynck, X. (2016), "Applying value stream mapping to reduce food losses and wastes in supply chains: A systematic review", *Waste Management*, Vol. 58, pp. 359-368.

Dodds, R., Graci, S., Ko, S. and Walker, L. (2013), "What drives environmental sustainability in the New Zealand wine industry? An examination of driving factors and practices", *International Journal of Wine Business Research*, Vol. 25 No. 3, pp. 164-184.

Dyllick, T. and Hockerts, K. (2002), "Beyond the business case for corporate sustainability", *Business Strategy and the Environment*, Vol. 11 No. 2, pp. 130-141.

Elkington, J. and Rowlands, I.H. (1999), *Cannibals with Forks: The Triple Bottom Line of 21st Century Business*, Capstone, Oxford.

Erjavec, E., Volk, T., Rednak, M., Ciaian, P. and Lazdinis, M. (2021), "Agricultural policies and European Union accession processes in the Western Balkans: aspirations versus reality", *Eurasian Geography and Economics*, Vol. 62 No. 1, pp. 46-75.

European Commission (2023), *CAP Strategic Plans 2023–2027*, European Commission, Brussels.

Flores, S.S. (2018), "What is sustainability in the wine world? A cross-country analysis of wine sustainability frameworks", *Journal of Cleaner Production*, Vol. 172, pp. 2301-2312.

Flores, S.S. and Medeiros, M. (2019), "Sustainability challenges in emerging wine regions: A comparative analysis", *Wine Economics and Policy*, Vol. 8 No. 2, pp. 157-168.

Freeman, R.E. (2010), *Strategic Management: A Stakeholder Approach*, Cambridge University Press, Cambridge.

Gabzdylova, B., Raffensperger, J.F. and Castka, P. (2009), "Sustainability in the New Zealand wine industry: drivers, stakeholders and practices", *Journal of Cleaner Production*, Vol. 17 No. 11, pp. 992-998.

Gilinsky, A., Newton, S.K. and Vega, R.F. (2016), "Sustainability in the global wine industry: Concepts and cases", *Agriculture and Agricultural Science Procedia*, Vol. 8, pp. 37-49.

Licastro, A. and Sergi, B.S. (2021), "Drivers and barriers to a green economy: A review of selected Balkan countries", *Cleaner Engineering and Technology*, Vol. 4, 100228.

Lozano, R. (2008), "Envisioning sustainability three-dimensionally", *Journal of Cleaner Production*, Vol. 16 No. 17, pp. 1838-1846.

Mariani, A. and Vastola, A. (2015), "Sustainable winegrowing: current perspectives", *International Journal of Wine Research*, Vol. 7, pp. 37-48.

10.47063/EBTSF.2025.0016
http://hdl.handle.net/20.500.12188/34496

Martins, A., Branco, M.C., Melo, P.N. and Machado, C. (2022), “Sustainability in small and medium-sized enterprises: A systematic literature review and future research agenda”, *Sustainability*, Vol. 14 No. 11, 6493.

Merli, R., Preziosi, M. and Acampora, A. (2018), “Sustainability experiences in the wine sector: toward the development of an international indicators system”, *Journal of Cleaner Production*, Vol. 172, pp. 3791–3805.

Mitchell, R.K., Agle, B.R. and Wood, D.J. (1997), “Toward a theory of stakeholder identification and salience: defining the principle of who and what really counts”, *Academy of Management Review*, Vol. 22 No. 4, pp. 853-886.

Monticone, F., Samoggia, A., Specht, K., Schröter, B., Rossi, G., Wissman, A. and Bertazzoli, A. (2024), “Harvesting connections: the role of stakeholders’ network structure, dynamics and actors’ influence in shaping farmers’ markets”, *Agriculture and Human Values*, Vol. 41 No. 4, pp. 1503-1520.

Moore, S.B. and Manring, S.L. (2009), “Strategy development in small and medium sized enterprises for sustainability and increased value creation”, *Journal of Cleaner Production*, Vol. 17 No. 2, pp. 276-282.

Mozell, M.R. and Thach, L. (2014), “The impact of climate change on the global wine industry: challenges & solutions”, *Wine Economics and Policy*, Vol. 3 No. 2, pp. 81-89.

Oltean, F.D. and Gabor, M.R. (2022), “Wine tourism — A sustainable management tool for rural development and vineyards: Cross-cultural analysis”, *Agriculture*, Vol. 12 No. 10, 1614.

Probst, L., Boyer, M., Baggio, G. and Bonanno, A. (2021), “Participatory governance in agri-food systems: a systematic review”, *Agriculture and Human Values*, Vol. 38, pp. 1025-1043.

Reed, M.S., Graves, A., Dandy, N., Posthumus, H., Hubacek, K., Morris, J., Prell, C., Quinn, C.H. and Stringer, L.C. (2009), “Who’s in and why? A typology of stakeholder analysis methods for natural resource management”, *Journal of Environmental Management*, Vol. 90 No. 5, pp. 1933-1949.

Sandroni, L.T., de Barros Ferraz, K.M.P.M., Marchini, S., Percequillo, A.R., Coates, R., Paolino, R.M. et al. (2022), “Stakeholder mapping as a transdisciplinary exercise for jaguar conservation in the Brazilian Atlantic Forest”, *Conservation Science and Practice*, Vol. 4 No. 5, e12651.

Santini, C., Cavicchi, A. and Casini, L. (2013), “Sustainability in the wine industry: key questions and research trends”, *Agricultural and Food Economics*, Vol. 1 No. 1, pp. 9.

Schäufele, I. and Hamm, U. (2017), “Consumers’ perceptions and willingness-to-pay for wine with sustainability characteristics: a review”, *Journal of Cleaner Production*, Vol. 147, pp. 379-394.

Trienekens, J.H. (2011), “Agricultural value chains in developing countries: a framework for analysis”, *International Food and Agribusiness Management Review*, Vol. 14 No. 2, pp. 51-82.

Van den Akker, A., Fabbri, A., Slater, S., Gilmore, A.B., Knai, C. and Rutter, H. (2024), “Mapping actor networks in global multi-stakeholder initiatives for food system transformation”, *Food Security*, Vol. 16 No. 5, pp. 1223-1234.

Vukojević, D., Tomić, N., Marković, N., Mašić, B., Banjanin, T., Bodiroga, R. et al. (2022), “Exploring wineries and wine tourism potential in the Republic of Srpska”, *Sustainability*, Vol. 14 No. 5, 2485.