

REGBOUR – Euregios and New Neighbourhood

Putting New Neighbourhood into Practice

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I Introduction

Since the end of the Cold War and the collapse of the Iron Curtain, policy frames and instruments for European CBC (CBC) have undergone several profound changes. The first Interreg Community Initiative was adopted in 1990 and was intended to prepare border areas for a Community without internal frontiers. It was complemented by the Regen Initiative launched in the same year, in order to help to provide some of the missing links in the trans-European networks for transport and energy distribution in the Objective 1 regions. The Interreg I period lasted until the beginning of 1994, when the Interreg II period was launched with a focus on integrating the peripheral border areas into the community of the EU 15. The ongoing Interreg III covers the period from 2000 to the end of 2006. During this period, the focus of the programme has been clearly targeted towards the preparation of the eastern enlargement of the Union and for CBC in the frame of an emerging *Wider Europe*. The Interreg Community Initiative has, together with other instruments for CBC such as PHARE- CBC, TACIS- CBC, CARDS and MEDA, created a basis for CBC activities across the external borders of the EU.

From the perspective of regional actors, one of the main problems related to these instruments has been the difficulty in combining them effectively. To tackle this problem the EU has introduced the new European Neighbourhood Policy (ENP), introduced in the *Wider Europe – Neighbourhood - document*. The ENP includes those neighbouring countries which do not currently have a perspective of membership in the EU and covers, at the moment, seventeen neighbouring regions. Perhaps the most important tool for accomplishing the goals set at in the *Wider Europe document* is the *European Neighbourhood and Partnership Instrument (ENPI)*.¹ It will replace existing geographical and thematic programmes covering the countries concerned and places special emphasis on CBC.

This handbook tries to offer a regional end user view on the adaptation of this new instrument through experiments in six border

¹ It was at first called the *European Neighbourhood Instrument*, but the name was later changed to the *European Neighbourhood and Partnership Instrument (ENPI)*.

regions that have participated in the *Euregios and New Neighbourhood - Regional institutional innovations and EU instruments of CBC on post-enlargement external border (REGBOUR)* - project. The REGBOUR-project focuses on institutional and administrative models of CBC, through the *Change on Borders* Interreg III C Regional Framework Programme, which should help to develop more efficient management structures. The project aims to support the regional authorities to adapt of the New Neighbourhood programme and will help the partner regions to prepare future cross-border initiatives for the funding period 2007-2013.

This handbook contributes to the implementation of the New Neighbourhood programme by describing challenges and solutions for everyday CBC in different regions during and after the enlargement of the EU. It summarises the basic information of the institutional structures and innovations at the external border of the EU and offers the reader examples of best practices for problem solving that has been elaborated in the participating regions. The handbook also includes institutional recommendations for EU, national, regional and project levels and provides practical instructions for project level actors (e.g. for project managers) when applying for and implementing CBC-projects.

As a handbook, this volume is intended to offer end-users models and examples of problem solutions and alternative approaches. In the second chapter of the handbook, new innovative approaches to European CBC at the external borders of the EU are revealed. Chapter three offers the reader basic data on the participating regions and introduces institutional innovations in relation to CBC at the regional level. The fourth chapter deals with the challenges and priorities of CBC in the six participating regions and illustrates best practices chosen to tackle particular regional challenges of CBC. Chapter five includes an executive summary of the institutional recommendations for actors and authorities of different spatial levels in order to boost CBC across the external borders of the EU. The final chapter of this volume offers practical instructions for project managers and other actors that are involved in administrative work in CBC-projects. It includes instructions, e.g., for preparatory work, as well as financial management and networking.

II The Institutional structures of European CBC at external borders

This section tries to offer innovative regional approaches to CBC at external border regions of the EU by commenting on the European level frames and instruments of CBC from a regional perspective. The information is based on documents from the EU and on experiences from elaborating upon the regional level instruments of the CBC.

East Finland; (Finland)

In East Finland, the Regional Council of North Karelia and the Regional Council of Kainuu are the authorities responsible for the co-ordination and management of the regional funds, Objective 1 programmes, the Innovative Actions programme and the Euregio Karelia Neighbourhood Programme. The area also has its own trans-national projects such as Euregio Karelia. These Regional Councils take care of international relations and international affairs connected with their work. Since Finland entered the European Union, the international role of the Regional Councils has expanded and international relations and interaction between different regions have become part of the daily routine.

In order to tackle Finland's special conditions into account, the Councils have emphasised the Nordic dimension in outlining the new EU regional policy. This means taking into account the low population density and cold weather conditions when planning regional development programmes and CBC with the Barents Region, the Baltic Sea Region and Russia. The foundation of the Committee of the Regions (CoR) at the beginning of 1994 formalised the representation of local and regional interests in the European Union. The Regional Councils' representatives participate in the Council of Europe's Congress of Local and Regional Authorities of Europe (CLRAE) and its Chamber of Regions. Quite a few of the Regional Councils are members of European regional organisations such as The Assembly of European Regions (AER), The Conference of Peripheral Maritime Regions of Europe (CPMR), one of the oldest associations for special geographical areas, and The Association of European Border Regions (AEBR), which promotes joint action between the regions in border areas.

The importance of the field of international relations will grow further in conjunction with the enlargement of the EU and the intensification of co-operation with the EU's neighbouring areas of Russia and the Baltic States in the strengthening of North-South co-operation. The East Finland EU Office is a common European liaison office of the four regions of eastern Finland: North Karelia, South Savo, North Savo and Kainuu. The office focuses on the policy follow-up as well as on identification of the financial opportunities offered by EU funded programmes and Community Initiatives. The office also searches for partners in other European regions and provides a rendezvous point and office facilities for visitors from the regions.

Värmland; Sweden

With the start of INTERREG II, the relevant parts of that accepted programme area were called Inner Scandinavia² and the focus was on the general objectives of the structural funds; i.e. employment, environmental objectives and equality. Trans-border activities were also considered. Success was measured, in general terms, according to border region development. The objectives of reducing migration from the regions and improving the quality of life were central. Four action areas were defined; A) the development and strengthening of cultural identity and activity; B) information, service and transport; C) the establishment of enterprises, development and branch projects; and D) the development of competence.

The start of the INTERREG III-programme in 2000, which extended to 2006, did not change the policies in any fundamental way. It covered the same geographical area with increased financial resources and its further development was strengthened by a quite thorough analytical effort, in the SWOT-tradition. In the Programme Complement for Interreg IIIA the Inner Scandinavia region is described as an area where cross-border contacts have been intensive and co-operation has long traditions. It has primarily been border trade, social links and commuting that have characterized relations. There is a conviction that integration has been growing in the enterprise sector, the labour market, with respect to places and facilities to settle down in, education and culture. There is a

² *Inner Scandinavia* includes the County of Värmland, the municipalities of Älvdalen in the County of Dalarna and on the Norwegian side, the County of Hedmark, the municipalities of Askim, Skitevet, Eidsberg, Trøgstad, Marker, Römskog, Aremark, Hoböl, Spudesberg in the County of Östfold, and finally the municipalities Hurdal, Nannestad, Gjerdrum, Eidsvoll, Ullensaker, Nes Sörum and Aurksog-Höland in the County of Akershus.

desire to increase this further and to simplify the movement of labour over the border, by increasing information, improving communications and employment offices and the elimination of border obstacles.

Within Interreg IIIA (Inner Scandinavia) there are a large number of ongoing and a small number of completed projects. The general observations of the projects point out that the programme itself has managed to initiate and generate a substantial amount of trans-border activities. There is an acceptance of the strategies and objectives of the programme and the need for increased efforts in this geographical area. A misdirected focus towards fulfilling the programme vision has been noticed, instead of a preferred orientation towards the combination how the programme and projects could contribute to it. A more central and, under present circumstances, relevant remark is the need for a more systematic approach towards learning from the processes, as such. Although the organisational structure around its implementation has been found to be functional at this present stage, there is a need for a more active and developed process organisation in the near future.

Lubelskie; Poland

In 2003, the European Commission proposed significant steps in order to improve the EU's interventions at its external borders after enlargement. This was done through the creation of Neighbourhood programmes which were launched in 2004. One of these programmes is the Neighbourhood Programme Poland-Belarus-Ukraine INTERREG III A/TACIS CBC 2004-2006, which is being implemented in the area of Lubelskie. This programme area covers the Polish-Belarusian-Ukrainian border region with the following territorial units (on the Polish side) and administrative units (on the Belarusian and Ukrainian sides):

- Poland – 8 NUTS III, i.e.: bialostocko-suwalski and lomzynski (Podlaskie Voivodship); bialskopodlaski, chelmsko-zamojski and lubelski (Lubelskie Voivodship); rzeszowsko-tarnobrzesci and krosniensko-przemyski (Podkarpackie Voivodship); ostrolecko-siedlecki (part of Mazowieckie Voivodship);
- Belarus – the oblasts of Grodno, Brest and Minsk;
- Ukraine – the oblasts of Volyn, Lviv and Transcarpathia;

As for the Neighbourhood Programme Poland-Belarus-Ukraine, which is being implemented in the area of Lubelskie, a Working Group has been created, which assembles representatives of proper Ministries from Poland, Belarus and Ukraine, representatives of the regional powers from the participating regions, and representatives of the Euro regions. Representatives of the House of Europe also participated in the Working Group. The Ministry of Economy and Labour, which elaborated upon the final version and negotiated the approval of the programme with

the Commission, will oversee all the activities within the programme. The programme is being financed on the Polish side through ERDF funds to the amount of 37.800.000 EUR, and on the Ukrainian and Belarusian side through TACIS CBC funds to the figure of 8.000.000 EUR.

Friuli Venezia Giulia: Italy

Beside the general activities of international co-operation and the specific cross-border activities developed mainly through the Interreg initiatives, Friuli Venezia Giulia is also engaged in several activities related to European relations and integration, with particular attention focused on cross-border and Twinning co-operation, the EuroRegio and the ongoing process of enlargement. In order to ensure best connection and interaction with European institutions and policies, the Region has established a proper liaison office in Brussels.

At the European level, the Region is a member of several interregional organizations such as the Assembly of European Regions (ARE), the Association of European Border Regions (AEBR) and the Association of European Wine Producing Regions (AREV). Institutional cooperative relations have also been established with the Council of Europe. Friuli Venezia Giulia is one of the members of the Local Democracy Agency of Niksic in Montenegro, one of the agencies of the network promoted by the Council of Europe. Within this LDA, the Region is cooperating with the Irish government, the Association of Montenegrin Municipalities and several Montenegrin municipalities along with the cities of Stafford, Neuchatel and Lingen.

The Region has also become familiar in the management and participation in EU projects directly supported by the European Commission, for example the Program TACIS CBC in Moldavia and the project EXTRALARGE/XL co-financed by the General Directorate for Enlargement. The region has also been engaged in several EU/PHARE funded Twinning projects led by the Italian Ministry of Economy and Finance: two were successfully concluded in 2004 in Hungary and the Czech Republic, one in Gorski Kotar (Croatian county) ended in 2005, one in Poland ended in April 2006 and there is still one on-going in Bulgaria.

Friuli Venezia Giulia also disposes itself of proper legislative instruments specifically devoted to supporting European co-operation with the Regional Law 6/1989 and Regional Law 10/1997. The first aims at financing activities that support the process of European integration. In particular, it intends to foster the participation of citizens in this process through local initiatives promoted by local authorities and actors from civil society. The Law 10/1997 is specifically dedicated

to supporting the participation of public and private organisations in EU funded projects with the exclusion of those that fall within the framework of Structural Funds. In order to strengthen its CBC policy, FVG started to become interested in the creation of euroregions, as instruments with the capacity of guaranteeing both vertical (State-Regions) and horizontal co-operation (among Regions).

On the 1st August 2006, the Council Regulation that establishes the Instrument for Pre-Accession Assistance (IPA) entered into force, after a consultation procedure began with a proposal by the European Commission, a reading by the European Parliament and the formal adoption by the Council occurred by the 17th of July. The IPA is one of the six instruments identified by the European Institutions that will be used to regulate the Community's external relations during the forthcoming programming period 2007-2013 and, namely, it has been set-up to support and facilitate entry into the Union of candidate and potential candidate countries. Beneficiary countries will be divided into two categories, depending on their status as either 'Candidate Countries' (Croatia and Turkey) or 'Potential Candidate Countries' (Bosnia & Herzegovina, Macedonia, Albania, Serbia and Montenegro)

The type of assistance provided under the IPA will be delivered under different forms and, in particular, through financial investments; procurement contracts and grants; loans and financial support. Support measures for the preparation, follow up, control, audit and evaluation will also be duly sustained. With specific reference to the transfer of knowledge and expertise on the alignment of the *acquis communautaire*, it will also be particularly welcomed and supported with the dispatch of public sector experts from Member States to the IPA' beneficiary countries. The IPA will run from 1 January 2007 to 31 December 2013 with an overall budget of 11.47 billion €.

Euroregion Nestos Mesta; Greece

Since the funds provided by the Interreg-programme are available only to the Greek side of the Euroregion Nestos Mesta, establishment of the Phare CBC (CBC) programme in 1994 was a major new development concerning CBC in South Eastern Europe. In the Guidelines for Interreg IIIA the Commission strongly encouraged Member States and regions to submit integrated programmes and to establish shared institutional structures. The programme Greek External Borders contains separate sections for the Greek/Bulgarian, Greek/Albanian, and for the Greek/FYROM border.

In reality, much of the institutionalisation of CBC has developed since 2000s by active border regions finding practical solutions through private and/or public law. The Euroregion Nestos – Mesta, on the Greek/

Bulgarian border, was the first genuinely cross-border structure to be established in 1992. The processes of CBC, including institutionalisation, have greatly accelerated since the late 1990s with:

- internal changes in the EU, especially the completion of the Single Market, further enlargement and Economic and Monetary Union;
- Rapid political changes in Central and Eastern Europe which brought the winds of change in the wider region;
- Détente policies between Greece and Turkey in the late 1990s
- The end of the war in the Western Balkans;
- and EU initiatives and funding programmes in support of CBC, in particular Interreg and Phare CBC.

Problems in CBC in the area remain prevalent, therefore institutionalisation has continued to rely more on a pragmatic approach by regional/local partners and practical solutions, using all legal and administrative means available. Nevertheless, the benefit of recently effected EU led policies on CBC practices has started to be felt, and some of the existing cross-border bodies have been reconstituted or are in the process of doing so. This is the case of the Euroregion Nestos – Mesta especially with the much anticipated accession of Bulgaria to the EU as a full member by the year 2007. This lengthy process of expanding and deepening co-operation across national borders in South Eastern Europe has taken place at different speeds on different borders.

