

EXLINEA Policy Paper

Policy Considerations of Project Results: “Good Practices” and Situational Ethics of Cross-Border Cooperation

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E X L I N E A



Lines of Evolution as Arenas of Co-operation:
Reconfiguring the External Boundaries of Europe
Policies, Practices and Perceptions

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1. Introduction

EXLINEA has investigated the emerging conditions for cross-border co-operation and interaction on the European Union's external borders. It has done this by employing a multilevel analytical framework that allows for the scrutiny of policies, practices and perceptions as they affect the ability and propensity of local-level actors to engage in cross-border co-operation (CBC). Many of the conditioning factors of CBC operate at the supranational (EU) level where a geopolitics of co-operation (i.e. Wider Europe and the European Neighbourhood Policy) is evolving; however, the EU's new geopolitical agenda is also informed by national and regional perspectives on specific "neighbourhood" contexts. Thus, the "Northern", "Eastern" and "Mediterranean" Dimensions of the Wider Europe agenda can also be seen as impacting on local CBC. Ultimately, however, the ability of local actors to create partnerships and a sense of "neighbourliness" depends on their desire and ability to manage tensions and identity-based contradictions within their respective regions. As a result, local contexts for CBC vary immensely, despite overlying dynamics of EU enlargement and the emergence of a more coherent sense of geopolitical "Neighbourhood" as defined by Wider Europe.

Through nine major case studies (Estonian-Russian, Finnish-Russian, Polish-Ukrainian, Hungarian-Romanian, Hungarian-Ukrainian, Moldavian-Romanian, Greek-Albania, Greek-Macedonian (FYROM) and Greek-Bulgarian border regions), as well as the two background reports (German-Polish and Hungarian-Austrian border regions), this project has scrutinised the development of cross-border cooperation practices and their contingency upon EU policies and local contexts. Concretely, the consortium has scrutinised whether cross-border networks, "Euroregions" or similar co-operation arrangements are in fact helping to re-scale (by creating new and cohesive territorial contexts for action) and re-configure (by promoting new patterns of societal interaction) regional and local development policies within an expanding European Union. *Ultimately, EXLINEA has attempted to reveal how processes of cross-border region-building can be enhanced, either through policy innovations, new co-operation strategies or more effective mechanisms for gaining local support.* Thus, in addition to informing theoretical debate on shifts in regional governance in Europe, we have attempted to provide policy relevant insights into improving conditions for co-operation within border regions.

1.2 Work Content and Methodology

Ultimately, the objective of our research was to synthesise data compiled on case studies of regional transboundary co-operation in Central and Eastern Europe. The research framework focused on **policies, practices and perceptions** as defined below. Furthermore, with regard to the case study regions and following the regionalisation logics depicted in Figure 1, policies, practices and perceptions were scrutinised from three different spatial levels: the European, the national and the subnational (local and regional). This was done for all case study regions (Workpackages 4 through 9), albeit in substantially reduced form for the background reports (Workpackage 3).

Empirical work was organised around: 1) **the collection and survey** of relevant official documents, political statements, press material, reports of debates, and archival work, 2) **in-depth interviews** and local seminars (meetings organised with policy-makers, network actor

representatives and experts), 3) **semi-standardised questionnaires** with both multiple choice and open elements, and 4) the **compilation of regional structural data** in order to generate structural profiles of the areas under study. In total, 938 standardised questionnaires and 300 interviews were conducted. Particular attention was paid to the assessment of achievements and limitations of co-operation with local actors and their interpretations of the co-operation experience. Through triangulation (using questionnaires, interviews, focus groups, documents) we will verify the explanatory values of the various data sources as well as evaluate the analytical domain chosen. The interviews and meetings attempt to reconstruct and analyse the images and perceptions of these political actors involved, the analysis of ex-post criteria and assessments regarding the effectiveness of cross-border co-operation, the intentions and willingness of these political actors, which instruments and means are used in expressing these intentions and willingness, and why and at when certain images and intentions are invoked.

Eight potential groups of respondents for the case studies were identified:

- 1) actors directly involved in managing the activities of cross-border organisations,
- 2) representatives of the major city governments within the respective regions
- 3) representatives of regional and local industrial and commercial associations
- 4) businesses and other economic actors
- 5) representatives of nongovernmental organisations
- 6) representatives of state agencies involved in regional cross-border issues,
- 7) representatives of the EU and EU-affiliated agencies,
- 8) external experts and knowledgeable observers.

In pursuing the research questions outlined above, EXLINEA strived to balance attention to the manner in which cross-border co-operation mechanisms are developing with a keen awareness of the contextual heterogeneity of the border regions themselves. The following comparative framework, focusing on **policies**, **practices** and **perceptions** provided a basis through which to come to terms with the empirical diversity of the case studies.

Policies: are official (e.g. political) frameworks and norms that govern border permeability and give direction to cross-border co-operation by defining priorities, formal incentive structures as well as restrictions. The significance of policies concerning the EU's external borders is understood, firstly, as determined by **principles** defined by the Maastricht treaty, the Copenhagen European Council, Wider Europe and the New Neighbourhood Instrument, AGENDA 2000, etc., and in particular documents regarding borders and cross-border co-operation. Secondly, "policies" (e.g. Enlargement policies, Regional and Cohesion Policy, the development of a Common Foreign and Security Policy (CFSP) also include specific applications of EU principles during different phases of enlargement. Also important are geopolitical strategies involving regional co-operation with non-EU states such as the "Northern Dimension" and the EU's Common Strategies on Russia, the Mediterranean, and other areas. At the national level, "policies" is understood in terms of continuities and changes in the border policies prevailing at present and future external borders of the EU. Finally, "policies" are also defined at the subnational level, where public officials voice specific interests and pursue concrete objectives with regard to cross-border co-operation. Very often local policies coalesce with overlying policies (EU, national) but can also be affected by the activities of NGOs and other organisations.

Perceptions: are cognitive and ideational elements that affect the manner in which the political roles of border regions and cross-border co-operation are interpreted. “Perceptions” include border discourses in the context of EU integration and enlargement, at the level of states and in actual border regions. Perceptions are influenced by official political discourse, by public discussion in the media and within civil society, by actors’ opinions and by local sentiment. In addition, state-society paradigms with respect to governance, regionalism and social capital are seen to play an important role in influencing policy decisions and the design of cross-border institutions.

Figure 1: Multilevel Analytical Framework

Level of Analysis (Work packages)	A Policies	B Perceptions	C Practices
1 Supranational (WP 2)	Legal frameworks; directives; institutions; programmes and policies and strategies developed at the EU and at bi- and multilateral levels targeted at the countries/regions under scrutiny	EU geopolitical and socioeconomic discourse regarding strategic significance of the regions; statements and debates regarding enlargement	Quality of relations between EU and involved countries; transnational state and non-state actors’ activities with regard to the regions (where applicable: EU, UN, COR, Council of Europe, NGOs)
2 National (WP 4-9)	Legal frameworks; Directives; Institutions; Policies affecting or specifically addressing the border regions	Europeanising discourse and strategies; “Nationalising” discourses and strategies; Prevailing perceptions of the border regions and their strategic significance	National activities in the region related to cross-border interaction; Constellation of national actors involved; Co-operation strategies and initiatives
3 Local/Regional (WP 4-9)	Local policies and formal institutions (regional associations)	Europeanising discourse and strategies; “Nationalising” discourses and strategies; Prevailing perceptions of the border regions and their strategic significance	Regional and local actor constellations (public agencies, civil society, economic agents); Co-operation strategies and initiatives

Practices: refers to the various forms of regionally specific activities that contribute to cross-border region-building and governance. Practices are guided by border policies at different levels and informed by perceptions. Practices construct and reconstruct border regimes; as such they encompass formal and institutionalised forms of co-operation as well as the more informal, network-based interaction. Practices contextualise paradigms and translate them into action and influencing institutional form. In any given border regional context, the form, scope, scale of practices are very much dependent on the interests and security concerns of the actors involved (EU, national, regional-local). The case studies examine the extent to which local communities and social groups located in the periphery (on both sides of the external border) tend to be included and/or excluded from the decision-making processes regarding the rules of border and cross-border co-operation regimes.

Policies, practices and perceptions were scrutinised from three different spatial levels: the European, the national and the subnational (see Figure 1). This was done for all case study regions, including two background reports on the EU's former external border, albeit in substantially reduced form.

During its 36 month life of the project, EXLINEA team members have disseminated information and knowledge generated by project activities via conferences, panels, publications (both completed and in progress) and university courses. An end-user-oriented survey has also been carried out in order to gauge the possible relevance of EXLINEA research activities to the needs of public-sector and civil society practitioners. Last, but certainly not least, EXLINEA has been in contact with other research consortia, both within and outside the EU-RTD framework, that deal with issues of borders, border conflicts, security and co-operation.

Based on the theoretical framework and the empirical findings of the EXLINEA project this paper synthesises and summarises policy-relevant information (and possible recommendations that can be derived from them) that EXLINEA has accumulated. First we will begin with case-specific recommendations as formulated by the various project teams that. Secondly, we will outline more general policy perspectives based on a synthesis of the first section. Central to our policy perspective are two propositions, both of them adapted from Flyvbjerg (2001): 1) that practice (rather than theory) is the primary means with which problems facing society are addressed and, 2) that the discourses and rules that inform practice are also influenced by subjectivity, power relationships and interests. Furthermore, it is assumed that social practice is contingent rather than structurally predetermined and that social practice produces, modifies and mediates conditions of action.¹

2. Case-specific policy recommendations and situational ethical practices

2.1 Policy Recommendations from EU-level analysis

There is a divergence of contending agendas at play in defining the nature and mode of governing European Union's newly minted external boundary, suggesting very real institutional tensions within the heart of the EU policy-making apparatus. In practice (although perhaps not in rhetoric) this discounts at once an EU "boiler plate" approach to the discrepant cross-border case-studies under examination subsequent to this study. No internal EU consensus exists on the question of the nature and timing of future membership. Beyond the rather technocratic terms used as benchmarks for EU accession, agreement on Turkey's membership threshold remains elusive, and, a breakthrough in Cyprus notwithstanding, ultimately political in nature. Even under the relative momentum of the 'Wider Europe Communication' and more recent Balkan initiatives, the final definition regarding which states shall enter into Europe's 'Ring of Friends' remains a highly open-ended process contingent on an ensemble of strategically indeterminate variables.

¹ As Flyvbjerg notes (2001:42): "The problem in the study of human activity is that every attempt at a context-free definition of an action, that is, a definition based on abstract rules or laws, will not necessarily accord with the pragmatic way in which an action is defined by actors in a concrete social situation. Social scientists do not have a theory (rules and laws) for how the people they study determine what counts as an action, because the determination derives from situationally defined (context-dependent) skills, which the theory – by definition- presupposes context-independent".

Currently, these would seem to favour active integration of the countries of the Western Balkans into European Community programs rather than nations of the former Soviet sphere of influence, but such priorities could easily shift in the face of alternate geopolitical imperatives.

In the absence of a *grand recit* governing the EU's future outward boundary line, it may be expected that judicious use of EU structural funds may facilitate 'bottom-up' solutions for the cross-border regions that Europe shares with non-EU partners. As the INTERREG crossborder funding program increasingly shifts focus from Western to Eastern European accession states and their neighbours, this matter will become all the more pressing given the accelerating socio-economic inequalities that will surely be produced as a consequence of reinforcing the exclusionary mantle of the Schengen *acquis*. As the record of cross-border economic and political networking examined in this study indicates, however, much more remains to be done to ensure that a 'fortress' like boundary is attenuated in favour of more 'fluid' and permeable transboundary governance structures. In reconciling the imperatives of Schengen and those of heightened transboundary institution-building across the future borders of Europe, closer co-ordination between the Commission's Directorate General of Justice and Home Affairs and that of its Directorate General of Regional Policy is surely warranted. With regard to the latter office, a step in this direction must certainly confront the need to more adequately harmonise the various funding schemes between member and non-member states, notably INTERREG and PHARE. Against the backdrop of persistent co-ordination bottlenecks evident in this policy-making sphere, the New Neighbourhood Instrument is welcomed by many parties involved in cross-border co-operation in Europe, in spite of its shortcomings and preliminary status. Illegal immigration and human trafficking remain issues which will require an especially intensified co-ordination among the present and new member states at a Europe-wide level. Notable in this respect has been a flurry of recent Community initiatives meant to establish capacity at the member-state level for the purpose of organising 'joint return' operations. Lacking law enforcement competencies within the individual member states flanking nonmember countries, however, it remains an open question to what extent newly created entities such as the 'European Agency for the Management of Operational Co-operation at the External Borders' can negotiate the various repatriation, visa and 'flanking' agreements on a more comprehensive basis than those grounded in more limited, ad hoc, bilateral agreements. This remains a major challenge for Europe's 'bordering' of undocumented immigrants. With respect to the actions of third countries, it would be unfortunate and ultimately counterproductive if the handling of the issue of undocumented migration were to be used as a *quid pro quo* for future development aid, as currently considered. Such 'leverage' mechanisms could all too easily be manipulated according to volatile and unpredictable political conjunctures.

From the evidence, it would appear that the goal of an effective and coherent border regime targeting legal as well as illegal migrants remains contingent on the resolution of an existing ambiguity in the separation of powers within DG Justice and Home Affairs. At the very least, it would be expected that the allocation of competencies between the first and third pillars of DG JHA be clarified in favour of the former (Communautarian) pillar, if only to provide supranational consistency to Europe's future border migration regime in lieu of ad hoc nationally-oriented approaches in dealing with migration issues. With the contemporary rise in prominence in the Eastern European accession countries of populist groups which often operate on the basis of anti-immigrant political agendas, the question of such an institutional resolution has only become more urgent. It would be hoped that in the wake of the recent attacks in Madrid, and the

co-ordinated response of European member states, the third pillar (Justice and Home Affairs) may be further diluted in the service of pan-European goals and objectives, thus providing a wider court of appeal to migrants affected by individual national legislation within accession home countries. From the foregoing it may be corroborated that, as regards governance of its future external boundary, the European Union, has no univocal ‘essence’. This insight should not serve as a pretext, however, for the Commission to absolve itself from ‘grand narratives’ regarding its newly expanded boundary. As is well known, nature abhors a vacuum. In this context, it would be imprudent if Europe’s approach to the cross-border regions straddling non-member states were left to be determined by the external vagaries of ideology or history alone. Political leadership and intellectual courage will be required to craft just such a vision.

2.2 Policy considerations from the Germany-Polish background report



Source: Institut für Regionalentwicklung und Strukturplanung

Region-building in the German-Polish case has achieved much in terms of bringing together regional stakeholders. It has also served as hands-on experience for Polish and German communities in exploiting the opportunity structures provided by the EU and helping prepare the Polish side for membership. At the same time, the German-Polish regional project has also been a

victim of its own complexity. In contrast to the Hungarian-Austrian case, institutionalisation, co-operation principles and regional strategies came first, effective working relationships and networks developed only later. Multilevel governance was a strategy aimed at creating avenues of communication where very few previously existed. In this respect it was a logical response to the transformations occurring both in terms of Polish-German relations and East Germany's integration into a market-oriented, federalist democracy.

In fact, the rapidity with which institutions of German-Polish planning co-operation were created as well as the motivation of politicians, businesspeople and other citizens involved in the Euroregion "movement" indicated an auspicious start to German-Polish cross-border regionalism. Transboundary planning co-operation was especially productive; development concepts were drawn up at the local/regional level during the first years of co-operation (1993-1995). These concepts embraced the ambitious objective of creating *integrated economic and ecological areas* through a wide variety of measures aimed, among other things, at combating unemployment, promoting a positive sense of common border region identity, economic co-operation and good neighbourliness. Through EU funding mechanisms anchored in the INTERREG and PHARE initiatives, local projects were to assume a key role in implementing these ambitious schemes.