Border Region Delta Rhodopi; Greece

Interreg IIIA covers projects that concern infrastructure development, border safety, business-related activity, employment and training, educational institutions, the environment, culture and health protection. While during 2004, 44 projects were included under Interreg, we witnessed a meteoric rise in 2005 with the establishment of 236 projects. Specifically, there were 33 projects between Greece and Albania, 34 between Greece and FYROM, 35 between Greece and Bulgaria, 36 involving Greece and Cyprus, 51 with Greece and Italy, and 52 with Greece in co-operation with Turkey. The total of EU funding absorption for the period 2000-2004 was €161.880.000, while for 2005 only it was €233.529.234. This positive trend is expected to continue for the coming years. The Hellenic Interreg Management Authority expects that by the end of 2008 all six state-based CBC programmes will have realized projects that will utilize €777.137.383 in total.

35 projects with a total budget of €268.655.499 (€118.041.689 in 2005) have been realized between Greece and Bulgaria. The focus here is infrastructure and along with hands-on improvement of the business

environment for both commercial and investment activity between the two states. Some examples include the further improvement of the relevant parts of the Egnatia highway across the two countries, other road improvements in the area of Exohi in Greece and Godse Delchev in Bulgaria and the very important project of the development of a customs office at the Greco-Bulgarian border in the area of Exohi in the prefecture of Drama (€2.000.000 budget). According to the views of the Hellenic Interreg Management Authority, CBC projects between Greece-Bulgaria demonstrate the most active character in Interreg A project terms. This is testimony to the preparedness to co-operate on both sides, and the Bulgarian side in particular. A first 'impact assessment' of the above discussed CBC activity presents a diverse picture with regard to the areas of interest for the development of projects. The focus is on infrastructure and security (improvements of border crossing stations) but also cultural heritage, the environment and points of common history and memory.

Interreg III B emphasizes land planning and other infrastructure-related co-operation among countries that have EU integration for countries that have candidate status (or are in the process of initiating negotiations) as an end cause. The Community initiative CADSES is the relevant one with reference to CBC between Greece and Bulgaria. CADSES is focusing on nationally coordinated actions that relate to the area of the Balkans and Eastern Europe³. The total budget is €162.603.000. Greece, to this point, has actively participated, in CADSES with a budget of €41.676.689.

Both Interreg A and B are administered by centralised structures⁴. Therefore, regions do not have a direct role to play in the management of such projects. In this sense, Delta-Rhodopi is not competent to initiate/participate in them. On the other hand, given that many of them have a direct regional and often CBC character, the contribution from local and regional stakeholders towards the identification of such projects is vital. The role of BRDR, in this context, will be highlighted in the final section of this report, where best practices, innovations and institutional recommendations are presented.

Interreg C aims at the improvement of the effectiveness of policies and instruments that promote regional development and cohesion. To

³ I.e. Greece, western Turkey, Bulgaria, Albania, FYROM, Romania, Moldova, southern Ukraine, Serbia and Montenegro, Bosnia and Herzegovina, Hungary, Slovakia, Croatia, Austria, eastern Italy, Slovenia, Czech Republic, Eastern Germany and Poland.

⁴ I.e. ministries such as the Ministry of Economics and Finance and/or larger 'administrative regions', in our case the Regional Administration of Eastern Macedonia and Thrace – see BRDR Background Report.

this point, Greece has participated in 103 project proposals, with a total budget of ca. €32.500.000. Participation has come from regional and local authorities, regional development companies (such as Delta-Rhodopi) and non-profit foundations.

CADSES concerns an area of intense diversity and a number of regional idiosyncrasies. To attain a degree of approximation among the countries involved, the programme places emphasis on a number of sectors: urban and agricultural development, transport and means of transport, R&D and innovation, and protection of the environment coupled with the management of resources. The above stated diversity of the programme is a direct consequence of the composition of the countries that participate in it. This includes both the new member states of the EU and other Balkan states.

III In search of institutional innovation

This chapter gives the reader a short (geographical) description of the regions. It describes regional institutional innovations and the development of institutionalised forms of CBC in six border regions of the REGBOUR-project. This information has been collected during the early phases of the project and has created a basis for the work that has been carried out during the course of the project. The information is based on different documents and records related to the development and recent situation regarding CBC at the regional level.

East Finland; towards permanent structure

Basic data

For this project, East Finland consists of the regions of North-Karelia and Kainuu. This area has approximately 255 000 inhabitants, living in an area of 46 037 km². The area of East-Finland is about 14 % of the total area of Finland, while its population consists about 5 % of the total population of Finland. The most notable cities of the region are Joensuu in North Karelia, with 52 000 inhabitants and Kajaani in Kainuu, with 36 700 inhabitants. The region of East Finland shares about 560 km of common border with Russia, which makes CBC one of the focal points of the region. The main partner for CBC is the Republic of Karelia. The biggest challenge at this particular border is the huge economic gap between the Finnish and Russian sides. One of the main aims of the CBC is to improve the economic situation in the border region and especially on the Russian side. An improvement in the economic situation in the Republic of Karelia would not only create prosperity but also improve the well-being of people and in this way also diminish social problems

Developing institutional forms of CBC

During the Cold War years, the eastern border of Finland marked a dividing line between two competing social and political systems, communism and capitalism, and became a Finlandised grey zone between them. The border was thoroughly militarized and heavily guarded on both sides. Since the collapse of the Soviet system the border has remained

strictly guarded but the forms of CBC have changed and new scales of interaction have emerged. From 1995 until the accession of the new EU member states in 2004, the eastern border of Finland was the only land border between the European Union and the Russian Federation, which also changed the rules and forms of CBC across the Finnish-Russian border. The border regime was adapted to the Schengen principles in 2001. New institutional architectures have been applied in regional co-operation with Russia, and new methods of combining supranational, national and regional scales of co-operation have been developed, for instance, within the frame of Euregio Karelia.

Euregio Karelia was established in February 2000 on the Finnish-Russian border. It was the first institutionalised form of CBC under the Euregio concept, along 700 km of border between the EU and Russia; the region has a population of 1.4 million people. The overall area of the Euregio is 263 667 km², 180 500 km² belonging to the Karelian Republic and 83 000 km² to Finland, and it consists of four regions: the provinces of North Karelia, Kainuu and North Ostrobothnia on the Finnish side and the Republic of Karelia on the Russian side. As the first Euroregion sharing a land border between the EU and Russia, Euregio Karelia has been seen as a pilot for future joint administrative structures between the EU and Russian regional authorities. From the Finnish perspective, the institutional forms adopted on the Russian border were seen as the export of 'border know-how'. They would generate a model or at least a set of experiences that would inform European border policies after the EU's eastern enlargement.

The development of integration and cohesion within the enlarged European Union and its border regions is an immense challenge which requires considerable action. Euroregions have their role in this process as mediators and co-ordinators. A combination of different funding opportunities and the building of an administrative governance structure to help project-based CBC is also one of the main aims of Euregio Karelia. The total framework of funding for the period 2001-2006 was approximately 74,2 million EUR. The public funding of the Euregio Karelia Neighbourhood programme totalled approximately 22,0 million EUR during the years 2005-2006. The share of EU funding was approximately 12,1 million EUR (Interreg 8,1 million EUR and Tacis 4,0 million EUR). The national public funding totals approximately 9,9 million EUR. By 14th of March 2006, 189 projects have been approved and financed through the above mentioned framework.

Värmland; long traditions of CBC

Basic Data

The Swedish-Norwegian Interreg area Inner Scandinavia covers an area of 59396 km² has a population of 536 000 inhabitants. Inner Scandinavia encompasses 41 administrative units called municipalities. There are clear differences in the demographic development of the two countries. Simultaneously, most parts of the Inner Scandinavia areas are defined as sparsely populated with demographic characteristics quite different from the more urban parts. The sparsely populated areas are characterised by long distances and low service provisions. The picture is quite complex on the Norwegian side, while development on the Swedish side is more uniform: a steady decline in most municipalities. Those showing growth are easily counted. Urbanisation defines the migratory patterns. Other demographic characteristic of the region is the comparably low average level of education (national average). Of course, there are substantial intraregional differences. There is a clear difference between men and women, to the advantage of the latter. The economy is characterised by a focus on primary production (i.e. compared to national averages in both countries). This is particularly evident on the Norwegian side. The structure is primarily based upon the many SMEs within a few very large industries. There is a clear tendency towards a developed cross-border ownership. The quality of roads, i.e., the main system, is quite bad, both with regard to development and extension and also with regard to quality and repair. A lack of modernisation characterises the railroad in large areas of the region and the network is not adapted to regional demand. The close location of the Gardermoen airport in Norway is defined as a clear advantage, at least to the more southern parts of the region.

Developing institutional forms of CBC

The importance of the former Swedish-Norwegian Union of 1814-1905 promotes long-term and steady institutional pre-conditions for present-day relations. If we look at the more organised work in the field of trans-border co-operation, we can note a point in the growth of the prominence of the Nordic Border Regions appearing during the 1960s and 70s. In the middle of the 1960s, the first organised form of co-operation was established. At the fylke/län (county) level, a planners' group, constituted by civil servants from Värmland, Hedmark, Östfold and Akershus was established in 1965. This initiative soon focused on the Arvika-Kongsvinger region (later called the ARKO Region). In 1971, A/S Grenseland was constructed and given the formal responsibility for continuing this work.

A conference and evaluation seven years later refocused the activities in ARKO towards the educational and cultural sectors and increased co-operation at the county (the County Administrative Board of Värmland and Hedmark County Council) level was defined. In 1982, the project was transferred to the municipalities concerned.

When Sweden became a member of the EU, further financing opportunities appeared. At the same time, two further forms of co-operation were set up, SVENO E 18 and A/S Grenseland – Morokulien. The former was an initiative that linked municipalities along part of the E18 road. These activities were also ingredients in the ARKO regional development. The eight Nordic Border Regions have defined Action Programmes for 2001-2006 and further financial support is managed by the Nordic Committee of Senior Officials for Regional Policy (NÄRP). A Co-operation agreement between Värmland County Council and Hedmark County Council was negotiated and signed in 1989. Since then this has been transformed into Action Plans on a regular four-year basis, up until 2002. The last Action Plan also encompassed the Interreg initiative and mutual benefits have been gathered from this simultaneous development.

Lubelskie; CBC at the new external border

Basic data

Area – 25.115 km² (9.17% of the country's total area). Population – 2 242 000 inhabitants (5.8% of the country total population - over 50% of the population lives in a rural area). The Polish administrative units respond to the all-European Statistic Nomenclature and according to this division in Lubelskie Voivodship (NUTS 2) there are 20 administrative districts (poviats) (NUTS 4) and 213 communes (gminas). The capital of the Region is Lublin. Lubelskie Voivodship is located in the Eastern part of Poland, sharing its 457 km border with the Ukraine and Belarus. The territory of Lubelskie has six main border crossings. Important communication routes such as the strategic highway A2 from Paris to Moscow run through the Lubelskie Region. A very important role will be played by express routes from Scandinavia to Kiev and Odessa in the Ukraine, which are currently being planned. According to the expectations of the Regional Development Strategy, these routes will be considered an attraction for local and foreign investors. The border area on the Polish side shows a positive natural increase (0.7%), whereas the indicators both in Belarus and Ukraine are negative (-4.0%) and (-2.4%). The average population density in this area is 74 inh./ km², among them 84 inh./ km² on the Polish, 46 inh./sq km on the Byelorussian and 90 inh./ km² on the Ukrainian side.

Developing institutional forms of CBC

Ever since an administrative reform (a new territorial division including 16 voivodships) was introduced in 1999, CBC has a special meaning for the regional policy of Lubelskie. The development of CBC of Lubelskie has two main dimensions. One is the co-operation between Lubelskie and the Wołyń District of the Ukraine and the Brześć District in Belarus. The other comprises the servicing of a wide co-operation between Western and Eastern Europe, carried-out from the area of Lubelskie. On the regional level, co-operation is led by Marshall's Offices and Oblast Administrations. Representatives of these bodies are actively engaged in inter-regional commissions and together they implement projects financed by the European Union (TACIS CBC, INTERREG). For the last few years, this co-operation has mainly concentrated in the field of spatial planning, communication, transport, environment protection, education, culture, sport, tourism, eliminations of the results of natural disasters and border crossings.

The most active organisations in the field of CBC in Lubelskie Voivodship are: Cross-Border Association Euro region BUG, the European Centre for Integration and Self-Government Co-operation House of Europe and the Ukrainian-Polish Agency for Cross-Border Regional Development.

The Cross-Border Association Euro region BUG was created in 1995 in the area that adjoins the Polish-Ukrainian border, by the local and governmental authorities of the Chelm, Lublin, Zamosc and Tarnobrzeg regions on the Polish side and Wolyn District on the Ukrainian side. The agreement, which brought the Euro region BUG into existence, was signed on 29 September 1995 in Luck, Ukraine. The Euro region BUG is located at the Polish-Ukrainian, Polish-Belarusian and Belarusian-Ukrainian borders. It covers an area of 80.916 km² 31.1% of which is in Poland, 40.5% in Belarus and 28.4% in the Ukraine. 4.975.200 people inhabit the area. The main purpose for creating the Euro region BUG was to develop and expand CBC in the fields of spatial planning, transport and communication, education, healthcare, sport and tourism, nature protection, prevention of threats and natural disasters and to develop links between inhabitants and local business of the regions.

Another Association that fosters CBC is the European Centre for Integration and Self-Government Co-operation House of Europe, a young non-government and non-profitable organisation (NGO) created in the autumn 2001. The main objective of The House of Europe activity is to inspire, support and co-ordinate international co-operation between the local authorities, local communities and Non-Government Organisations based in Lubelskie Voivodship. The House of Europe association plays a significant role in the collaboration with the closest

neighbours of Lubelskie. It supports both its members – municipalities and districts of Lubelskie, including schools and cultural centres, and other institutions and organisations by looking for and allowing external financing sources; as for project support it offers training and meetings, takes measures to promote the Lubelskie region, and helps to contact and look for suitable partners as well as wide support by applying for grants and allowances.

The Ukrainian-Polish Agency for Cross-Border Regional Development was established in 2001. It includes four regions, two from the Ukrainian side (Lviv Oblast and Volyn Oblast) and two from the Polish side (Lubelskie Voivodship and Podkarpackie Voivodship). The project to establish the Cross-Border Agency was motivated by the need to deal with the possible opportunities and challenges faced by this border region on the verge of an enlarged European Union. An operational office in each of the four regions has been established which works as part of the agency network on issues of cross-border regional development.

Friuli Venezia Giulia; between the old traditions and new structures

Basic data

Friuli Venezia Giulia is located in the far North Eastern part of the Italy. It borders with Austria (North), Slovenia (East), the Italian Venet Region (West) and the Adriatic sea (South). Through the Adriatic sea it also shares a maritime border with Croatia. The Region is spread over a territory of 7.846 km² whose landscape is composed of mountains (43%), plains (38%) and hills (19%) gradually descending to a coastal line 111, 7 kilometres long. The Alps are shared with Austria and Slovenia. The plain is divided in the fertile plain of river Tagliamento and the peculiar enchantment of the Karst Plateau. The main rivers are **Tagliamento and Isonzo**. Along the coastal line there are two lagoons, Grado and Marano. Reflecting the differences of the landscape, the climate differs too, being mild in the plain and alpine in the mountains and pre-mountain areas.

Friuli Venezia Giulia has a population of 1.207.870 inhabitants, mainly concentrated in the plain area and with an average age slightly higher than the national one, that corresponds to 45, 1 years. The immigration rate is 7.5 individuals per 1.000 inhabitants and, in general, the number of foreigners is continuously growing. Registration in 2004 increased from 51.902 to 60.134 individuals (+15.9%). The immigration phenomena has a strategic importance for the demographic development of the region since it is conveniently counterbalancing some negative structural trends, such as the tendency towards a

continuous population decrease and the progressive aging of the local endogenous population.

Developing institutional forms of CBC

The Friuli Venezia Giulia region was constituted in 1948, by merging Friuli with the Italian part of the Venezia Giulia that remained a part of Italy after the end of World War II. Given its peculiar history, heritage, linguistic communities and geographic position, the Friuli Venezia Giulia became an autonomous region in 1963. Situated a few kilometres away from the border with Slovenia, Trieste is the regional main city. Trieste is also the smallest Italian Province constituted by only four little municipalities. Furthermore, the Region is composed of three other Provinces, Gorizia, Pordenone and Udine (201 municipalities and 8 mountain communities).

When Europe was divided by the iron curtain and polarised into two blocs, Friuli Venezia Giulia overcame this division by starting in 1965 the TRIGON initiative of co-operation with the Yugoslavian Socialist Republic of Slovenia and the Austrian region of Carinthia. This initiative represented a unique countertendency during the cold-war time, a few years later (1978) the Region promoted the strengthening of this multi-regional co-operation by supporting the establishment of the Alpe Adria Work Community. Currently, Friuli Venezia Giulia is the central Managing Authority of the EU Initiative Interreg CBC IIIA Italy/Slovenia, through which 395 projects have been financed. The Region is also extensively involved in other cross-border initiatives, such as the Interreg IIIA Italy/Austria, Interreg IIIA Adriatic, Interreg IIIB Alpine Space, Interreg IIIB CADSES, Interreg IIIC and Interact programme. In addition, Friuli Venezia Giulia has been involved in various other initiatives of international co-operation, widely conceived and supported by different programs and funds at regional, national and international levels.

The Regional policy and activities of international co-operation are primarily supported within the framework of the Regional Law 19/2000, Chapter 723, the National Law 84/2001 and, with specific reference to EU co-operation, both the Regional Laws 6/1986 and 10/1986. Regional Law 19/2000 essentially disciplines the Regional policy for international co-operation for development, the establishment of international partnerships, and it also sponsors related relevant initiatives realised on its own territory and by endogenous actors. The Regional policy itself is finally implemented by a multi-annual program (3 years) which periodically defines objectives, geographic and sector priorities of interventions and the rules of participation for the regional eligible actors. The Regional program 2004-2006 is currently focused, e.g., on peace and human rights issues, and on education, citizenship,

participation and democratization.

The Regional Administrative Chapter 723 is a complementary measure conveniently adopted to provide financial support to help realise initiatives related to decentralised co-operation and also to participate in those launched and initiated by the Italian Government, international organizations, Italian and foreign regional administrations and other National subjects. The major aim of this chapter is to allow Regional subjects to effectively join programs and projects whose participation requires all the partners to offer a financial contribution (co-financing). With respect to decentralised co-operation, the Region is also very active within the framework of the Italian national Law 84/2001, whose principal and exclusive aim is to regulate Italian participation in the stabilisation, reconstruction and development process in Balkan countries through the realisation of development, decentralisation and business promotion activities. In addition, the Regional administration has signed numerous co-operation protocols whose main intentions have been the establishment of more stable instruments for international consultation and co-operative relations.

Euroregion Nestos-Mesta; an euroregion as a model of CBC

Basic data

The Euroregion Nestos-Mesta is located in the Balkan Peninsula at the border between Bulgaria and Greece. This euroregion extends to the Region of Eastern Macedonia-Thrace in Northern Greece and to the Region of Blagoevgrad in Southern Bulgaria. As its two names denote, this euroregion is a geographic area with river as a common denominator. The river that with the name of 'Mesta' springs in the mountains of Rila in Bulgaria and with the name of 'Nestos' flows into the Aegean Sea through Greece.

On the Bulgarian side, the Euroregion occupies 3.151 km² in Southwestern Bulgaria, 2, 9% of the country's territory. The region is comprised of eight municipalities: Bansko, Belitsa, Germen, Gotze Delchev, Razlog, Satovcha, Hadjidimovo and Yakorouda. Sofia, the nation's capital, is at a distance of 150 km. The region has exceedingly varied relief, with altitudes ranging from 430 m to over 2.900 m. above sea level. The Mesta region is particularly attractive for its untouched nature and enormous wealth in natural resources. The region has a population of 130.000. The main occupations of the inhabitants is industry (46%), forestry (6%), agriculture (2%) and services.

On the Greek side, the Euroregion is defined within the geographic limits of the Drama Prefecture, a NUT III administrative unit of the

European Union. The population and land area is similar to that of the Bulgarian side. So are the geographic features of the region, where the mountain ranges of Paege, Menikio, Falakro and Lekani surrender to the fertile and beautiful historic plain of Philippi. The occupations of the inhabitants include agriculture, industry, marble extraction and marble processing, wood processing and trade, services, and tourism.

Developing institutional forms of CBC

The bottom-up efforts of border regions to institutionalise CBC have been facilitated by some international and national initiatives. The European Union, in the early 1990s, issued the INTERREG CIP, which represented the first concise strategy for CBC in Europe. In the mid 1990s, the INTERREG CIP was supplemented with the PHARE/CBC programme which assisted Bulgaria to partake in the CBC programmes developed by Greece. Later on, by the early 2000s the CADSES and other initiatives and programmes supported CBC programmes in most of the countries in south-eastern Europe, including Turkey.

Problems in CBC in the area remain prevalent, therefore institutionalisation has continued to rely more on a pragmatic approach by regional/local partners and practical solutions, using all legal and administrative means available. Nevertheless, the benefit of recently effected EU led policies on CBC practices has started to be felt, and some of the existing cross-border bodies have been reconstituted or are in the process of being so. This is the case for the Euroregion Nestos–Mesta, especially with the much anticipated accession of Bulgaria to the EU as a full member by the year 2007.

The introduction of substantial EU funding programmes, beginning with Interreg I in 1990, accelerated developments in CBC, and it created new needs for institutional arrangements capable of handling the development and management of the implementation of cross-border programmes. The Greece External Borders programme contains separate sections for the Greek/Bulgarian and Greek/Albanian borders, and *de facto* for the Greek/FYROM border (for each of which there is also a separate Phare CBC programme and JPMC - see below), as well as a section for co-operation with Cyprus. A major new development concerning CBC in South Eastern Europe was the establishment of the Phare CBC (CBC) programme in 1994, which was concerned with the border regions of Central European Countries (CECs) with EU Member States. Phare CBC now has the same time horizon as Interreg.

In terms of institutional arrangements in south-eastern Europe, Phare CBC has introduced an important development, namely the establishment of Joint Programming and Monitoring Committees (JPMC) for each of the borders, comprising representatives from the

countries concerned and with the active involvement of the services of the Commission responsible for Interreg and for Phare CBC.

Border Region Delta Rhodopi; new structure for new challenges

Basic data

The Border Region Delta Rhodopi (BRDR) is situated in the north-eastern part of Greece. It extends across the major administrative and historic areas of Macedonia and Thrace. The region has a border with Bulgaria (specifically with the administrative regions of Blagoevrad, Smolyan and Kardzhali) and is very close to Turkey. The main administrative authority for the region is the Enlarged Prefectural Authority of Drama, Kavala and Xanthi, which is composed of three prefectures (indicated in the authority's title). The region is a NUT III administrative unit of the EU.

The location of the region, a crossroads of economic, cultural and social activity has always augmented the development of trade and co-operation across national borders. Historically, the local economy is based on agriculture, mostly the cultivation of tobacco, farming and fishing. However, over the last 30 years it has been increasingly redirected towards small-scale manufacturing (SMEs) and services (tourism), while maintaining a large agricultural work force which is located in the many villages of the region. There are approximately 200.000 inhabitants, half of which are located in the three major cities of Kavala, Drama and Xanthi.

Developing institutional forms of CBC

The Border Region Delta Rhodopi (BRDR) is a relatively new organisation. It was established on 11th September 2000 as a legal entity under private law. It is a non-profit organisation, it is non-governmental in character and has shared ownership from the enlarged prefectural authority of Drama, Kavala and Xanthi, the Xanthi chamber of commerce and the municipal authorities of Chrysoupoli, Keramoti, Orino, Xanthi, Avdyra and Myki. The establishment of BRDR represented the willingness to treat regional issues, raise awareness about them and the region as a whole and to make use of the common border with Bulgaria as a bridge between the two countries.

Delta-Rhodopi focuses on matters that concern the prefectures and the rest of the partners and the facilitation and search for funding to put forward local development projects. BRDR participates in projects that represent the region in cross-border consortia and also assists local project developers with the preparation of proposals and

the establishment of links with other actors in the EU accession, and neighbouring countries of the EU. BRDR is a member of the Association of European Border Regions. It also maintains close co-operation with the Association of Rhodopi Municipalities (based in Smolyan, Bulgaria), with whom it has cooperated in Interreg III, CADSES-CBC and other national government-led projects.

The development of the region across the Greek-Bulgarian border has been greatly augmented by Community funding throughout the 1990s and in this decade. This has mostly been at the Interreg A level, though, essentially focusing on infrastructure *grandes projets*. The role of the regions in CBC has been directed towards the building of confidence across borders. Through the development of social, economic and cultural links it is expected that long-term peace, co-operation and good neighbouring relations will replace mistrust and memories of war, occupation and conflict. The impending entry of Bulgaria into the EU will only accelerate this process. What is necessary, though, is to continue and increase the efforts for decentralised development from both countries, which necessitates more funding and greater competences for the regions.

IV Best European practices for regional priorities

This chapter includes two approaches to CBC practices by the participating regions. The first, Challenges of CBC, is based on a screening of newspaper material⁵. The aim was to locate possible problems and prospects of CBC that have been discussed publicly. The time frame for the newspapers was the first year after the latest enlargement round, i.e. 1.5.2004 – 30.4.2005. The second approach, called Best Practices, offers examples of those practices that have been created by participating regions as answers to challenging and difficult aspects of CBC. This material is based on information collection regional level workshops in participating regions.

East Finland; challenges of CBC at the border of the EU and Russia

Challenges of CBC

Language

In terms of language, the most important difference between Finns and Russians is in their ways of thinking. It seems, thus, that the language is not necessarily a problem as such, but instead there seems to be a kind of attitude problem. Because, for example, choice of language at schools is also a matter of image it would be important to improve the image of Russia and Russian language among Finnish youth. There is lots of Russian related knowledge in Finland and this knowledge should not be underestimated. On the contrary, it should be used more actively. Sometimes difficulties with language are not necessarily related to language skills, but also to territories and power.

Nowadays, teaching the Russian language is facing new challenges. There are second and third generation Russians living in Finland and their language education requires new methods. Though knowledge of Russian language has improved in Finland (partly because of increased

⁵ The contents of the chapter Challenges of CBC are based on the newspaper screening carried-out during phase II of the project. Värmland did not participate in Phase II activities and, thus, has not prepared a report which was used as basis for this chapter.

immigration), eagerness to study Russian among the Finnish population has decreased. This can lead to differentiation of knowledge of the Russian language. There is a risk that language (and other Russian related) expertise will gather among the Russian minority, whilst the level of expertise among the Finnish population will decline.

Infrastructure

In terms of infrastructure, there are severe inadequacies, especially on the Russian side of the border. Although the road network has improved since the early 1990s, several other fields of infrastructure have not developed as hoped for. Poor infrastructure on the Russian side of the border is often the result of insufficient financing. For example, the elementary school of Värtsilä lacks the funds to maintain an internet connection. In addition to problems with infrastructure related to communication, there are also difficulties in public transportation. The development of public transportation has not gone according to plan. This field of business (too) had its boom in early 1990s but it faded during the following years. The main problem is that the basic idea is that public transportation is business, so it should also be profitable for the actors involved. In addition, a lack of information services and/or inadequate services in other sectors hamper travelling on the Russian side of the border. There are difficulties to obtain adequate information of, e.g., how to reach certain site.

Border Crossing

The first big challenge related to border crossing is the different working rhythm on the different sides of the border and indistinctness related to authorities. On the Finnish side of the border, crossings are supervised by customs and border-guard units, whereas on the Russian side the number of authorities is higher and their status and their mutual relations are often unclear for Finnish actors crossing the Finnish-Russian border. This is also one of the main reasons for a third problem i.e. the inadequate flow of information both between the countries as well as inside countries (from the interior to the border). Difficulties with visas and visa regulations are also consequence of the large number of actors involved in the application process.

In the economic sector there are three main obstacles that hinder business across the Finnish-Russian border. First, Finnish entrepreneurs do not necessarily know all the details related to customs clearance. Second, local level actors understand the difficulties, but they do not have the power to act to remove obstacles. Thus, there is a need for actions at a national level. This requires that actors at the national

level are aware of the difficulties for everyday border crossing. A third difficulty is that customs are one of the biggest sources of income in Russia. This creates an unhealthy situation that, in turn, can increase corruption.

Soft security

In the field of soft security problems at the Finnish-Russian border, there are two main problems. The first is the lack of a Russian perspective in many of the problems and/or solution models for soft security problems. If problem solution models are developed without common understanding and vision, it is evident that these models will not be as effective as they should be. The second main problem is that it is often thought and argued that the roots of the soft security problems are on the other side of the border i.e. Finns perceive that the roots of the problems are on the Russian side and vice versa. At the concrete level soft security problems on the Finnish-Russian border are related to infectious diseases and smuggling of alcohol, cigarettes and drugs, as well as other forms of cross-border crime.