However, as concrete results proved elusive, particularly when weighed against the objectives of economic cohesion and "pre-integration", disillusionment rapidly set in. Aversion to the EU on the German side grew considerably, contrasting with the enthusiastic pro-Europe stance of Polish municipalities.

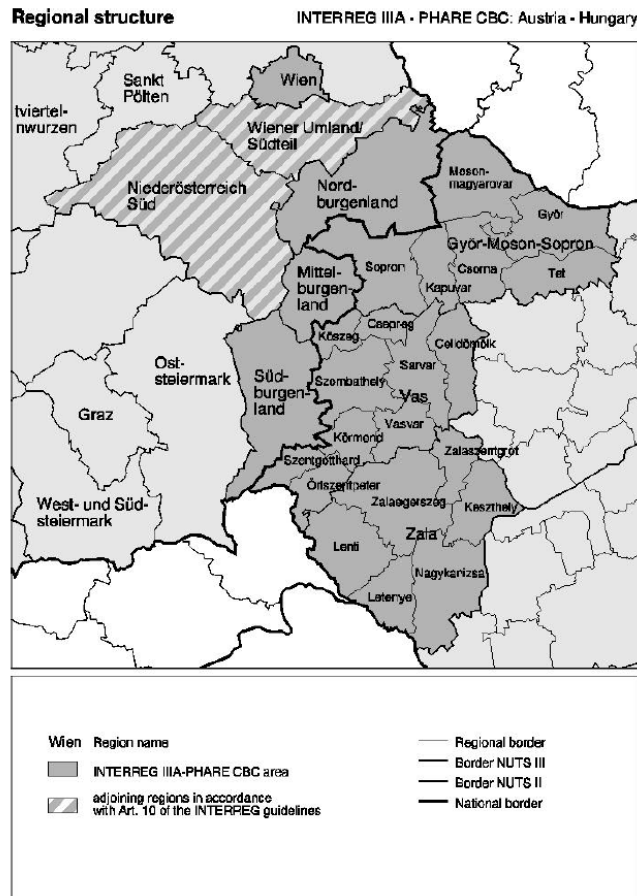
There are many reasons that explain the shortcomings of cross-border co-operation as managed by Euroregions and typified by the experiences of the Pro Europea Viadrina (and Branbenburg-Lubuskie in general). What seems important to emphasise here is the fact that multilevel governance (e.g. state government paternalism combined with complex EU procedures for INTERREG/PHARE) has also encumbered co-operation and made the implementation of European regional policies and instruments difficult - contributing as well to local disenchantment with Brussels.

In sum, German-Polish transboundary co-operation problems are insufficiently addressed by present forms of co-operation, characterised by administrative complexity, public sector dominance and local dependence on co-operation incentives. Subject to pressures from "below" (the municipalities) and "above" (ministries and EU agencies) the Euroregions have struggled to assume a more commanding role in strategically co-ordinating projects submitted for INTERREG/PHARE support. Resources and energy have tended to be concentrated on a plethora of small projects and initiatives rather than on key projects with high visibility. Administrative complexities have also discouraged community partnerships, promoting unilateral rather than truly binational projects. These problems dog efforts to fully exploit opportunities for joint action in planning and regional development. Ironically, despite the generally positive aspects of INTERREG and other initiatives, local governments have experienced considerable difficulty in managing projects supported through EU and national programmes.

Because of the lack of previous interaction and the basic uncertainties underlying post-socialist transformation and EU enlargement, the achievement of integrated regional development

strategies has not panned out. Only through a more concerted and inclusive effort to select and/or initiate projects relevant to existing development concepts can a certain strategic coherence be achieved. In this is way, communities involved in German-Polish cross-border project development might avoid paternalistic senior government intervention in areas that, theoretically, are part of project-oriented institution-building at the local and regional levels of cross-border co-operation.

2.3 Policy considerations from Austria-Hungary background study




Österreichisches Institut für Raumplanung

In the Hungarian-Austrian case, cross-border regionalisation has been privileged by context, geopolitical events and favourable economic trends. EU enlargement and the opening of borders have brought tangible gains and growth for both sides. There is also a lack of background binational conflict. Many inhabitants of the region are aware that Burgenland was once known as “German West-Hungary”. Insecurity and fears of decreased living standards generated by the opening of borders to the East have certainly been problematic but not insurmountable.

Other conditions that favour the development of cross-border co-operation between Burgenland and West Pannonia include: 1) the promotion of a generally positive climate of “neighbourliness” despite “threat scenarios” elicited by the opening of border, 2) establishment of working

relationships already during the “Cold War” period, 3) relatively minor gaps in socio-economic indicators and living standards, 4) economic dynamism and attractive labour markets (especially on the Hungarian side), 5) potential geographical advantages within the context of European enlargement and 6) well developed project-oriented co-operation.

The attitude towards the region is one that is “realistic” and based on general consensus with regard to its objectives. West Pannonia is not seen as an idealistic or romantic project but rather as something pragmatic. Pragmatic definitions of region are characterised by the fact that they are more concerned with enabling individuals to act in a concerted manner in specific areas rather than predicated upon pre-defined principles. Furthermore, networking regional stakeholders and responding to local concerns is the objective, not the (perhaps utopian) achievement of broad socio-cultural integration. As a result, the scepticism and pessimism that pervades the German-Polish region-building project has vastly diminished here.

The construction of West Pannonia has proceeded pragmatically as well. It is a region constituted of working relationships and networks that have developed over the last two decades and that only gradually has assumed a certain institutional character or “corporate identity”. A Euroregion was only established in 1998, basically a quasi formalisation of existing working relationships within the binational area. Only in 2002 was a Transboundary Development Concept (mecca consulting 2002) submitted on behalf of the EuRegio West Pannonia for a INTERREG/PHARE small projects grant. In other words, the overall development vision had time to emerge from the experiences gained through several years of bilateral project development rather than the other way around.

The region of West Pannonia has thus been developing “organically” and its future institutional shape has not been pre-determined. Furthermore, most actors involved in co-operation have indicated a preference for uncomplicated organisational structures rather than institutional complexity. This strategy has proven successful. Admittedly, however, region-building in West Pannonia has been supported by a high level of private sector cross-border activity, commuting, cross-border shopping and cultural activities.

Figure 2: Map of Major Case Study Areas



2.4 Policy considerations from the Finland-Russia case study

Project results

The character and intensity of CBC have been largely predetermined by such factors as geographical position, population size, the economic structure of border communities as well as by a multitude of supra-national, national and regional influences. The main features of the Finish-Russian case have been the sharp ethno-cultural divide, the significant disparity in the quality of life and the problematic business climate in Russia. Correspondingly, Finnish-Russian CBC has been mostly developed in the form of private contacts (such as “shuttle trade”, migration, cross-border marriages), cultural exchanges and European humanitarian aid and technical assistance to the Russian municipalities, public institutions and NGOs. These forms of CBC have been very important, as they have contributed to the emergence of a transborder bicultural community which could eventually promote deeper CBC. At the same time, economic cooperation has lagged in its development due to a number of serious problems at all levels on the Russian side. Future prospects look very uncertain. Russian border communities could either become major sources of soft security threats (particularly illegal migration and cross-border crime) or centres of prosperity and good neighbourly relations. Unfortunately, prosperous “havens” cannot be created within an individual border community, because it is not insulated from the rest of the country. In order to realise a positive scenario, it is necessary to apply concerted efforts at the national, regional and local levels.

At the national level Russia must strive for deeper integration into both global and European markets. The country must also work towards greater compatibility of its business regulations with international practices. If this strategy succeeds, it should open up completely new perspectives for the development of border regions and communities. At the regional and municipal levels, it is necessary “to awaken” local stakeholders – to inspire them to go beyond the usually narrow horizons of their thinking, to show them that legal international business can be much more advantageous for everybody than the hitherto prevailing dubious practices.² The stakeholders can and should play a decisive role in revitalising their communities, and EU-sponsored CBC can be an important tool in accomplishing this task.

Furthermore, the emerging Russian-Finnish transborder community should also be targeted by European CBC policies. It is very likely that the demand for additional labour in Finland will stimulate emigration and cross-border labour commuting from Russia, thanks to a possible introduction of more flexible regulations in Finland. New migrants, together with earlier migrants and their children as well as their relatives and friends living in Russia, will strengthen this transborder community. Members of this group appear to be slowly acquiring unique bicultural competence allowing them to succeed on both sides of the border and to launch genuinely cross-border ventures and projects. European CBC policies should help them to realise their full potential. This includes supporting Russian migrant communities in Finland *and* positive linkages with their original communities in Russia. A special programme supporting the study of the Finnish language in Russian border communities is likewise needed. Finally, the EU should continue and expand its current CBC policies providing technical assistance, supporting

² The case of Karkhakos in Kostomuksha illustrates that a small peripheral border community can succeed even despite the generally unfavourable national and regional circumstances.

modernisation of vital infrastructure facilities, promoting small businesses, facilitating cultural contacts and strengthening civil society institutions in Russian border regions and communities.

The Finnish respondents look quite confident to the future of cross-border investment (CBI). Compared with the period directly after the opening of the border in the early 1990's, the present situation is considerably better. During the last 15 years, a continuous increase of the number of border crossings demonstrates that people have adjusted to the shift from total closure to regulated openness of the border, and have adopted the new practices this change has produced. As a practical, but politically very long-run, Finnish respondents have urged the modifications of border crossing and visa procedures that are detrimental to CBI. The recommendations are very practical in nature and arise obviously from personal experiences, but these comments have a broader background as well: regulations and practices that encumber border-crossings affect the willingness of many ordinary people to engage in cross-border interaction. In other words, there is a certain grassroots level need to find "good practices" for greater flexibility. Of course, this could mean compromising present and future border regimes (visa regulations, Schengen rules, regulations dealing with the internal security of individual nation-states). This is an interesting point as the overwhelming majority of respondents on both sides emphasised the necessity of maintaining well-regulated borders in order to combat security and sovereignty threats. The Finns are cautious of easing visa restrictions "too much" while the Russian side has been reluctant to open up new border crossings. In this respect, policies that regulate the "permeability" of borders are not (yet) compatible with pursuits to promote CBI and present regulations offer no encouragement.

In terms of cultural encounters, a functional CBC would require an ability to understand and learn from the good practices of both sides, the creativity and imagination to deal with new and unfamiliar situations and mutual respect of cultural difference. Nevertheless, in some cases differences between Finns and Russians are considered large, for example in business cultures or language, that, although they are recognised and understood, are regarded as obstacles to CBC. These have an impact on further aims of nurturing a sense of cross-border regionness. On the Finnish side, a strong mental border together with heavy institutional regulations, hinder the emergence of a "common cause".

Policy considerations in brief

From a Finnish regional perspective, problems of promoting cross-border cooperation can be approached on three different levels. On the supra-national, European level a major problem has been the coordination of INTERREG and TACIS projects which reflects more general institutional problems. This includes an unclear division of labour and responsibilities within the framework of various institutions and programmes that have been established under quite different circumstances and for different purposes. On the national level, there is the legacy of centralised administration of foreign affairs from the Cold War period which sometimes restrains the performance of regional actors. More importantly, there is a need to integrate Russia and Russian actors more in the process of defining the agenda and managing the programmes of cross-border cooperation. Finally, there is a need to secure for regional actors a clear role in the implementation of the programmes. These issues will not disappear with the application of the New Neighbourhood instruments.

At first sight these experiences would seem to lead to rather clear cut policy recommendations: 1) to streamline the policy frame and policy instruments of the EU in a manner that has been set as the main task for the formulation of New Neighbourhood policies, 2) the integration of Russia in the institutional structures of CBC administration as has been suggested by the European Commission in connection with the preparation of the next Northern Dimension Action Plan, and finally, 3) to strengthen the role of regional institutional structures of cooperation and search the potential role of Euregios in the implementation of CBC programmes on the external borders of the European Union.

The real problem lies, however, not in identifying these individual tasks but in solving them in a way that does not exacerbate other cooperation problems. Streamlining the New Neighbourhood policies may lead to administrative efficiency, but it can also raise similar suspicions of bypassing national and regional political structures and actors that have been connected to the drafting of European constitution. Integrating Russia as a partner in European CBC institutions is vital for defining the agenda and implementation of CBC projects according to the needs of prevailing circumstances, but it may lead towards the monopolisation of CBC instruments and resources by the Russian federal level. On the other hand, experimenting with possibilities to award Euregios a role in the implementation of CBC programmes can empower the regional actors but it may also lead to new administrative structures that operate outside the control of local political discussion and democratic decision-making.

In this situation it is vital that streamlining European policy frame leaves room for national and regional actors and that incorporation of Russian federation in European structures does not happen on the cost of regional actors. There is an obvious need for institutional structures that are capable of mediating between European, national (Finnish and Russian) and regional interests connected to the border. The question is: can the concept of a Euregio as implemented in the case of Karelia form a platform that mediates between the conflicting interests of supranational, national and regional actors?

To summarise:

- Existing CBC policies have largely targeted public-sector authorities and formal organisations, whereas real private stakeholders in Russian border communities have been sidelined and *de facto* excluded from active participation in CBC. Now the task should be to involve them into this process, and, moreover, to make them feel that constructive CBC can become a powerful instrument in revitalizing their communities. EU-sponsored CBC projects can be very helpful in accomplishing this task.
- The emerging trans-border community should also become an object of European CBC policies. Particular emphasis should be put on stimulating constructive cross-border activities of Russian migrants residing in Finland. A special programme supporting the study of Finnish should be launched in Russian border communities.
- The EU should continue and expand its current CBC policies providing technical assistance, supporting modernisation of vital infrastructural facilities, promoting small businesses, facilitating cultural contacts and strengthening civil society institutions in Russian border regions and communities. A simplification of the visa regime between the EU and Russia may also be a mid-term target.

2.5 Policy considerations from the Estonia-Russia case study

Project results

EU-level policies appear to be crucial in the development of CBC between Russia and Estonia. However, the pace with which the two countries appear to adopt EU policies is rather slow, as cold political relations between the two countries hinder the process. The EU provides legal and institutional templates for CBC as well as mechanisms of financial support. The EU programmes such as INTERREG for Estonia and TACIS CBC for Russia, represent the major sources of financial support. The influence of the EU and national policies on the Estonian-Russian cross-border cooperation now involves the adaptation and utilisation of the new mechanisms of support in the framework of the New Neighbourhood Programme. In Estonia, and despite the lack of a legal framework, state authorities do not hinder the cross-border activities of regional and local governments. Similarly to the previous case study, in Russia there are serious bureaucratic obstacles at the state level both when it comes to the freedom of action of the regional and especially local authorities as well as the use of the financial mechanisms.

The implementation of the EU New Neighbourhood policy and the harmonisation of TACIS and INTERREG funds has not been successful on the Estonian-Russian border. The reasons behind this involve the internal problems at the state level in the Russian Federation, but also the unwillingness of Estonia and Latvia to “wait” for Russia to be able to participate, as for example Finland has done. Instead, Estonia and Latvia are quick to use EU funds for the Estonian-Latvian CBC, despite the fact, that the main objective of the New Neighbourhood Policy is to develop CBC with the EU’s neighbouring states. On both the Estonian and Russian side, the Estonian-Russian border generally has negative connotations of long lines at the border and in the Consulates, high costs of getting visas, bureaucratic problems, as well as political context of the interstate relations, which invariably comes to mind. For the interviewees on the Estonian side, the border is sometimes perceived in less rigid terms, yet mostly these are the associations with the borders in the borderless Europe, not with the East. On the Russian side, the unpleasant feeling of fear and of being separated as if by a wall, is contrasted with the desire to join the Schengen Agreement, although many realise it is unrealistic at present. For the interviewees on the Estonian side, on the contrary, the border is more often perceived as protective.