History

The biggest challenge related to history is a lack of knowledge of historical events, which, in turn, can cause unnecessary prejudices. One reason for this is, for example, the use of old books at schools in some parts of the Republic of Karelia. A second challenge is that trade- and cultural relations are still in many ways state-level relations, as they were during the Soviet era. This, in turn, leads to a situation in which local level actors are not heard while different issues are discussed and decided. It should be noted that most of the cross-border activities role of the local level actors is especially strong.

Administration

There are two great challenges at the administrative level. The first is that ready-made models (mainly developed on the Finnish side of the border) do not work. If models of administration are planned only by the partner on the Finnish side of the border they do not take into consideration the needs and ideas of the partners on the Russian side of the border. One-sided planning of administration leads to problematic situations and hampers actions both on the administrative and operative levels. The second big challenge is that the business culture in Russia still differs very much from the Finnish one. Differences in business administration are related for example, to a) the role of the manager;

b) quality questions; c) legislation; d) and the reliability of decisions made. In addition, the resources of the Finnish (and Russian) SMEs to start business on the other side of the border are limited.

Institutional challenges; Euregio Karelia

At the project level the role of the Euregio Karelia is to work as a mediator between project actors and the national/ EU level. In this role, Euregio Karelia funds projects, mediates information and funding and, sometimes realises its own projects in strategically important fields. The most problematic issues at the project level are a difficult and heavy bureaucracy, language problems and a lack of resources. In addition, project work requires not only a knowledge of the substance of the project but also a capability to execute bureaucratic project work (i.e. reporting and financial issues).

Another problematic point for the CBC co-operation in (East) Finland is the complex structure of the financial administration. At the moment, the national share of Interreg/NNP- financing derives from nine different ministries. All ministries have specific legislation and ways to work. Combining these to the legislation of the EU and applying them to a specific project causes difficulties and requires lots of extra work. Since each ministry has their own share of funding and it cannot be transfer from one ministry to another, this model of work causes problems not only at the project level but also at the programme level. In addition, economic resources on both sides of the border are inadequate. It is particularly difficult on the Russian side of the border.

Best practices – examples

Business Activity

The opening of the border in the early 1990s opened new possibilities for Finnish entrepreneurs. There were/are, however, difficulties to exploit these possibilities. Different cultural and business environments slowed down – and sometime prevented – business activities on the other side of the border. There was (and still is) a need for assistance and education services for local entrepreneurs. Hence, the Karelia Gateway and Karlink projects were founded of to answer the needs of local entrepreneurs.

Karelia Gateway

The aim of the Karelia Gateway-project was to improve the geopolitical status of Central Karelia as a gateway for cross-border (CB)-business. It focused on the development of preconditions for the CB- entrepreneurship by creating a centre for border assistance. The centre co-ordinated CB-entrepreneurship and worked as a think-tank and education organization for local entrepreneurs. The operational strategy of the centre was to offer entrepreneurs practical solutions for their problems.

Partners:

Finland: North Karelia Educational Federation of Municipalities / Development and information centre of Central Karelia.

Russia: City of Sortavala, City of St. Petersburg, Karelian Chamber of Commerce and Industry

Time of duration: 1.11.2001-31.10.2004

Financing: 671 188 €

Karlink - Karelian Business Link

During the Karelia Gateway project it was noticed that there was a need to develop knowledge of the international business environment as well as expertise in the fields of CB-business and development of products and services for Russian markets. Karlink - Karelian Business Link was created to answer these challenges. The actions of Karlink are divided into three categories:

1) actions of entrepreneur services (e.g. mentoring, education, seminars and marketing);

2) development of a business environment (e.g. development of co-operation between Finnish and Russian entrepreneurs);

and 3) preparation of the activities after the end of the project.

Partners:

Finland: Development Company of Central Karelia / Keski-Karjalan Kehitysyhtiö Oy
Russia: Karelian Chamber of Commerce and Industry, City of Sortavala, Leningrad Chamber of Commerce and Industry

Time of duration: 1.5.2005 - 31.12.2007

Financing: 562 360 €

One of the most important forms of CB- business on the Finnish-Russian border is Forestry. In order to develop preconditions for the forest industry in eastern and northern Finland and in the Republic of Karelia, there was (and still is) a need for relevant information. For this purpose the Finnish Forest Research Institute launched an information service of the Russian forest Industry – project.

Idän Metsätieto – Information service of the Russian forest Industry.

The project was set up to assess the interests of small and medium-sized enterprises (SMEs) in Finnish counties of North Karelia and Kainuu in building networks, as well as in the collective purchasing of both round wood and sawn timber. For SMEs, the building of networks to support Russian trade activities is extremely challenging, and not enough will nor common interest was found during the

project. The small size of companies, competition between them and varying needs set restrictions for the formation of fixed networks. Instead, mediation of raw material has been successfully enhanced by an increase in contacts between Finnish companies and knowledge of each other's raw material needs.

As a result of the project, an information service about Russian forestry was formed to support companies and organizations. It is an internet website at www.idanmetsatieto.info and in addition to basic information about Russian forestry; it contains an on-line news service with 500 news items and 170 articles published during the past two years on the status and changes in the forest sector. The users have received the internet service well; 50,000 logins have been made since the website was opened. The idea is to continue this service and Metla is taking over the responsibility of maintaining the on-line news service.

Partners:

Finland: Finnish Forest Research Institute

Russia: Petrozavodsk State University

Time of duration: 1.1.2002-31.12.2004

Financing: 842 057 €

Education and cultural co-operation

Cultural co-operation has an important role in improving contacts and overcoming negative stereotypes. This is especially important among young people. An excellent example of a successful project regarding cultural exchange among youth was the Rockbridge project.

Rockbridge

Rockbridge is a culture exchange project between the Eastern Finnish city Joensuu and Petrozavodsk in the Republic of Karelia, in Russia. The project started on the 1st of January 2003 and its intention was to promote young, Northern Karelian bands in the Republic of Karelia and likewise Russian bands in Finland. During the project, nine concerts were arranged – three in Joensuu and six in Petrozavodsk. The goal of the Rockbridge-project was to make Finnish pop and rock music a part of the Russian youth culture and to develop co-operative work and create connections between the Russian and Finnish musicians in the long run. The project also improved the work of both Russian and Finnish bands in Finland.

Partners:

Finland: Pop Musicians of Joensuu

Russia: Myllärit-centrum.

Time of duration: : 1.1.2003-31.12.2005

Financing: 196 002 €

The development of educational co-operation across the Finnish-Russian border helps to improve students and teachers from both sides of the border. By offering them increasing and deepening education co-operation improves the expertise needed e.g. in work and business.

A good example of a structure created for the education of both Finnish and Russian students is the Finnish-Russian Cross-Border University CBU™.

Finnish-Russian Cross-Border University CBU™

The Finnish-Russian Cross-Border University CBU™ is a project developing joint Master's degree programmes in six study fields: Business and Administration, Forestry and Environmental Engineering, History, Information Technology, International Relations and Public Health. The CBU-co-operation was launched in 2004 with a feasibility study. Now we have the development stage from 2005 to 2007, and the CBU joint Master's degree programmes will be started in autumn 2007. All of the universities in the CBU already have valuable experience of Finnish-Russian co-operation during a great many years.

The main goals of the CBU are to increase and to deepen the educational co-operation between Finland and Russia, and so to improve concrete expertise across the Finnish-Russian border, focusing, e.g., on the needs of work and business life. The joint Finnish-Russian Master's degree programmes follow the Bologna process and the European Higher Education Area (EHEA) process in Finland and in Russia.

Partners:

Finland: University of Helsinki, the University of Joensuu, the University of Kuopio, the Lappeenranta University of Technology and the University of Tampere

Russia: St. Petersburg's State University, St. Petersburg's State Polytechnic University, Petrozavodsk State University and European University at St. Petersburg.

Time of duration: Permanent Structure

Financing: CBU belongs to the Finnish government's action programme Finland, Russia and International Co-operation 2003-2007. It is financed largely by the Neighbourhood Co-operation Fund of the Ministry for Foreign Affairs of Finland and by funding from the Ministry of Education.

Transport and Communication

Good transportation and communication services are a precondition for successful CBC. After the opening of the border there was a clear need to improve these vitally important preconditions. Old information and transportation systems needed to be modernised and a new infrastructure needed to be build. Maps have always played a significant role in the development of infrastructure.

Karjalan Kartat – Maps of Karelia

The project aimed at modernising information related to the maps of the Republic of Karelia and to provide this information for the use of Finnish and Russian actors. In addition, the project aimed at improving information related to the availability of maps, their usage, and prices and to create a network of end users. The project also aimed to clarify and improve availability of smaller scale material. The material was produced both in hard copy versions as well as on the internet.

Partners:

Finland: North Karelia Regional Environment Centre

Russia: Petrozavodsk State University, Karelian Research Centre

Time of duration: 1.3.2004 - 28.2.2005

Financing: 66 214 €

The number of border crossings has grown greatly since the opening of the border in the early 1990s. The increased number of both commercial as well as passenger traffic has burdened the road structures at border-crossing points, caused longer lines and in this way extended the waiting time at border-crossing points. To tackle these problems several construction projects to improve road conditions have been launched. One example of these is KT 70, the Construction of fast lanes at the Niirala border-crossing point

KT 70 Construction of fast lanes at the Niirala border-crossing point

The Niirala – Värtsilä international border crossing point was opened in 1995 for an estimated 150 000 – 200 000 border crossings per year. In 2003 there were nearly 925 000 border crossings and it is assumed that the number will rise 5-10% per year. It has been estimated that in 2010 the number of border crossings will be 1,3-1,6 million per year. A significant part of the traffic consists of heavy/truck traffic (wood industry). This has led to the weakening of the road structures.

During the project, three new lines were built (two for heavy/truck traffic; one for passenger cars) and existing structures were strengthened. Through this operation the requirements of passenger car traffic lanes answer to the needs of the present situation and meet the level that is required of CB-traffic in the EU.

Partners:

Finland: Finnish Road Administration, District of Savo-Karelia

Russia: -

Time of duration: 1.5.2004 - 31.8.2005

Financing: 700 000 €

Värmland; on the western border of the EU**The challenges of CBC**

(The Contents of the chapter the Challenges of CBC are based on the newspaper screening carried-out during phase II of the project. Värmland did not participate in Phase II activities and thus has not prepared a report which was used as a basis for this chapter.)

Best practices – examples

The Removal of Trade Barriers

The purpose of this project was to offer suggestions for changes and solutions to remove trade barriers. The project was primarily focused on standards for contracts in the entrepreneurial sector (building and construction) and harmonisation of regulations for transport vehicles. Other obstacles were also removed during the project period, for instance VAT in border trade, Norwegian regulations concerning a Norwegian representative in Swedish companies and Custom regulations passing unguarded border passages. Project duration 1.9.2002 to 31.12.2003.

Among the reasons behind the success of this project is the fact that the project coincided with the period when Sweden had the chairmanship of the Nordic Co-operation and that, at the same time, among the issues given priority at this level was an effort to remove obstacles to trade. The importance of finding the right solution level for the problems approached and/or encountered is quite crucial. The possibility and opportunity to approach this project with both a top-down and a bottom-up approach was important to its success.

Project owner: Wermland Chamber of Commerce (Sweden) and Levanger and Verdal Intercommunal Harbour Authority (Norway)

Project finance: SEK 405,000 of which 50,62 % is financed by the EU (Sweden), NOK 532,000 (Norway)

The Border Service Morokulien (Grensetjänsten Morokulien)

The purpose of the project Grensetjänsten was to establish a pilot- and development activity for professional and coordinated advisory activities concerning questions about insurance, customs, tax and employment and unemployment information. The activity is physically located at the border, but can also be reached by Internet and telephone. The purpose is, furthermore, to establish an organisation for co-operation that, forcefully, could highlight and bring to the fore matters that could not be solved locally. Project duration 1.8.2003 to 3.9.2005.

The background to this project was the mismatch in the labour market in 1995-96 when unemployment was high in Sweden and labour market demand high in Norway. A lack of information and knowledge about the possibilities in this situation was clearly evident on both sides, complemented by a lack of information about administrative procedures and regulations. Among the advantages and reasons for the success of the project, the evidence of a very identifiable problem stand out. The focus was and is on solving problems – bottlenecks. Another contribution was the already existing and further improved networks, which in the project's development process led to 22 project owners (financiers) on the two sides covering a range of issues in regard to the labour market situations. Issues ranged from information about labour market opportunities, taxation, insurance in different forms and conflict and conflict resolutions.

Project owner: Eda Municipality (Sweden) and Eidskog Support to Economic Activities KF (Näringslivsservice KF) (Norway)

Project finance: SEK 2,203.552 of which 47,93% was financed by the EU (Sweden) and NOK 1,746.040 (Norway)

Master of Public Administration I

The Master of Public Administration is an Inner Scandinavian competence and leadership program in co-operation between the University of Karlstad and the University College of Hedmark. The study program encompassed 40 credits (two semesters of full-time studies) for studies in organisation, leadership, political science, business economics, methodology and strategies and regional development. Project duration 1.1.2001 to 30.9.2002

Project owner: University of Karlstad (Sweden) and the University College of Hedmark (Norway)

Project economy: SEK 1,542.100 of which 50% was financed by the EU (Sweden), NOK 1,523.360 (Norway)

Master of Public Administration II

This project continued the work that was started in the Master of Public Administration I. The program has now been developed and strengthened. The aim is that the program shall become a permanent competence and leadership educational program for individuals at a mid-point in their careers and for the public sector in Inner Scandinavia. Project duration 1.1.2004 to 31.12.2004.

Project cost: SEK 933.157 of which 50% was financed by the EU (Sweden), NOK 912.096 (Norway)

Project finance: University of Karlstad (Sweden) and the University College of Hedmark (Norway)

Network for the Development of Public Management Competence

The purpose of this project is to develop and establish a network for competence development of public management in Inner Scandinavia. There is an ambition to link public organisations in this region to the program for continued education, and to develop additional services to satisfy the regional demand for the development of competence. Project duration 1.1.2005 to 30.6.2007

One of the primary reasons for the success of this project is its subject matter and the way it has been approached, solved, presented. Keywords linked to the work practice has been challenge, comfort, reflection and feedback. These are more than just mere words. The link between theory and practice is also taken much further than in usual educational practices by exploiting the profound knowledge carried by the participants, who often had quite extensive work experience. Another successful strategic choice was the contextual approach, i.e. to present different management models and structures in an historical setting and by this increase the understanding of this dimension. Not only the prioritized focus but also aspects of social interaction among the students and the students' interaction with the teachers and lecturers were beneficial. The gatherings were also complemented by interactive media and other forms for improving communication and further opportunities for co-operation, increasing the possibilities for working solutions when people do have a normal work schedule parallel to their studies. Some of the favourable experiences have been used by other projects, for instance the Masters program of Innovation Management, financed by the 2000-2006 Interreg IIIA programme.