For businesspeople, the border is most often associated with long lines at the border-crossing points, where people have to wait for 2-3 hours in their cars, as well as with costs incurred by “buying a space in the queue”. The border is an obstacle, and as is often the case with ineffective bureaucratic procedures, they create incentives to go circumvent and/or exploit them. Thus, the border is for many such ‘entrepreneurs’ an additional source of income.

Cross-border cooperation involves vertical and horizontal networks of actors, where the former include actors at the local, regional, state and European levels, and the latter refers to various actors at the local/regional level such as public authorities, business, NGOs and universities. There has been a certain tendency of Estonian-Russian CBC to develop characteristics of “multi-level governance”, where the subnational and supranational levels of governance play an important role in the development of CBC mechanisms. However, with regard to the involvement of NGOs or businesses, both countries could do better. Further, and especially in Russia, CBC

remains overpoliticised with the central level providing more constraints than opportunities for CBC.

The activities of the Euroregion Pskov-Livonia remain an “elite” project, involving mostly the regional authorities on the Russian side and the local authorities on the Estonian side of the border and lacking transparency as for its financial activities. The dominant role of the authorities in the development of the Euroregion, and the modest role of other actors of cross-border cooperation, may result in the failed institutional efficiency and identity of the Euroregion, poor quality of projects, and failed horizontal networks across the border and with the European partners. In the eyes of those interviewed, The Euroregion largely remains a “project-fabricating” organisation that is not able to consolidate as a territorial unit with a distinct identity. The institutional structure of the Euroregion could be much improved and its administrative capacity raised. The lack of funding for the development of the administrative mechanisms is one of the main reasons for the relative standstill in the Euroregion’s activities.

Since political relations as well as a weak historical-cultural identity are hindering CBC, the role of the EU support is significant in the development of CBC between Estonia and Russia in order to even out disparities along the border. However, the competitive rather than cooperative relations between Euroregion members in the use of the EU funds, as well as the centralised mode of governance in CBC (especially in Russia) significantly reduce the impact of the EU policies.

The analysis of the questionnaires indicates that CBC is perceived as most efficient in the spheres of culture, education, environment and crime prevention, all of which are more or less institutionalised forms of cross-border cooperation. Economic actors (firms) see themselves at a distinct disadvantage and criticise the lack of progress and opportunities in this area of cross-border interaction.

On the Russian side, especially, CBC is criticised as it does not involve significant improvement of the economic interaction across the border and mostly is confined to ‘soft’ projects such as cultural events. Here, it is important that the goals of CBC and in particular of the Euroregion ‘Pskov-Livonia’ are perceived differently by the Estonian and Russian CBC actors. While Estonian actors view CBC as an additional mechanism for the improvement of the socioeconomic situation of the border regions by means of common projects, Russian actors perceive CBC mostly in economic terms. The success of such CBC is indeed measured by different standards: for instance by the increase in investment or local export, and depends on the measures that lie outside the competences of the regional/local level (e.g. the reduction of the customs taxes).

Thus, there should be a better definition of the goals of CBC and the Euroregion Pskov-Livonia. If the development of the economic relations across the border is to be prioritised, then organisations such as Chambers of Commerce should be more actively involved in the Euroregion’s activities. Further, the Euroregion as such should have more influence at the national level in order for it to be able to carry out the necessary changes. Finally, NGOs, their representative organisations, should be involved in the Euroregion’s activities in order to provide idea and expertise in project writing as well as to contribute to the ‘construction’ of the Euroregional identity.

“Image-making” exercises of the Euroregion appears to be extremely important for the efficiency of cross-border cooperation, yet even the local and regional administrations in the Euroregion do not coordinate their activities when it comes to the regional development plans, and therefore fail to maximise their efforts through joint action. The purpose of the Euroregion is to facilitate the coordination between the bordering regions through the exchange of information, consultations and the preparation of joint development strategies and projects. Most of the interviewees, including the officials, do not know about the existence of the Euroregion or have only heard of it, without any further knowledge about its achievements or purposes. At the same time, the Euroregion ‘Pskov-Livonia’ is the only cross-border cooperation institution that is known at least superficially in this context. Many officials at the regional and local levels on the Russian side refer to the problem of competitive, rather than cooperative relationships between the members of the Euroregion, and even accuse the Estonian and Latvian sides of ‘unfair play’ in the matters of implementation of the EU New Neighbourhood Policy programmes.

Therefore, the politicisation of cross-border cooperation, as well as the air of internal competition among the Euroregion’s member regions has led to a lack of common understanding and coordination even among political actors. The Euroregion is little known, and is surrounded by an aura of inefficiency, where cross-border cooperation is perceived as “fun visits” paid by the officials to each other without any actual results.

Policy considerations in brief

The main obstacles include the state of political relations between the two countries, the lack of the legislative framework for cross-border cooperation as well as the inefficiency of cross-border cooperation institutions and its non-participatory nature (NGOs and the representatives of business are not actively involved). Furthermore, cross-border cooperation has been evaluated as inefficient by many interviewees on the Russian side of the border due to the lack of economic interaction, although it is not among the primary goals of cross-border cooperation institutions, such as the Euroregion Pskov-Livonia, to develop economic relations across the border. The motivating factors for CBC involve petty trade, the possibilities to export local products across the border (especially true for the Estonian side) and the need for cultural communication between the Russian population in Estonia and that of the Russian Federation. The visa regime remains an important obstacle for the CBC in culture and education; while for the economic CBC the main obstacles include the customs and import taxes, as well as the time spent on border-crossing.

With the absence of strong historical-cultural identity as well as economic interaction, cross-border cooperation seems to depend mostly on the availability of external funding and the activities of CBC institutions.

What could then serve as the basis for the development of cross-border cooperation is a “top-down” cross-border identity fostered by the Euroregion? This would depend on the political relations between the local/regional as well as state authorities across the border, the efficiency of cross-border institutions (e.g. the Euroregion Pskov-Livonia) and joint attempts of the local/regional authorities and other actors at the “image-making” of such institutions. In fact, many interviewees believe that cross-border cooperation is necessary for the people in the border regions, but that the people are not aware of it, so “one has to force it upon them”.

To summarise:

- Whereas Estonian-Russian bilateral relations maintain inflexible positions in many questions (border treaty, minority issues, visa regime, etc), one still has to work in the name of de-politicisation of cross-border cooperation and provide the partners with certain confidence that mutual benefits and win-win game is possible.
- Given the vertical and horizontal networks of actors, there should be a constant shift for Estonian-Russian CBC to become an example of multi-level governance, where the sub-national and supranational levels of governance play an important role in the development of CBC mechanisms.
- Considering the Euroregion 'Pskov-Livonia' largely as a 'project-fabricating' organisation not being able to consolidate as a territorial unit with a distinct identity, the institutional structure of the Euroregion should be much improved, and the administrative capacity raised. The lack of funding for the development of the administrative mechanisms is one of the main reasons for the relative standstill in the Euroregion's activities.
- In this regard, there should be a better definition of the goals of CBC in general and the Euroregion 'Pskov-Livonia', in particular. If it is to prioritise the development of the economic relations across the border, then industrial organisations, such as Chambers of Commerce, should be more involved in the Euroregion's activities. Moreover, the Euroregion as such should have more influence at the national level in order to be able to carry out the necessary changes. Finally, NGOs, their representative organisations, should be involved in the Euroregion's activities in order to provide idea and expertise in project writing as well as to contribute to the 'construction' of the Euroregional identity.
- To sum up, as there is little impact of the historical-cultural cross-border identity on the CBC developments in the Estonian-Russian border region. One has to set the conditions for the 'top-down' approaches fostered by the Euroregion, which depends on the political relations between the local/regional as well as state authorities across the border and joined attempts in the new 'image-making' of such institutions.

2.6 Policy considerations from the Poland-Ukraine case study

Project results

The border separates the two economic and political realities. Even taking all deficiencies of the Polish situation it can be said that throughout the process of the post-socialist transformation Poland was able to create a fully-fledged market economy and a democratic political system with a strong role of local government. In Ukraine, however, the economic reforms have not been fully conducted and the local and regional authorities are still vertically subordinated and do not enjoy the financial autonomy comparable to that existing in the case of Polish local governments. The driving force of cooperation between Poland and Ukraine in the early 90s was a considerable difference in prices and incomes. Inhabitants of the border regions who got involved in trading, benefited from the situation (mainly visits of the Ukrainians to Poland). This type of cooperation is now being phased out. Moreover, the direction of commercial visits has been changing. Other spheres of the cooperation are still relatively weak. This is a result of a number of factors, mainly the fact that the cross border region is weakly developed in terms its economy in comparison to other regions of both countries and has no significant potential. Therefore, the priority for local and regional authorities on both sides of the border is to solve current social and economic issues. Importantly, Poland and Ukraine recognise each other as strategic partners.

The attitude has been reinforced by events leading up to and since the November 2004 Orange Revolution. However, this has not translated into any specific instruments promoting crossborder cooperation. Generally, the perception of the Ukrainians by the Poles has been quickly changing for the better. The Poles keep noticing that the Ukrainians are willing to cooperate and are ready to adopt Polish experience. On the other hand, the Ukrainians have a very good opinion about the Poles and consider them to be modern, an active and entrepreneurial persons from whom there is a lot to learn. The main outcome of the cross border cooperation is the above-mentioned improvement of the attitude to persons on the other side of the border, mainly as a result of reciprocal visits. Moreover, the Ukrainians believe that thanks to the cooperation they will able to acquire more information about of the European Union mechanisms, and at the same time the cooperation has changed their attitude towards the EU, has helped them to acquire experience, technologies, know-how, etc. The Poles, however, mainly highlight the importance of financial profits coming from business trade.

The potential role of the European Union in the formation of cross-border interaction is seen as underexploited. The EU's importance to local and regional stakeholders appears largely defined by the regulations it sets on grant-making and its "partnership requirement". However, this grant aid concerns mainly small-scale Euroregion projects. Interestingly, and despite the absence of EU support and encouragement of business activities, entrepreneurs on both sides of the border expect a positive EU impact, mainly as a result of increased institutional, infrastructure and legal standards. Activities of a cross border nature have resulted mainly as an articulation of local and regional needs and have therefore been most prevalent at these levels. Cultural contacts appear to have been the most dynamic aspect of cooperation due to good working relationships between local authorities (characterised, for example, by numerous twin-city initiatives) but also because of a lack of funds for projects on a larger scale. It should be emphasised, however, that local actors on the Ukrainian side, despite the fact that they are the most interested in undertaking joint activities, do not have the same opportunities as their Polish partners. The system of

administration in Ukraine is more centralised and the initiation of cross border activities requires the consent and approval of the state regional administration. There is a general observation, however, that the aim of the authorities at all levels on both sides of the border is not to transform the EU border into a new “golden curtain” but to create a bridge for partnership and cooperation.

Policy considerations in brief

There are three major objectives that should be met by policies implemented in relation to cross-border co-operation between Poland and its eastern neighbours.

The **first objective** relates to the developmental chances for the border regions of Poland, Ukraine as well as Belarus, and the role, which the cross-border cooperation should play in increasing the developmental potential of these regions. This potential is not fully utilised at the moment due to several reasons. First of all, the policies should eliminate the barriers and increase the complementarity of the economic structures, existing on the two sides of the border.

The **second objective** relates to the role, which the cross-border co-operation may play in accelerating the pace of changes in the border regions of Ukraine and Belarus, and further – in the transformation process in these two countries. Cross-border co-operation may bring impulses not only in the economic sphere, but also in institution building, increasing general awareness of market economy and mature political democracy, as well as knowledge of the EU principles and rules.

The **third objective** has the most far-reaching perspective and is related to the potential future membership of Ukraine and Belarus in the European Union. Cross-border co-operation with Poland should be a “school” for the EU principles and procedures in which local, regional and national authorities of Ukraine and Belarus could gather experience in collaborating with the EU, in the same way in which the Polish western regions have collected experiences useful after Poland assumed full membership in the EU.

In order to enhance the mutual economic benefits from cross-border co-operation the following targets should be met:

- border crossings should be improved, as well as infrastructure related to the crossing points; border procedures be improved, measures should be taken against corruption; rules and regulations related to import-export activities should be stabilised and unnecessary restriction and limitations eliminated; regulation for operations of foreign capital and the conditions for running businesses should be improved.
- Cross-border co-operation, especially undertaken within the framework of the EU-financed programmes should concentrate on: the enhancement of institutions active in cross-border co-operation, such as Euroregions, citizens’ organisations, cultural institutions, local authorities, business organisations etc.

2.7 Policy considerations from the Hungarian case studies

Project results in brief

The Hungarian–Ukrainian and the Hungarian–Romanian border regions are burdened by problems of historical origin, coming from the distant past; the state borders designated in 1920 totally disregarded not only transportation networks and functional urban economic areas but ethnic relations as well. Consequently there is still a large ethnic Hungarian population on the Romanian and the Ukrainian sides of the border. This is an advantage for cross-border relations, on the one hand, because of the common language, similar mentality, common traditions and culture. On the other hand, however, nationalism reviving in the neighbouring countries since the end of state socialism have brought to the surface formerly hidden problems which have crystallised in the strengthening of fears of territorial shifts and changing borders.

Another consequence of the “artificial” designation of the borders and the subsequent isolation for decades of the region is the improvement and densification of transport connections between the two sides of the borders, itself a serious obstacle to cross-border co-operation. It is true that several new border crossing stations were opened after the changes that took during 1989 and 1990, but these are still too few to meet demand. Nevertheless at the Hungarian–Ukrainian border it is not the physical permeability of the border crossing stations that causes problems but the slow pace of work, bureaucracy and corruption that are present at the border crossing stations, and because since Hungary’s EU accession the customs control is very thorough and slow.

Co-operation at the sub-national level (regions, counties and micro-regions) in the past 15 years has not advanced beyond a rather formal/symbolic character, partly because the first Euroregions to be established are much too large and cumbersome to be operationally effective. The findings of the empirical research has also revealed that economic co-operation has emerged very slowly as a part of cross-border relations, although in the recent years we can witness some positive changes. One of the most promising vehicles for cooperation, and not only in economic terms, is the linking up of the truncated urban network in the regions and thus re-establishing functioning market areas for cities such as Arad, Debrecen, Gyula, Szeged, Nyiregyháza, etc. In fact, urban networks are emerging with the help of concrete project-based co-operation. Respondents indicate that this is partly due to EU resources (e.g. PHARE, INTERREG) available on a competitive basis for cooperative ventures. In the Hungarian–Romanian and Hungarian–Ukrainian border regions personal relations, very much limited before systemic change, play a very important role. In these relations, in addition to friendships and family ties and also shopping, subsistence tourism plays a very significant role, the most lucrative activity of which is illegal fuel and cigarette trade.

The Hungarian–Romanian and the Hungarian–Ukrainian border regions have similar problems and deficiencies, so the future development directions are more or less the same. However, there is a significant difference in the situation of the two border regions, namely that Romania is becoming a full right member of the European Union soon, and this will clear away most barriers of the co-operation. Despite of this the Hungarian-Ukrainian border will remain an external, Schengen border for a long time, and therefore this region stands before a longer and more difficult development path.