Project Owner: University of Karlstad (Sweden) and the University College of Hedmark (Norway).

Project finance: SEK 1,329.800 of which 50 % was financed by the EU (Sweden), NOK 1,304.630 (Norway)

Lubelskie; short traditions, different challenges?

The Challenges of CBC

Administration

Fundamental differences between Poland and former soviet states result from differences in the administrative, legal, economic and regional policy systems of the mentioned countries. A basic problem seems to be the incommensurability of actors involved in CBC on both sides of the border. From the point of view of management and a self-government level, Ukrainian and Belarusian districts significantly differ from the Polish ones. In Poland, the power is in the hand of the bodies of self-government on all three levels (voivodship, district and commune). At the head of each self-government unit there is a council – a legislative and controlling body (Commune Council, District Council, voivodship parliament), whose decisions are implemented by executive bodies. Members of the councils as well as heads of communes (wójt) and mayors are elected in direct elections. They have all the necessary competencies to manage the appropriate administrative units. Each unit has its own budgets (which is composed in relevant parts by the local and general taxes, among them real estate tax, vehicle tax, rural tax etc.) It manages the budget of the unit being at the same time the owner of the commune's property. District authorities get subsidies from the state budget to realize concrete tasks, but at the same time they can get additional external financial sources. In Poland, only at the level of the regions – voivodships – there are representatives of the state authorities, which are the voivod's office, with limited competencies (without legislative powers).

In contrast to this, there are in the Ukraine (for example) two levels of power existing at each level of the administrative units, which are represented by the Council and the State Administration. The Councils are elected in direct elections, but have no legal competencies. They play mostly an advisory role and have no own budget or property. The budget is divided centrally and is managed by the administration – representatives of the central power. Otherwise, the national administration would not have sufficient awareness of problems of local communities. Even so, they mostly have no interest in solving existing problems. The lack of compatibility of individual bodies which results from different power divisions hampers decision-making and proficient implementation of concrete programmes. In the case of social co-operation, there is also huge incompatibility on both sides of the border. Non-governmental organisations from Poland are much better organised, have greater financial and technical funds at their disposal and more experience than their Eastern partners (e.g. in

Belarus, external aid for NGO's is charged with taxes and each project has to be accepted by state authorities, whereas in Poland such activity is not subject to such restrictions).

Basic barriers while conducting CBC are related to an insufficient functioning of its financial mechanisms. An important barrier is the disparity of financial means of local governments on both sides of the border. Considerable differences are also noticeable regarding allocations of EU means for CBC in favour of new Member States.⁶ The scale of differences between means which the CBC actors have on both sides of the border at their disposal considerably limits their capabilities for equal participation in the CBC projects. Because of spare financial sources, the Eastern partners are unable to participate in a large number of common ventures. Other facts unfavourable for CBC relate to the financing of CBC projects from different funds. It makes co-ordination of common activities even more difficult, particularly because the process of fund-raising within those funds is very different. In the opinion of NGO's employees, co-operation within EU programmes PHARE CBC and TACIS is very difficult, due to excessive bureaucracy, a lack of clear information and very unclear regulations on grants assigned.

On both sides of the border, there is a lack of sufficient number of qualified people with knowledge about external aid application and their absorption. An important obstacle also seems to be a lack of foreign languages, insufficient knowledge of financing institutions, little knowledge of the consequences of EU-enlargement, its influence on CBC, and European law and regulations. In particular, there is a big problem with regard to Eastern countries. A very important barrier in drawing up infrastructural projects by local governments is a lack of signed bilateral agreements on spatial planning. And last but not least, difficulties in CBC arise from insufficient development of transport and technological infrastructures.

On the other hand, the establishment of contacts that allow the development of co-operation between border regions has been successful in the last five years. There are more and more NGO's in charge of cross-border policy and seeking partners on other side of the border. It must be stressed that projects realised within CBC are often the only ones boosting regional and social development of these mostly peripheral regions and helping to gain external financial and technical aid.

⁶ An allocation for Poland from ERDF within the INTERREG IIIA/Tacis CBC Neighbourhood Programme Poland-Belarus-Ukraine between 2004-2006 amounts to 37 818 870 EUR whereas the Tacis CBC fond provided for Belarus and Ukraine comes to 8 000 000 EUR for the period 2004-2008.

Economy

Economically, the Polish-Belarusian-Ukrainian cross-border area belongs to the poorest regions of the enlarged EU with the lowest GDP per capita (32% of the EU25 average). Nevertheless, despite of this fact and taking into account the unstable political and economic situation in Belarus and the Ukraine, the international trade of goods and services at the Polish-Ukrainian and Polish-Belarusian border shows upward trends. This positive trade turnover with both neighbours is due to bilateral agreements and many contacts on a local level. There are more and more institutions targeted at local public bodies or small and medium enterprises specialised in searching for partners and establishing CBC. Another positive point that affects regional economic development is the New European Neighbourhood Policy, comprising former soviet countries which assigns more financial means to the Eastern non-EU countries, making them more attractive for potential co-operation. Within the Neighbourhood instruments INTERREG III A/TACIS CBC, there are grants available for small and medium enterprises (action 1.3: Development of business related and tourist infrastructure). And last but not least, the Marshall's Office of the Lubelskie region has developed a strategy laying down measures to establish a friendly border in the east by building new crossing points after 2006.

The positive macroeconomic development is being disturbed by problems arising when implementing CBC projects. Because ERDF funds are given as refunds, most of the CBC partners involved claim to have huge difficulties in securing their own-share when applying for covering their investment share when implementing the projects in question. Another problem worth mentioning seems to be of a legislative nature. The administrative structures on both sides of the border are too different and often inadequate to deal with co-ordinating common projects. Adding to this Belarus and the Ukraine are financed by different structural funds than their Polish partner. In the case of the Small Projects Fund (SPF) and Tacis Micro Projects Facility (MPF) financed by PHARE and Tacis CBC programmes respectively, before the New Neighbourhood Programme Poland-Belarus-Ukraine INTERREG IIIA/TACIS CBC, the Polish fund (PHARE) was managed through respective Euro regions while the Ukrainian and Belarusian fund (Tacis) was managed through the European Commission. There were also different application conditions by Polish applicants applying directly in Polish to eligible Euro regions while Eastern applicants had to apply in English to the Headquarters of the Commission in Brussels. Besides, the Polish funding could be used only in the territory of Poland, diminishing with it the possibility to take common actions on the other side of the border. At the present, the Micro Projects Fund within the

New Neighbourhood Policy Instrument has only been launched on the Polish side by respective Euro regions. The Belarusian and Ukrainian calls for proposal rounds are still being missed.

But the major problem in this context seems to be the compulsory visa regime for the people from Belarus and the Ukraine. A visa duty introduced after Poland's accession to the EU resulted in a decrease in the number of foreigners, first of all the Ukrainians, who used to make business with Polish entrepreneurs in the border region. This led to masses of unemployed Poles encouraged by an opening of the common market, to leave the country to work abroad, mainly in Great Britain and Ireland. In turn, a black economy in Poland increased due to illegal Ukrainian day-labourers temporarily hired to work for Polish fruit farmers.

The border regime

Poland, among member states which joined the EU in May 2004, shares the longest border with non-EU states: about 230km with the Kaliningrad region (Russia), about 420km with Belarus and about 535km with the Ukraine. The southern strip of border land with Belarus coincides with the stream of the border river Bug, which also delimits Poland from the Ukraine. For instance, there are only 12 crossing points on the Polish-Ukrainian border, whereas there are 52 on the Polish-Slovak 541km-long border strip. Even if all the ambitious border projects are put into practice, the number of crossing points will only rise to 30-40 while each year needs are growing. Apart from some individual cases, it is not allowed to pass the Polish-Belarusian or the Polish-Ukrainian border on foot or by bicycle. This ban is only typical of this border region and reminds one of the realities of the times of the cold war. The price for the 350 kilometres distance railroad connection between Krakow and Lviv is higher than the costs of flight by cheap airlines from Krakow to London and many other European capitals. The bus from Lviv to Przemyśl (Southeast of Poland) takes less than two hours to get there, but the waiting time at the crossing point to get into Polish territory is more than two hours and the only crossing point which is allowed to be crossed on foot is completely dominated by small-time smugglers. There are countless other examples such as these.

Despite the close co-operation of the Polish frontier guard with its Ukrainian and Belarusian equivalents, which brought about, e.g., plans for common customs checks at all cross-border points, the Polish Eastern border remains hardly passable. This results from narrow access roads, non-adaptability of infrastructure with regard to needs at some crossing points, incomplete staff, different terms for work of neighbouring frontier and customs services, a lack of a suitable information system

on changes in legislation, etc. The consequence of this is that there are many kilometre long queues of long vehicles and personal cars.

The Polish-Belarusian border is characterised by high traffic density of long vehicles. More than 700 000 trucks in 1997 passed through the Polish-Belarusian border and about 450 000 in 2001 while about 200 000 trucks passed yearly through the Polish-Ukrainian border in the same time period. Delinquency caused by migration flows has been either insignificant in comparison with other Polish Eastern border strips. This results from strict military border protection. Those people organising illegal immigration to Western Europe choose a more convenient route through the Ukraine. Low immigration statistics regarding Belarus are a consequence of the police character of the state which did not sign the Geneva Convention in 1951 on the protection of refugees. This border strip, however, represents typical features of smuggling, the so-called ant business⁷. The value of smuggling detected by frontier guards surpasses 20 000 000 PLN/5 000 000 EUR a year, although it tends to have been lower in recent years. The most popular smuggled goods are cigarettes, alcohol, petrol and cars.

The Polish-Ukrainian border is being crossed to a greater extent than the Polish-Belarusian by persons dealing with cross-border trade between border regions of Lubelskie and Podkarpackie and Western Ukrainian regions/oblasts. However, it is not only the ant-business which is being associated with this kind of economic activity. On the Polish-Ukrainian border, there has been delinquency for years, caused by illegal immigration, which is being carried-out by organised criminal groups. The main smuggling routes for immigrants from Asia to Germany and Austria run through the Ukraine. The Ukraine itself is an important source of illegal workers employed in Middle and Western Europe (mainly in Poland, Portugal, Spain and Italy). The visa regime for Ukrainian citizens, introduced in Poland in October 2003, resulted in decreased border controls of Ukrainians. The number of Polish citizens going to the Ukraine, however, has increased. This results from existing trade contacts which have been established years ago and now taken over by Polish contractors after the establishment of visa duty. The smuggling of cars, alcohol and cigarettes is often the reason for those trade contacts.

⁷ Commuters who pass border crossings several times a day to smuggle cigarettes, alcohol or other kinds of small items.

Best practices – examples

Trans-border Anti-flood Strategy in the Bug river Valley

The main project goal was the creation of a stable mechanism of co-operation and trans-border planning and programming process between the regional administration and self-government authorities. Another objective was to create a background for an anti-floods strategy in the form of an official document. The organisation of seminars, study-trips and expert groups organised in the territory of the Lublin region was supported by the PHARE grant.

Results and outputs: A trans-border programming document called TRANS-BORDER ANTI-FLOODS STRATEGY IN THE BUG RIVER VALLEY was created. It was published in the form of a book in three languages and was compatible with the main directions of the border region development. 30 experts from three countries worked over the strategy, 3 representatives of the regional self-government and administration were engaged in the functioning of the Steering Committee. One seminar was organised with 30 participants and 1 international conference with 60 participants. 1000 copies of the strategy were published in three languages.

Cross-border impact: For the first time the appropriate institutions responsible for the water management and anti-floods activities worked on stable fundamentals. This project was the first real element of trans-border programming before future trans-border funds of EU.

Location – Poland, Euro region BUG

Financing: PHARE CBC, Small Projects Fund, Euro region BUG

Trans-Border Informational-Contact (TRIC) Platform for the cross-border regions Brest – Biala Podlaska is a project within the framework of the TACIS program Assistance to the development of trans-border co-operation, and also its concrete results: the Internet-platform and Brest Cross-border Info Centre located at Brest/Belarus.

The project aims at intensifying CBC through the availability and provision of data, information and contact persons for this border area. It offers practical information about current and future Schengen border for commuters, travellers, local citizens and industry, and supplements the activities of the Euroregion Bug with particular focus on the border crossing area Brest – Biala Podlaska. From a long-term outlook the centre should act as a connecting-link and promote joint projects on the development of the Belarusian-Polish cross-border region Brest – Biala Podlaska.

The Common Polish-Ukrainian CBC Strategy Together Towards the Future of Lubelskie, Podkarpackie, Volyn, Lviv regions 2005 – 2015 is a strategy of border regions development – involving two Polish (Lubelskie and Podkarpackie) and two Ukrainian (Lviv and Volyn) regions which was developed by the European Centre for Integration and Self-Government Co-operation House of Europe as well as its partners: Marshall's Office of Podkarpackie Voivodship, Marshall's Office of Lubelskie Voivodship, Volyn Oblast State Administration, Lviv Oblast State Administration and the Agency for Regional Development and European Integration in Lviv as a task of the Polish-Ukrainian Agency for CBC – Together towards the Future project, co-funded by the TACIS CBC Programme.

The strategy aims at determining the areas of bi- and multilateral co-operation in a new political situation on the basis of the results of the work of Four Regions representatives. The document will be presented to regional authorities as a proposal to intensify their co-operation and it will serve as the basis of the Polish-Ukrainian border co-operation programme for 2007-2013 in the framework of the European Neighbourhood and Partnership Instrument. This strategy does not answer all questions connected to the Polish-Ukrainian CBC. It results from its geographic limitation, more precisely, from the absence of the Zakarpatska Oblast (which also borders with Poland) in the Polish-Ukrainian Cross-Border Agency – towards the Future project

Friuli Venezia Giulia; different borders, different challenges?