Policy considerations in brief

- The most important development priorities of the future are (still!) the improvement of border crossings and, more generally, of the accessibility of the border regions. In order to achieve this, considerable investment in infrastructure is needed in order to connect these peripheral regions with wider European networks and in order to create first-order logistic hubs and services.
- On the other hand, it is also crucial to revive more localised small-scale cross-border traffic. In economic terms both of these aims could be potentially achieved by projects such as the joint development of business services and business poles (industrial parks, business zones) together with joint tourism development programmes based on complementary endowments.
- Non-economic areas of cooperation can play a very important role in cross-border relations. These include the development of long term institutional co-operation, despite initial disappointment with the Carpathian and other large Euroregions.
- The emergence of local level (microregional) Euroregions such as Bihár-Bihor as well as urban networks, indicates that a positive (rather than encumbering) institutional thickness can be achieved for these cross-border areas.
- However, a prerequisite for improved institutional cooperation across borders is also the improvement of the operational effectiveness of regional development agencies and other public bodies on all sides of the borders. This would result, among other things, in a better use of EU resources and would facilitate a process of mutual learning (exchanges of experience, training, harmonisation of development paradigms).
- The further development of co-operation in the field of environmental and natural area protection – water management in particular – is another important task. Joint efforts should be made for the preservation of the environment in the border region, including flood and high groundwater prevention, waste and sewage management, etc.

2.8 Policy considerations from the Moldova-Romania case study

Project results in brief

The main findings and conclusions of the research pertaining to the Moldovan-Romanian border region can be summarised as follows:

Cross-border cooperation actors have assessed CBC as inefficient, where the existing opportunities are not being used to the maximum extent. Among the general obstacles to cross-border cooperation most often people have named cold political relations between the two countries, red tape connected to project implementation, as well as customs barriers and problems of border-crossing.

Common historical-cultural identity in the Romanian-Moldovan border region is a very strong incentive for CBC. Both sides perceive each other as one nation, with the same culture, history and language, despite of the political-administrative division and existence of “two Romanian states”.

It is too early to judge whether and how CBC has contributed to region-building or Europeanisation of the neighbourhood, since the CBC with the use of the EU supporting funds is still a rather recent phenomenon, which appears bleak to the wider population in the border regions of Moldova and Romania. However, through a number of the few ongoing projects (e.g. projects on environmental protection, or the reconstruction of a historical bridge) potential CBC actors commence to realise the existing opportunities provided by the EU programmes (TACIS and PHARE CBC).

The representatives of the regional administration and certain NGOs are the most capable in using EU rhetoric and cooperation logics to initiate various CBC projects, while the business sector appears rather sceptical as for attempts of the public authorities to animate CBC. What is important for businesses is the creation of the favourable conditions at the border-crossing, the elimination of corruption on the Romanian-Moldovan border, the reduction of taxes and the access to the information about the market conditions and firms on both sides of the border.

CBC has been most efficient in the spheres of culture, fighting against organised crime and promoting environmental protection. The representatives of business assess the economic interaction as highly insufficient due to the unfavourable trade conditions, emphasising the need of the creation of the free trade zone in the Euroregion ‘Upper Prut’. When it comes to CBC in culture and education, the interviewees evaluate it in positive terms praising the local and regional public authorities for initiating multiple CBC projects.

Policy considerations

Whereas the institutional templates for CBC such as Euroregions are by and large the only existing institutionalised forms for cross-border cooperation, they are neither sufficient nor sustainable. Within the context of national decentralisation, the local level should be empowered, and CBC mechanisms should be developed towards the model of multi-level governance.

Given the over-ambitious goals of the existing Euroregion with the emphasis on the development of economic relations and trade across the border, the local and regional authorities have limited decision-making power and implementation mechanisms as for the issues of customs regulations or the border-crossing regime. In order to prevent a complete standstill of the Euroregion's activities, it has to go through constant redefinition.

Given the institutional inefficiency of the Euroregion 'Upper-Prut' in terms of a lack of qualified human resources, the EU should provide financial incentives improving administrative capacity in the CBC institutions. Furthermore, considering the development of economic interaction in CBC then it is obvious that the state level should be encouraging these activities and providing support in terms of legislative framework. Again, the multi-level governance allowing for cooperation between different levels becomes more crucial. In this regard, CBC depends in large part on processes of political decentralisation in Moldova and an increase in the competences of the regional/local levels with regard to international relations. In order to boost the economic and social interaction across the border, a favourable border regime should be created in the Euroregion 'Upper Prut', where both sides should be able to carry out road-tax reductions.

To sum up, as there is much impact of the historical-cultural cross-border identity on the CBC developments in the Romanian-Moldovan border region, one has to tackle mainly with legal, bureaucratic and financial issues in setting more favourable conditions for the CBC in future.

2.9 Policy considerations from the Greece-Albania-Bulgaria-FYROM case study

Project results in brief

The present case study report, refers to an area which consists of the border zone between Greece on the one hand and Albania, FYROM and Bulgaria on the other. Results of the empirical research show evidently that the environment for the growth of cross-border collaboration is pretty favourable, as none of the involved parties perceives this as a "zero sum game". Relationships among local, regional authorities and the governments are considered as an advantage. Religious differences and the existence of national minorities at the borders are also generally considered advantageous. Furthermore, expectations from greater potential interaction are positive. Generally speaking, cross-border collaboration in trade, investment, social interaction, and institutional co-operation is perceived as a process that will prove advantageous to all parties. Having said this, the level of overall cooperation remains limited. The level of cross-border interaction in trade and, more specifically, in exports remains very low, reflecting the weak economic structure and peripheral nature of the border areas. In addition, meaningful obstacles to trade transactions exist as a result of duties, quotas, bureaucratic procedures and technical requirements concerning the exports and imports at the border zones of Greece with Albania and FYROM. Corruption is seen a serious obstacle that affects all border areas.

In terms of cooperation projects, their number has increased and there has been considerable exchanges of information, cultural events, etc. facilitated through EU funds. However, it has proven difficult to assemble resources and to mobilise stakeholders for projects of a more strategic nature. The fact that financing opportunities are often not seized is not always due to lack of information but mainly a result of lack of management and administrative faculties in the authorities of the borders. Moreover, in terms of management and administrative expertise for cross-border programs there is little local diffusion of "know-how". More specifically, through

INTERREG, actions were drawn up that did not reflect “demand” and which had an exceptionally complicated structure. Often, through INTERREG, common decisions were imposed at cross-border level without having suitable tools of implementation, common funds, and common objectives.

Policy considerations

Establishing “an environment of trust”. Within this context, elimination of nationalism, phobic syndromes and suspicion should be among the first “good practices”. Furthermore, emphasis should be placed on “low” politics with visible results. Finally, local and national media could eliminate negative stereotypes in relation to the borders.

Establishing networks across the borders. Policies should aim at creating a critical mass of networking between public, semi-public and private actors in order for a more coherent economic and technological environment to emerge. All activities in the field of CBC should generally be based on partnership, on subsidiarity and on the existence of a cross border concept. Finally, joint planning should be carried out from both sides of the borders.

Carrying out a series of “clever actions”.

- a) Learning from successful paradigm
- b) Looking forwards, away from a problematic past
- c) Creating cross border innovative environments across the borders
- d) Identifying critical size of interventions and focusing on a particular area.
- e) Develop projects as urban networks and “city twins”

The establishment of a cross-border forum with invitees from Greece, Albania, FYROM, and Bulgaria. This forum can constitute a framework for dialogue, the co-ordination of joint initiatives as well as the analysis and implementation of common policies.

3. Synthesis: Overall Policy Considerations

EXLINEA has confirmed the European Union’s considerable impact on the nature of cross-border relations in Eastern and Central Europe. The EU’s influence has been felt in geopolitical terms but also at a more basic societal level. On the one hand, prospective benefits of closer relations with the EU (including hopes for admission) have provided a context for rapprochement and development. On the other hand, concrete material incentives provided by the EU have been used to begin developing local and regional cooperation initiatives. Recent events in Belarus and Ukraine indicate that the EU’s overall political influence can be overstated – at least in the short term. However, there can be not question that the EU plays a central role in facilitating institutional change beyond its borders. Prospects of more inclusive political and economic cooperation within Europe also appear to affect how borders themselves are perceived; although the clear demarcation of state sovereignty is not at stake, borders are slowly losing their negative image as barriers to communication and development.