The Challenges of CBC

Regional foreign policy

Friuli Venezia Giulia - thanks to the reform of Title V of the Italian Constitutional Chart, in 2001 which assigned new powers to Regions in the field of European Union policies - entertains foreign policy relations, at various levels, with other states, regions and international organizations. Enlargement entails new relationships with the bordering Member State, Slovenia, and the future member Croatia for three main reasons. First, because of the geographical proximity, secondly, because of the event in Gorizia - Nova Gorica, where the President of the European Commission celebrated the adhesion of Slovenia to the European Union, third, due to the mix of contrasting meanings that the problem of memory and reconciliation arose in the region. Especially towards Croatia, Friuli Venezia Giulia is adopting a supportive policy aimed towards quick adhesion to the European Union of this country. Although the situation includes new possibilities both for the region of Friuli Venezia Giulia as well as for the neighbouring regions, it is also obvious that these regions meet large challenges while executing CBC. The largest challenge in this field is the redefinition of relations within the framework of the ongoing process of EU integration and enlargement.

CBC projects

The Friuli Venezia Giulia region has heavily used community structural funds, particularly for developing a deep network of cross-border activities, especially in the framework of the INTERREG Community Initiative. INTERREG Italy-Slovenia is the most important in financial and political terms, given that Friuli Venezia Giulia is the managing authority

of the programme. The important point to be stressed is that there is an obvious lack of communication concerning INTERREG projects. Intermediate evaluations, in fact, underlined that these programmes have a very low profile in the beneficiaries' perceptions.

In order to strengthen its CBC policy, FVG started to become interested in the creation of euroregions, as instruments with the capacity of guaranteeing both vertical co-operation (state-regions) as well as horizontal (among regions). However, various problems arose due to Italy falling behind in the development of international legal tools for CBC, as well as its domestic legislative situation. The political will to create such an euroregion within existing legislation has remained strong. For example, the Euro Adriatic euroregion has been recently established with regions from Italy, Croatia, Bosnia-Herzegovina, Albania, and Serbia-Montenegro, all facing the Adriatic Sea. At a smaller level, the project of establishing a Europrovince between Gorizia and Nova Gorica (Italy-Slovenia) has entered into an operative phase, after the signature of the protocol of CBC. The main challenge in developing cross-border projects and/or euroregions is the widening, strengthening and institutionalising of CBC practices.

Culture

In this field, many possibilities for co-operation remain idle. Education is the field in which the largest CBC should be realized, but still much remains at the level of projects or ideas. One important issue is the possibility to create a kind of cross-border television. Telecapodistria is the Italian minority in Slovenia television broadcasting television and radio programs in the Italian language. It also receives financing by the Regional Friuli Venezia Giulia Government. A distinctive feature of this border area is the presence of ethnic minorities. Such presence is the result of a long and complex historical and sociological phenomenon rooted at least to the Roman age. In the context of cross-border relationships, minorities constitute an advantage on both sides of the co-operation. This is undoubtedly the case of Italian minorities in Slovenia and in Croatia, and even more so with the Slovenian minority in Italy.

Unfortunately, mainly along the Italy – Slovenia boundary, minorities are also the cause for a renewal of the context of conflict. The main issue concerning minorities is the good or bad treatment they receive from the host State, and, in fact, a large part of the debate concerns the new regional law on Slovenian minorities in Friuli Venezia Giulia. Other problems concern languages, schools and problems of facilitating daily movements across the border. The problem of language is quite a reality in this area, bilinguals are a minority, and dual languages are not used

in public administration. There are Italian schools with Slovenian as the teaching language therefore, in comparison with other border areas full usage of Slovenian language in Italy (or Italian language in Slovenia) is not that common. The issue is clearly a difficult one, as opinions about the status of the Slovenian minority in Italy often entangle an opinion about the status of Italian minorities in Slovenia (and especially in Croatia). Nonetheless, minorities are described as a great resource for the area, especially as facilitators of further CBC.

Economy and tourism

There is much concern about future usage of public resources by bordering regions. Brussels should not create too great a difference between the Friuli Venezia Giulia region and Slovenia concerning structural funds or state aids. As for SMEs development and internationalisation, direct foreign investment in Slovenia from local companies, through relocation of factories in Slovenia and the possibility of co-operation agreements between economic partners on both sides of the border and the possibility for SMEs to gather a locally qualified workforce and to obtain some advantages in terms of fiscal treatment are clear advantages. Some disadvantages can also be pointed out, namely the slowness of the bureaucracy and limited internal markets.

Co-operation between Austria and Slovenia in the tourist sector began in the early seventies. Nowadays, the most important issue in this field are the agreements between Friuli Venezia Giulia and Carinthia for a development plan of the ski resort of Pramollo – Nassfeld. Moreover, there will be a common programme for tourists and commercial promotion for both tourist locations. Moving on from these topics, motivation has developed towards the realization of a cross-border euroregion in tourism.

The main topic regarding the transport system is Corridor 5, a high-speed and high-capacity train between Western Europe and the countries of Eastern Europe, linking Barcelona (Spain) and Kiev (Ukraine). The so-called Balkan segment of Corridor 5 running east west in the northern Adriatic region involves complex infrastructures in Italy, Slovenia, Croatia and Hungary. The decision of the European parliament in Strasbourg cited Venezia, Ronchi sud, Trieste and Divaca, in Slovenia. This project has been indicated as a sixth priority project amongst thirty other approved projects (i.e. it is a European priority). At the same time, doubts arise on Slovenia's actual interest in Corridor 5 project, at least on Slovenia's feasible implementation of this project due to a very weak and obsolete railway network on its territory. In opposition to the importance of Corridor 5 to Friuli Venezia Giulia and Italy, there is some concern about the project's devastating impact on

the environment (a gallery through the Carso is planned) as well as about the high social and economic costs for inhabitants, because of planned expropriations and house demolitions. There is also a plan to create a logistic platform functioning inside the framework of the euroregion.

The ports of Trieste and Koper in Slovenia, alternatively, are depicted as co-operative and conflictive ports. They have to cooperate for the common development of an integrated port pole in the north Adriatic Sea (along with Monfalcone, San Giorgio, Venezia, Rijeka) but there is an actual risk of concurrence. Hypotheses are made over an integrated port system, with no unique authority, in order to create a virtuous competition between Trieste and Koper. It is necessary to create competition and a common plan to increase production without reciprocal hindrance with same ship traffic, that is every port has to specialise.

In the energy sector, on the Austrian side, there is co-operation for the purchase of electric energy. On the Slovenian side there is a will to co-operate to create a network for a shared management of energy resources. An idea is to create a multi-utility company to offer services across the border. One clashing theme is the nuclear plant of Krsko (120 km from the Italian border), which is classified as one of the less safe in Europe. There are several proposals for the organisation of a euroregion as a tool for a better energy sector management. These tools should deal with energy production and transport on a macro-area level. These proposals are made by politicians from Friuli Venezia Giulia, Carinthia and Slovenia, but also by environmental associations.

For Research & Development / technological innovation, the AREA Science Park of Trieste is one of the leading multi-sector science parks in Europe. A need is felt for a closer opportunity for co-operation with Slovenia. The proposal for a euroregion also surfaced regarding CBC in the research sector with Slovenia and the coastal region of Croatia. In referring to the labour market, EU enlargement will assure free circulation of capitals, services and goods, but not free circulation for workers. This choice was made to avoid new tensions in the labour market in external borders. However, free access for cross-border workers would be profitable, as in Italy the labour force is lacking. Worker circulation is far from being free and there is still a lot of diffidence among people.

In relation to the economic sector, there is a need to promote a common economic space that will support trans-regional socio economic cohesion. Secondly, there is a need to realise a joint role for tourism attraction. In addition, administrative burdens should be eliminated through the harmonisation and simplification of administrative/ bureaucratic constraints.

Security

The most important and developing forms of co-operation in the field of security are the common actions between the Italian and Slovenian police forces, which sometimes (due to Schengen Agreement) also includes the involvement of Austrian police forces. Co-operation is needed since the Italian-Slovenian border is one of the entrance doors for illegal immigrants from central-east Europe and Asia. The main challenges in the field of (soft) security are the extension of the Schengen system to neighbouring Slovenia and, in the future, also to Croatia and to sustain and to strengthen coordinated and joint actions among various national police forces for the territory concerned.

Social issues

The strategy of the Friuli Venezia Giulia region in the field of health issues is to create networks and harmonise hospital facilities with neighbouring countries. This aim has been pursued through the sharing of qualitative standards and identification of excellence centres, as well as the strengthening of a joint emergency system. In the social field, the aim has been to share best practices for the protection of the weak sectors of society (elderly, children and disabled people). The implementation of the mentioned strategy was done with several projects both on Italian-Austrian and Italian-Slovenian borders. The establishment of a common space for health and social services is, thus, one of the biggest challenges related to social issues. There is a need to create required conditions and to stimulate and support free mobility of patients and medical operators. In addition, there is a need to promote the realisation of common training programs in the field of medical treatment.

Environment

Since environmental issues often have a very strong cross-border impact, the prevention of environmental risks has to be tackled on both parts of the border in order to be effective. In the city of Gorizia, there are several cases of cross-border impacts. For example, some factories in Slovenia, close to the border, create air pollution also on the Italian side. Pollution sources are known and the polluting companies acknowledge the problem. The period to conform to standards for the plants is wide. This fact induced committees of citizens and environmental associations to engage in public protests.

Another matter concerns the installation of a cross-border plant for water purification, between Gorizia, Nova Gorica and Sempeter

–Vrtojba. This plant should be for the periodic pollution of a little river, which flows from Nova Gorica across Gorizia. On the other side, pollution is also a problem for the main river, Isonzo, whose source is in Slovenia. Its basin is divided by the border; upstream river basin management is completely under Slovenian control. This management leads to dams opening and closing, with harmful consequences for fish. The nuclear plant of Krsko is a matter on which there is periodical debate about its closeness to the Italian border (120 km). A developing sector of co-operation is environmental safeguarding (i.e. fire risk) and civil protection. This type of co-operation is developing with Slovenia and with Austria. Some solutions for environmental issues adopted in Austria to solve waste problems have been taken into consideration as best practices to replicate in FVG (i.e. a plant to incinerate waste in Arnoldstein-Villach). This euroregion is proposed as a tool for environmental safeguard. Though there has been development in tackling environmental issues, there is still a need for improvements to jointly prevent and to be prepared to tackle cross-border environmental risks. Therefore, e.g. realisation of a common inter-regional alert system and joint planning for an emergency would be vitally important.

Best Practices - examples

Matriosca

This project, approved last April 2005 for INTERREG IIIB – CADSES, is named MATRIOSCA – AAP - Management Tools, effective Relations for new Interregional Organisation aimed at Strengthening the Co-operation among regions in the Adria-Alpe-Pannonia space. It will last 30 months, from last June 2005 till December 2007, with the leadership of the Land of Styria (AT) and a total cost of € 854.000,00. Apart from the LP, the project involves 14 partners from the states of the initiative EU future region Adria-Alpe-Pannonia (Carinthia and Burgenland (AT), Friuli-Venezia Giulia and Veneto (IT), Slovenija (SI), Zala, Baranya, Győr-Moson-Sopron, Somogy, Vas, Tolna (HU), Koprivnica-Krizevci, Varazdin and Istria (HR), and Vojvodina [Serbia]).

CBC in organic agriculture

This is a project developed and implemented between January 2002 and December 2005 for Interreg IIIA Italy-Austria. It can be considered as an example of trilateral co-operation (AT, IT, SLO). The beneficiary of the project in Friuli Venezia Giulia is A.PRO.BIO, an Association of biologic producers, a similar organisation called BIO ERNTE Kärnten is the Austrian partner. Slovenia has also been involved through the association BIODAR. The aim of the project is to develop and enhance biologic products through both biologic companies and conventional ones and thanks to the deep experience in this field of the Austrian partners. The foreseen activities have been exchange of know-how, promotion and market orientation. In 2003, 2004 and 2005, international meetings named Bio Symposium have

been organised in Carinzia, Slovenia (Ljubjana) and Friuli-Venezia Giulia. There has been a joint participation in the exhibition biofest in Italy and Austria and other international exhibitions and fairs in a joint stall also outside the Programme area (e.g. Norimberga, Pavia, Bologna, Longarone, Bolzano, Barcelona) with the intent of promoting local bio-associations and companies.

Holidays without borders – CBC in agritourism

This project has also been developed within Interreg Italy-Austria and was concluded in December 2005. The partners were the two agritourist Associations in FVG and Carinthia. (Associazione Agriturismo del Friuli-Venezia Giulia and Urlaub am Bauernhof in Kärnten - Landesverband baurlicher Vermieter). Since 2001, Slovenia has also had joint partnership through a similar Association, Združenje turističnih kmetij Slovenije. The main aim of the initiative has been the promotion of agritourism offers (52% of guests in FVG come from the German area), with a view to complement and co-operate beyond the borders, e.g. with training and exchange of experiences. In 2005 partner-companies jointly participated in tourist fairs (e.g. BIT, Borsa Internazionale del Turismo in Milano, February during this exhibition the project has been presented jointly by FVG, AUT and SLO; in the Blühendes Österreich & Ausflug - Wels (Upper Austria); in the Vakantiebeurs - Utrecht (Nederland), Alimenta and Hobby, sport e Tempo libero - Udine, and many others in Pordenone, Klagenfurt, Ljubjana and Berlin.

The concrete results, which make this project a best practice, are the following: an increase in the guests and a diversification of the countries of origin, especially immediately after promotional events; publication of joint coupons and leaflets which allowed a better valorisation of local products; the spread of knowledge among people about the farm holiday offer.

The Euroregion Nestos Mesta; different structure, similar challenges?

The Challenges of CBC

Economy and labour markets

In relation to their economies, there are several problematic issues that hinder co-operation across the Greek-Bulgarian border. A lack of systematic co-operation, different legislation and procedures, staff shortages, and different opening hours of border-crossing points on different sides of the border hamper the effectiveness of economic CBC. This has led to lengthy checks on vehicles and in this way increased costs. In addition, different legislation has created barriers to recruiting labour in subsidiaries in the neighbouring country and made trade for agrarian products impossible.

Obsolete legislation, differences in social security systems and labour laws are the main reasons for difficulties in the labour markets. In addition, illegal hiring of a work-force from the Bulgarian side to

Greece creates a group of employers without proper insurance and poor labour conditions. There is, thus, a clear need to simplify and harmonise procedures related to border-crossing and to establish common structures to improve possibilities for cross-border trade and commuting across the border.

Infrastructure

The problems in the infrastructure in the region are tightly linked with the border infrastructure. Differences in national agreements, delays in border crossing construction due to environmental constrictions imposed by the Commission, poor co-operation across the border, an inadequate capacity (and number) of border-crossing points, and insufficiencies in rail-links between Greece and Bulgaria are the most severe infrastructural obstacles. Additional problems appear in the communicative infrastructure, in which inadequacies in phone and internet access and equipment hamper CBC.

To improve the situation there is a need to increase the number of border crossing-points and railroad links between Greece and Bulgaria. The capacity of the old railroad links and border crossing points should also be further developed. This, in turn, requires improved co-ordination of work.

Administration and security

At the administrative level, the main sources of difficulties are related to differences in national procedures and regulations as well as heavy bureaucracy. In addition, a lack of qualifications in development planning and a modern management culture hamper CBC at the administrative level. Thus, there is a need for a simplification of procedures and an implementation of training measures for the Phare CBC-Fund.

In relation to security, problems are linked with soft security issues. In this field, too problems are related to the inadequate legislative basis. This, together with the lack of traditions of co-operation, causes difficulties in co-operation (i.e. in exchanging information and in implementing common strategies to combat organised crime) between police authorities and border-guards across the border, which, in turn, hinders co-operation, for example, while combating illegal immigration. To tackle these difficulties there is a need for more effective – if possible joint - administration and the possibility to operate on the other side of the border.

Best Practices – examples

The best practices are divided into two predominant models of particular relevance. Both models come with many variations. The first of these is an *integrated programme management* model and the second is called a *co-ordinated programme management*. There are many examples with varying degrees of co-ordination and elements of integration.

Best Practice: Integrated CBC: Full Integration Using Permanent Structure. The Example of Euroregion Nestos – Mesta

This is the Best Practice example in South Eastern Europe in terms of planning, management and implementation of Cross-border programmes and activities.

Programme preparation

Programme development and drafting

Programmes are being prepared by the Euroregion and the established working teams of the Euroregion. The development of the programmes is always based on systematic cross-border planning, typically including: SWOT analysis and action programme; spatial planning strategy; and a large number of sector studies establishing a long-term strategy and defining specific projects for the sector concerned. All social partners are extensively involved in the preparation of the programmes, including formal consultations with socio-economic interests.

Submission to the National Authorities

The programmes selected are submitted to the national authorities of Bulgaria and Greece respectively to be financed by Phare/CBC or Interreg.

Agreement on the management of implementation

An agreement was signed in 1992 and a similar, more expanded and better elaborated agreement in 1997 for co-operation. In both cases, the agreements were concluded prior to the submission and approval of programmes to the respective countries.

Best Practice: Full Integration for Programme Purpose. The Prespa – Ohrid Agreement

This Best Practice example covers the agreement achieved by a tri-lateral co-operation agreement by organizations in the lake area of Prespes and Ohrid in the border areas of Albania – FYROM and Greece. The best practice concerns an integrated methodology for the purpose of the implementation of a single programme. For the shaky and difficult co-operation that characterises the border areas in South Eastern Europe this is a good example of co-operation in which the needs of the programme forced the organizations from three different countries to find the best practices of co-operation to implement the activities.

Programme preparation

Programme development and drafting

The programme was prepared by the partners in co-operation at several meetings in the three different countries. The development of the programme was based on a detailed SWOT analysis and the preparation of a cross-border strategy in 1999-2000. The European Council and the Stability Pact provided technical assistance for the preparation of the programme. The development involved all partners extensively, especially the local and regional authorities.

Submission to the three countries

The preparation of the draft programme was passed on to the respective governments of the three countries, Greece, FYROM and Albania, and it was submitted to the Commission for possible funding.

Agreement on the management of implementation

An agreement on the management of implementation was signed in 2001. The agreement involves the Governments represented, in Greece by the Region of Western Macedonia. Respective regional and provincial authorities are represented from the other countries.

Best Practice: Partly Integrated

This is the example of Best Practice of CBC in many areas in South Eastern Europe. The areas eligible under Interreg, Phare CBC, CADSES and MEDA comprise the following countries: Greece, Bulgaria, Turkey, FYROM, Albania and lately Serbia-Montenegro and Croatia. Italy also participates in some CBC programmes through Interreg (within the internal borders with Greece) and CADSES or INTERREGIIB with the external borders with countries of Western Balkans.

Programme preparation***Programme development and drafting***

This is done through ad hoc initiatives by the involved parties. Specific eligibility criteria have been established for each measure and the specificities of each programme or CIP.

Ex ante evaluation

An ex ante evaluation is carried out by respective national authorities. In some cases, regional governments are involved in the process.

Submission to the Commission

Submission of application is according to the specificities of the programme or CIP. The applications are usually submitted to the respective governments or national management authorities and subsequently, jointly submitted to the Commission. In some cases, such as INTERREGIIB or CADSES, the applications are submitted to the European management units.

Agreement on the management of implementation

The overall management responsibility lies with sections of the respective national authorities. Separate agreements on management and implementation take place between or among the related organizations who submit their applications.

Best Practices: Coordinated. Union of Municipalities of Greece/Bulgaria/Turkey Polis

Polis is a network of municipalities from three neighbouring countries in South Eastern Europe i.e. Turkey, Bulgaria, Greece. The municipalities of these three countries coordinate a series of activities and projects in order to manage and implement EU and nationally funded programmes of a CBC nature. In this sense, the coordination of the network is an extremely useful example of Best Practices because it coordinates and combines a number of very different types of CIPs and programmes such as Interreg, Phare/CBC, MEDA, CADSES, INTERREGIIC-RFO, etc.

The Polis best practice could be used as a paradigm in the future neighbourhood programme of the EU because it entails co-operation in the external borders and coordination and management of activities with three countries.

Programme preparation

The network of municipalities was initiated by the Sapes Municipality in Greece and in 1999 a protocol of co-operation was signed with municipalities from Turkey. The first steps of the network were to carry out a preparatory study with financial support from the Commission. They subsequently prepared the draft of an Operational Programme of co-operation based on this study. The two member state authorities agreed to support the initiative, which was the first in Europe to include Turkey as a partner. In subsequent years, the Bulgarian municipalities joined the network. Planning and programming was extended to accommodate the needs of a tripartite coordination.

Agreement on the management of implementation

The institutional arrangements for the management of the implementation of the programme are specified in the overall Operational Programme designed by the network.

Border Region Delta Rhodopi; southern dimension, southern challenges?

The Challenges of CBC

Structural problems and barriers

Structural deficits pose the greatest challenge since their solution requires profound policies and often have a political aspect too. The absence of a peer for Greek regions is a crucial issue. While Bulgarian regions may act as counter-parties in negotiations and joint initiatives, their competencies (political, economic) are not such that elevate them to the level of a 'peer' for Greek regions. While Greece has allocated greater political power and a budget to its regions, centralisation is very much at large in Bulgaria. To reverse this problem, political reform is needed in the neighbouring country. Another structural problem is the relative lack of training and experience of local and regional administrators in relation to EU and CBC issues. This is most pronounced in Bulgaria, but also very much a feature in Greece – once again connected with the recent allocation of powers to regions in the country. A combination of political and financial measures will be necessary to try to reverse this phenomenon.

A dissimilar level of economic development among regions is a major issue for many border regions in Europe and in particular, those neighbouring with some of the EU 10 'new' member states. Thus, we observe one of the two (or more) regions that belongs to the 'old' EU 15 with a more affluent local economy, greater availability of state funding for development and much better infrastructure, in general. On the other side, the 'newcomer' region to the EU is now developing. Its economy is dynamic and expanding; it offers lower labour costs and greater incentives for investment from foreign capital. The border regions in

question may engage in a race to the bottom, whereupon the 'affluent part' will do all possible to avoid the possibility that local enterprises relocate to the region across the border, fearing unemployment and economic and social malaise. The 'developing' region, on the other hand, will further reduce standards (regulatory, environmental and other), make labour markets more flexible and relax workers' rights in order to provide incentives to foreign investment that can overcome the protectionism from the 'affluent' region. This situation can lead to political tension and intense antagonism among neighbours. It can also create negative attitudes from both sides towards the EU – one side accusing the EU for its problems through financing its 'rivals' and the other also blaming Europe for decreasing social and environmental standards *in real terms*⁸.

To counter this problem, careful design and co-operation among the regions in question is required. We need to discover the areas of synergies and policies that add value for both regions in questions. Through the development of cross-ownership and activity that crosses borders, the regions in question can utilise their comparative advantages without engaging in competition in areas where one is surely more competitive than the other. Common planning and consultation of the local economic and social stakeholders is needed for the identification of these areas of complementarity. This will also require political willingness from the regions and probably the 'go-ahead' from central governments.

Politics, memories of conflict, mistrust

This systemic deficit concerns the presence of negative stereotypes and mistrust across-borders in both countries. This attitude (not so much among politicians) still affects economic, political and social co-operation. 'Soft' policy instruments such as economic, environmental and cultural co-operation and common projects that build 'confidence' across national borders are necessary. Still, to strike a political balance is a very delicate and difficult balancing act.

⁸ We have highlighted these words in order to underline the paradox, whereupon the transposition of the *acquis communautaire* sets higher standards in environmental and social terms, but the reality of the market is such that competition without prior market design may lead to negative effects, in the early stages of cross-border investment at least.

Managerial problems and barriers

Problems with co-operation among public authorities is related to the problems stated above regarding the allocation of powers to regions and also to the fact that 'new' member states are currently at the steep part of the 'learning curve' with regard to familiarisation with Community processes and funding procedures. In our case, our Bulgarian counterparts are soon entering the EU and are therefore expected to acquire quite a lot of assistance – a large part of which should be directed towards regional and local administrators.

The lack of infrastructure to support enhanced CBC is related to transport networks, border-crossings, co-operation framework and so forth. These are matters that are currently being addressed but, nevertheless, solutions require some time and the issue here is to develop interim solutions to avoid losing precious time and funds. The role of cross-border intermediaries, which facilitate and hasten the CBC process, is imperative.

Ad hoc problems and barriers

Language problems, experiences in cross-border projects and corruption apply to all actors involved in CBC, public sector administrators and business people, and social actors. The facilitation of a 'CBC culture' is a long-term strategy that necessitates continuous efforts from all sides concerned. Apart from the planning part, ad hoc policies are important since the problems are both real and tangible.

Issues related to CBC and development can be quite acute and in need of quick solutions. When this is coupled with the relative inexperience regarding procedures related to project funding and the establishment of structures that can absorb EC funding, then we are often faced with a deadlock. To counteract this, flexibility can be a solution – nonetheless an interim one and certainly not optimal.

One of the major issues of CBC is how to follow up existing – or even completed – projects and initiatives. Quite often they are the outcome of individual efforts by elected representatives and their vision for co-operation across-borders, which is not carried-over past their term of office. The strengthening of institutional structures and the role of public bodies and agencies is very important in this sense.

Best Practices - examples

Social and cultural spheres

Language Bridges/LABS

The project dealt with minority languages spoken at border regions and how to support their preservation and to build bridges across national borders on the basis of the languages spoken. Project partners came from Italy, Spain, Poland, France and Switzerland. The participation of Delta-Rhodopi in this project demonstrates a departure from nationalistic views of the region and a new direction towards an open attitude towards CBC in which where common links between border regions and communities are keenly sought and highlighted. At the same time, the focus on the language aspect and the disassociation with any ethnicity-related issues presents a commitment by all sides to focus on how to search for common links among nations instead of possible nationalistic claims to territory or populations.

Financing: funded by Interreg III C. The project is co-funded by the EC (75%) and has a total budget of €394.000 (€116.000 for Delta-Rhodopi).

Time of duration: 1.10.2004 to 30.9.2006

Political and Administrative sphere

Know Your Neighbour funded by Phare-CBC, within the framework of this project study-visits from civil servants and elected representatives held mutual visits in Greece and Bulgaria. Language training was also available for participants. The programme took place in 2000-02. It provided a framework for the establishment of close co-operation with the Association of Rhodopi Municipalities (Bulgaria).

Ongoing co-operation with the Association of Rhodopi Municipalities (Bulgaria) on an ad hoc basis (i.e. not necessarily depending on an EU project) through the maintenance of frequent visits, exchange of emails etc. Administrators are given the task of having contacts with the Bulgarian side as their sole responsibility.

Network of CBC between the Prefectural Authorities from Greece, Bulgaria and Turkey, this is an ad hoc initiative without EU support.

Economic and Business spheres

Tourist Guide: Bulgaria-Smolyan, Greece-Xanthi, this is an initiative led by the local authorities of Xanthi and Smolyan. The two prefectures pooled resources and created a trilingual guide for tourists in which the main sights and tourist activities per region are being presented in a complementary manner. The three languages are Greek, Bulgarian and English. The guide is a prestigious commercial product in that it presents in an attractive manner how both regions across national borders offer an ideal location for holidays. The guide presents Bulgaria as a winter location with skiing and hiking as the main activities, while Greece is highlighted for its seafronts, beaches and the archaeological sights but also for the potential for 'agricultural' tourism. This guide constitutes a best practice since it provides an integrated picture of the region as a holiday destination that can provide for all seasons of the year high quality services at competitive prices vis-à-vis western European holiday resorts. Similar publications are Madan and Keramoti – Together in Europe and Zlatograd and Chrysoupoli – Towns of Friendship.

V Conclusions and recommendations

This chapter consists of conclusions and recommendations covering the institutional architecture of CBC at the external borders of the EU. These recommendations are based on the material that has been collected during the project. This information was transformed into the form of recommendations during the Final Conference of the project in Lublin, Poland. These recommendations are divided into four groups, depending on the level that they are directed towards i.e. EU level, national level, regional level, and project level.

Recommendations for the EU level

- Efforts should be made to improve co-ordination of CBC activities and their institutionalisation.
- Border regions should be seen as catalysts for the EU's development at external border areas.
 - A specific external policy for CBC should be created with an ambition of extension and deepening.
 - There should be a specific CBC policy for the EU-Russian border, involving the Russian counterpart in the process.
- The role of the external border regions in creation of a CBC policy should be increased by strengthening the role and content of the NEEBOR⁹ project
- There is a general need for increased funding for CBC due to the strategic importance of issues and functions of these regions.
- There is a need for simplification and streamlining of CBC actions, e.g. by creating similar regulations in different programs. The promotion and establishment of common operative framework in this field should be given priority.

⁹NEEBOR (The Network of Eastern External Border Regions) is an interregional and bottom-up initiative that aims at increasing cooperation between its member regions as well as visibility and understanding on external border issues. For further information see: http://www.finrusoffice.net/opencms.war/opencms/finrusoffice_brussels/en/news/news_041227.html

- The principle of subsidiarity should be re-evaluated and re-emphasised in the field of CBC and necessary actions should be taken in this direction. This point should be especially focussed in regard to regional and local levels.
- There should be systematic follow-up of the results and systematisation of CBC activities on both an informational and scientific level. The EU should take the initiative and provide part of the financing for systematic documentation and institutionalisation in this field.
- A program should be considered in order to improve the potential for CBC partners to actively and positively contribute to overall development in this field, i.e., training programs covering EU and national administrative cultures etc
- The creation of an intergroup for CBC at external borders in the EU parliament would be important in order to further develop preconditions for co-operation at EU, national, regional and project-levels.

Recommendations for the national levels

- The relevant points for the EU level should be considered and whenever possible nationally adapted.
- There is a need for the simplification and streamlining of CBC actions. For example, CBC issues should be located under one ministry. Co-ordination of funding of CBC activities, on the national level, should also be improved by other means.
- There is a need for better communications regarding information and dissemination of CBC actions and issues. It is important to increase media/public coverage of CBC issues. The educational factor in this regard increases the legitimation and the overall effect of EU and national funding.
- The EU principal of subsidiarity should be applied within the national structure in relation to CBC activities.
- Resources should be allocated for training and capacity building in relation to CBC activities.
- The results of CBC activities and results should be systematically followed in accordance with the last point under the EU heading, but with consideration of national preconditions.
- The systematic introduction of projects with no direct financial results but with an important impact for low income, low budget actors should be considered. Examples of these are a wide range of people-to-people activities.
- Language training and multilingual (i.e., cross-cultural) understanding should be promoted to a greater extent.

Recommendations for the regional levels

- A bottom-up approach should be applied when planning activities. There is also a need for improved consultation on CBC issues. This especially refers to the transfer of best-practice and other experiences gathered in similar projects.
- The role of intermediary organisations (e.g./i.e., Euroregions, House of Europe) should be studied and the introduction of similar and beneficial organisational facilities should be promoted.
- Programme management should be more transparent and evaluated in a more systematic manner.
- Funding should also be allocated for project preparation and competence building in this regard.
- Results and experiences of CBC activities should be gathered and followed systematically.
- The importance of a CBC network beyond the external borders of the EU should be strengthened by facilitating their long-term networking capabilities.
- CBC means getting the regional partner on the 'other side' involved in the process of development, in the systematisation of the learning process, and in the evaluation and the institutionalisation of long-term positive processes.
- Long-term implications of the general impact on regional economic and qualitative growth should be systematically discussed and the synergy effects of different projects should be considered.
- There should be the creation of border and development forums at the regional level to collect different actors to discuss different problematic points and their solutions. Forums can also increase awareness of co-operation forms among the local populations and in this way foster attention towards CBC.

Recommendations for the project levels

- Local actors should be involved in the overall planning of CBC programs and projects.
- The implementation of CBC projects should be supported with extensive preparatory training. Issues pertaining to multiculturalism should be an important dimension of this.
- Preparatory aspects should also be considered in regard to project planning.
- Consultatory capacities in regard to management issues should be available on a continuous basis. Especially in regard to day-to-day economic activities and human resources.

- Project managers should be trained in the systematic collection and evaluation of information pertaining to projects and with a value for other projects and the administrative and scientific communities.

VI Instructions for project workers / managers

This chapter consists of practical level instructions for people working on CBC-projects. The information is provided by the Värmland region and is was collected in two phases. During the first phase, between 19 October and 6 December 2005, interviews were conducted with ten cross-border actors. The interviews focused on issues related to successful CBCs, CBC problems and possible solutions, CBC methods and strategies, and institutional improvements. The interviews were later transcribed and compiled into a report. After transcription, the interviews were processed and with the interview material as a basis, discussion topics and questions for the Regional Workshop were drawn-up, taking into consideration the guidelines of the REGBOUR project. Persons representing business, NGOs, regional level administration, the university and a non-EU country (Norway) were invited to the Regional Workshop.

Financial issues

There are many problematic aspects regarding financial issues. One is that mentioned above related to private sector involvement and the unspecified reasons for evaluating private financing as being less important or valuable than the public sector. Another dimension is aspects of efficiency in both the private and public sectors. The time spent on bureaucratic endeavours in writing applications and reports could be reduced by improved and transferred practices. One way to find an understanding between private and public cultures could improve the climate and open the doors for finding new ways to meet, talk and spend money.

The project manager does, in many cases, identify him or herself with the project. They were often the ones behind the project idea and worked hard to develop it and find financing. The participation of others (supervisory boards, reference groups, advisory boards, customers, clients etc) and their visions and excuses are not always compatible to those ideas. Due to different reasons (unclear mandates, personal ambitions etc), interest among those who should be objectively interested, beneficiaries could sometimes be miniscule. Some explanatory factors include the lack of resources for marketing,

lack of mutual understanding etc. Another kind of organisational issue was the fact that networking and partnerships cannot be exploited to their full potential due to the fact that the other side, the partner, the organisations etc, had been so slimmed, rationalized so extensively that any further, unplanned, efforts could not be given enough priority.

Decision making procedures and organisational questions are described in terms of adaptation (flexibility) and a short (time, space...) way between action and reaction. Handle the problems as soon as they appear, so they will not grow on you. To have a certain degree of financial flexibility is seen as a strengthening of this potential. To have good connections high up in relevant hierarchies strengthens the decision making authority of the project, at the same time as widening the local competence. First you define a rough outline (or focus areas) for the project (clear and simple goals) and then the rest should remain quite free. Checklists are mentioned as an instrument that, at least, could improve the situation.

Principles

A special category of explanations, formulas and/or recommendations focused on the preparation phase contained a large number of important ingredients. These included the need for project owners to choose the right kind of project manager, preparatory studies, small scale pilot runs, the need for time to get to know your partners and time for reflection, the need for start-up competence building and further efforts in this direction.

The necessity of a down-to-earth approach and the acceptance of the need for not only realisable, but also presentable, results were identified. It is sometimes easier to accept what you can touch and see for yourself. One of the main routes for this is to use the participants, clients, own preconditions, experiences, articulated needs and through, or with this, promote their active participation in the realisation of the objectives.

Network/networking

Networking is a recurrent and emphasised theme in all the interviews and also an important dimension of the workshop's reflections. However, the practical approach seems, in general, to be ad hoc, that is, when there is a need to link-up, that link is created. However, it is necessary to note the emphasis on *different* networks for different needs and development processes. The recognised importance of *planned, strategic* networking was also noticeable. Networking, both network construction and building trust one of the most important

aspects of networking, takes time. An increase in the efficiency of the process could be accomplished by using network spiders. A special kind of administrative problem that appeared in this sphere is the fact that functional networks do not always coincide with administrative and geographical networks.

Project management

There seems to be quite substantial differences in the degree of freedom experienced. Some defined the starting-point as the only thing well-defined but, apart from that, nothing else is regulated in any detail. You become wiser the further you travel. There is always a need to adapt to the essentials; conditions change, people move so too much planning is unsound. Decision making procedures and organisational questions are described in terms of adaptation (flexibility) and a short (time, space...) way between action and reaction. One should handle the problems as soon as they appear, so they will not grow on you. A certain amount of financial flexibility is an important part of this. In spite of this, regulation and legislation are defined as necessary and beneficial contributions, setting limits to too much adaptivity/creativity. Another issue of importance is participation, where any manager/management is expecting full-time focus on the project of his/her responsibility, focus that quite seldom materialises in the way expected. It is hard to mobilise for the cause, for meetings and other activities. Aspects of this were mentioned in the preceding material.

Competence and training

Finding the right person for the job as project manager is crucial, but also the fact that a project manager, *any* project manager could benefit from different aspects of a preparatory stage in which competence development is focussed upon and other necessary complementary activities are included. Some kind of introductory project management training would clearly be beneficial. These activities stretch into the active projects as such. Much is learnt in the course of the project which could have been extremely good to have known already before the project started. A factor that could contribute to this competence development is a system which brings the experience of previous projects to newly started ones: successful projects as door openers. A projects register, with easy access, and qualitatively developed with a cross-reference system for subject matters is one possible suggestion.

Big or small

The argument here focuses on the optimal size of a project or projects and the optimal geographical coverage. The relevant connection is that competent leadership and administration is so scarce that one should economize on this trait and not spend it on trivial, i.e., on small-scale ventures. Another recurring theme drawn from this is the waste of good talent and good structures if a continuation of the project is not planned for at an early stage. The geographical aspect is related to time/space problems from an overly too wide-reaching geographical coverage.

Realism and amateurism

Other aspects of administration and this kind of competence within the project refers to that which, sometimes, is experienced as a form of amateurism by the participants. Some of the smaller projects demand a person who is a jack-of-all-trades. This could be quite frustrating both for the person involved or those cooperating with him or her. Central to this is knowledge and experience of the economical aspects of the activities. Another dimension of small-scale projects is their reliance on one person, usually one enthusiast and the fact that she or he should last and keep-up the good work. There is no room for burned-out people in this sector.

Reporting

Forms of simplification of the relations between projects and administrative authorities like Interreg are needed. It is recognised that the quarterly report is a backbone for the project to build upon and also a signal system for the authorities to react upon. The thing is the ability, especially in relation to time and effort, to read the signals and the way these signals are read, i.e., the level of scrutiny and priorities as to what to focus on in this process.

Project ownership

Who owns the goals/objectives? Who defines them and how? This aspect refers to the fact that defining objectives, goals or a hierarchy of goals/sub-goals could be an important exercise in increasing the efficiency of a project plan and process. The need to encompass these goals is, in this case, crucial. If the goals are reduced in importance or the people that define them are not present in the ongoing working process, they could instead appear as an obstacle or, simply, be ignored.

Unclear mandates, or people sitting on several chairs at the same time, could lead to unclear definitions of, for instance, the scope of and right for decision-making.

One of the interesting aspects of the *cultural dimension* is the fact that its ingredients are both a contribution to emerging problems and, at the same time, something valuable, something we would like as a contribution, as an experience or something to learn from. This means that, when we refer to solutions, these have to be very specific, very contextually defined and approached with a sensitivity referring their potential duality. Images and stereotypes of different nationalities still remain strong. Whether these images are correct is not the point, as long as it is acted upon.

The historical background is an aspect that creates opposing viewpoints. We could not, among our interviewees, find any consensus on the definition of a problem or a system of problems in this field. With regard to language problems, the nature of the problem is different from that of discussing communication in general between two different languages. Here we have two languages that on both sides are described as, primarily, similar. This description, or belief, is in itself the problem in that, if this is taken for granted, the need for clarification, terminological differences, nuanced differences etc is not taken into consideration and becomes, at times, an obstacle in day-to-day practices or the basis for quite complicated misunderstandings. Another dimension with cultural connotations is the fact that certain changes not only need decision-making, but new laws or even fundamental changes in attitude. For example, to make a cultural and ideological change within the educational system it is expected to take at least seven to eight years. This shows us how we need to be wary of overly optimistic time expectations.

Dissemination of competence, experience, information etc.

All these networks do have one necessary characteristic in common, that is their continuous flows of communication, i.e., information. The importance of face-to-face contacts in these processes was frequently mentioned. This, in turn, implies meetings and meeting points. Other characteristics of a good network are comfort, challenge and reflection. A recurrent theme, with important consequences, is the importance of a high profile for the project, of stimulating media coverage and of maintaining the interest in ongoing activities. A good deal of positive publicity before, during and in finalising the project is of importance.

Success Measurement

We will not venture much further into the extremely intricate field of how to measure development and growth in the area of qualitative trans-border co-operation or some of its defined (formal) variables, as this has been handled earlier in the material. Different contexts could and will sometimes give, even when using the same kind of measure, different evaluations based on cultural differences. One of the examples which indicate the necessity for defining some kind of common ground is the numbers of networks category. There is a recognised benefit in networks, this report also emphatically summarize the importance of this. However, how do you measure if a network is created? Do you do so when you combine two old networks, or when an old network increases by, for example 50 %?

The Project (Target group: local project level actors)

The preparatory phase

There was and is a societal demand for the project. The project initiator/s had a feeling for the demand of the situation. There is a fortunate coincidence in matching ideas and potentially new and fresh money. These point to the importance of the project idea, in itself, its substance and soul and the way of conceptualising the idea and reformulating it into a workable program of actions, priorities and outcomes.

The right choice of project manager or partners is, of course, crucial to the project's success. Time is well-spent when careful consideration is made of *personalities, personal chemistry and competence* development in advance beforehand. If possible, projects should not be selected by individuals, but vice versa. The combinations of personal characteristics needed in each individual project are, of course, unique. However, certain aspects do need to be emphasised, like social competence and diplomacy, the ability to work under pressure, multi-ability, ambition and enthusiasm, quality delegation capacity, good spirits, humour, generosity and lack of prestige. Time is needed to define, to establish and to create personal chemistry. Crucial to the totality of the project is the ability of the steering group or project owner/s to empathise the limits of project leaders or project participants' abilities, i.e. the reality and outcome of the work-load. A well working communications system, with inner and outer tentacles, could functionally reduce this burden.

Recommendations for actions in the preparatory phase include preparatory studies, small-scale pilot-runs, the need for time to get to know your partners, the need for start-up competence building and further efforts in this direction on the basis of a general need for

complementary competence building. However, time for reflection was also underlined. A project manager could benefit from different aspects of a preparatory stage in which competence development is focussed upon and other necessary complementary activities are included. The need for a more careful adaptation to the specifics of the project could be fruitful. Of crucial importance is the role of the individual, his or her competence, and his or her competence to see their own lack of competence and thus obtain support, coaching, education or extended networks.

The Process

If the goals are defined in a formal, but standardised exercise, and if their legitimacy is obscure, they are met with formality, trying to live-up to the letter, trying to find proof of results in the expected direction. When the success rate of financing is believed to be dependent upon the volume of formal indicators, over-enthusiasm, in defining the objectives, could be the basis for future problems in different dimensions. The possibility for conflict dimensions in the relation between formal and substance goals could possibly be discarded as marginal in their impact on the general development, but is interpreted as indicated in some of the statements. The adaptability of the project to new conditions could be hindered by the need for a formal approach. The link between this approach and the experiences and preferences of some of the project managers for creating and using opportunities, as the project develops, is, of course, also difficult. A final word from an interview seems to be relevant here: to reach an objective is not automatically the same as a successful project.

After the project

One problematic dimension is the problem of transferring the project to a more permanent status. Who owns the project when the present owners (primarily Interreg) are not willing to continue it at more regular capacity? Who will take the good work forward? Who will pay for it in the future? What amount of time shall be spent on applying for new short-term financing solutions? The search for alternative financiers is crucial. Finally, there is the aspect of work-security and long-term commitment, i.e., should the project participants be expected to take the brunt of obligations and total risk.

Project groups

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Alkis Papademetriou, Euroregion Nestos-Msta
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