What are the goals of cross-border cooperation? These are none other than the establishment of conditions for social, economic, cultural and democratic/institutional co-development. The specific challenge of facing CBC is to create a “political space” between the EU, national capitals and subunits of the state *and* beyond national borders. If this is the essence of CBC, then the policy relevance of EXLINEA must be reflected against capacities for building communication between stakeholders in cooperation.

The overall picture of local and regional cross-border cooperation along the EU’s external boundaries offers a very complex and fragmented panorama that testifies to considerable political challenges. Explanations for the mixed results of cooperation in the case study regions can be (cautiously) inferred through EXLINEA results. To begin with, cross-border cooperation appears distant from the day-to-day realities of local citizens; while generally perceived in positive terms, scepticism as to its coherence, effectiveness and openness is prevalent. Indeed, CBC is by and large practised by a select group of stakeholders, most often from the public sector, who have a vested interest in developing projects with EU support. Furthermore, a relative lack of resources (despite EU funding) and expertise as well as more structural hindrances continue to make the development, maintenance and expansion of cross-border networks and projects difficult. Finally, it must be mentioned that the development of effective regional institutions of CBC is not an easy task. This is particularly the case where local and regional governments are either weak or where centralist political traditions limit regional capacities for action

Despite these difficulties many of the actors interviewed see in CBC projects the gradual development of durable cooperative structures between local and regional stakeholders. Furthermore, there are other potential resources available for the strengthening of cross-border cooperation. NGOs, cross-border communities, cultural organisations, churches, institutions of higher learning and other organisations could play an important role, however, cooperation incentives must be made more accessible for these groups.

What then are EXLINEA’s main policy messages? The results of EXLINEA indicate that several issues should be taken into consideration when developing potential suggestions for good practices in cross-border cooperation. We can, for example, confirm that there can be no “grand screenplay” in terms of what actually works in cross-border cooperation. Instead, ways must be found to better understand the contexts and situational ethics that condition how cooperation stakeholders act and perform. In other words, policy suggestions should reflect the importance of contingency: the histories, opportunities and geographies of different communities. Six basic principles inform our policy suggestions. These are:

- 1. Set enabling conditions of action (e.g. concerted actions at the EU and national levels, optimising EU programmes, inclusionary policies and discourses)**

- 2. Strengthen a civil and local community basis; promote “ownership” of local/regional cooperation initiatives**

- 3. Use education, research, learning as cooperation and development resources**

- 4. Strengthen organisational capacities of Euroregions and other CBC associations**

- 5. Exploit crossborder networks and local resources. These include the potentials of complementary urban networks**

- 6. Explicitly target economic actors and the business sector**

Based on the compiled policy considerations of all EXLINEA case studies, Figure 2 offers a general scenario of “good” CBC and border-related practices. We have designated this multilevel scenario as the EXLINEA “windows of opportunity” for creating a more empowering and positive environment for cooperation between EU member states and their neighbours. These “windows” apply to geopolitical conditions of action (EU CBC governance), local and regional cooperation practices (networks) and an environment of mutual understanding (trust). While perhaps not a policy area in the traditional sense, EXLINEA believes that attitudes and perception must be addressed: xenophobic “threat scenarios” and political discourses that invoke a sense of negative “otherness” work against the goals of a wider European Neighbourhood.

Figure 3: Windows of EXLINEA Opportunity

Window of Trust and Prospect	Window of Tangible Networks and Relationships	Window of EU's CBC governance
Diminish the <i>mental</i> distance between countries nationally and locally	Emphasis in the CBC should be placed on the cross-border local society with manifest and concrete results	Eu(ro)regions should serve as an “ <i>interface</i> ”, “ <i>engine</i> ” and “ <i>advocate</i> ” for matters of CBC
Eliminate fanatic nationalism, xenophobic syndromes and suspicion towards the “other”	Stimulate the exchange of students, trainees, staff, researchers and teachers and create shared education possibilities	Create and publish (also on the Internet) a directly applicable European <i>legal framework for CBC</i>
Stimulate a forward-looking attitude, instead of a reproduction/reinvention of the past	Stimulate the exchange of intelligence, maps, news, internet-pages and links, information and comparable data and statistics, create a shared paper space (map of the region without borders), a shared virtual space, use also internet as a common office and administrative centre of the region with a direct-response utility and a search engine for questions/terms/concepts	Increase the <i>coordination, compatibility, and eligibility</i> between INTERREG, Phare, New Neighbourhood Initiative, The Council of Europe, the European Conference of Ministers Responsible for Spatial Planning (CEMAT), and the Association of European Border Regions,
<i>Denationalisation part I. National</i> politicians have a huge responsibility and play a key role in diminishing fanatic nationalism, national(istic) rhetoric and national(istic) imagery.	Stimulate the crossing of the border, the cross-border twinning between cities and the cross-border touristic promotion of cities	Increase and fine-tune the coordination between cross-border (network) programmes and the external border control (Justice and Home Affairs)
<i>Denationalisation part II. National</i> media (TV, Newspapers, Internet) also have a key role to play to eliminate negative stereotypes and decrease fanatic nationalism and representations.	Stimulate the creation of joint infrastructural, urban, and landscape planning and make an end to the planning up to the border as if the other side would not exist.	Provide technical assistance in greater measure, greater sensitivity to businesses as CBC actors, Facilitate cultural contacts, Promote cross-border between public, private and civil society actors
<i>Denationalisation part III.</i> Stimulate the creation of <i>Cross-Border media</i> (TV, Newspapers, Internet, Popular Magazines)	Establish a democratic Cross-Border Forum, in which all key-players in the border regions are equally represented	Stimulate not only endeavors of harmony but also opposites that attract: creates common landscapes of community, as well as diverging landscapes of desire
Similarity in identity or a common identity is not a must for CBC. Essential is a sense of commonality, a sense of sharing a mutual border and a willingness to look beyond the mere national scope and the recognition of the neighbour	Stimulate local firms, institutes and organisations to do a market-research of their existing and potential market-reach	Eu(ro)regions should be more than project-developers. Networking is more than (generally) pre-structured, small, short-term projects. Create an operational field in which exchanging and/or sharing aims is seen as an opportunity, not as a project.
Do not force CBC on people, instead use suasion to increase its popularity. CBC should be read as an opening, and a promising opportunity rather than a necessity of crisis-management	Stimulate the creation of cross-border labour offices	Give the Eu(ro)region a body, a face, power and a meaning for the wider public.

If EXLINEA's windows of opportunity might appear somewhat general in nature, we have outlined concrete good practices that capture the essence of what our project team have learned over the past three years. We suggest three interrelated sets of suggestions for "good practices". These are enumerated below.

Good practices I Setting conditions of action (e.g. concerted EU, national actions; optimising EU programmes)

With the ENP a powerful geopolitical rationale is in operation that provides both a discursive platform as well as a series of policy-centred practices that will potentially establish a new quality of political relationship with former Soviet states. Clear geopolitical signals are needed that promote "Europeanisation" without a local backlash. Civilisational discourses that distinguish between the EU and a non-EU Europe in terms of a hierarchy of values and societal development should be avoided. Furthermore, abolishing political and legal barriers, such as those inherent in labour market and foreign resident legislation, would allow for greater socio-economic mobility, innovation transfer and flexibility.

Exclusionary political discourses that emphasise "threats" emanating from within the Wider Neighbourhood should be avoided. The necessity of developing policies that allow for effective border management must be facilitated, but these should be supported by incentives that allow neighbouring states to more easily comply with EU demands for, among other things, repatriation of illegal immigrants. Of course, a more open immigration policy and a less protectionist stance would not only correspond to the new demographic and economic realities of an aging European continent but also facilitate rational border management.

At another level, borders could enhance their role as "bridges of cooperation" if special border regimes are implemented that take the needs of border region populations into consideration. This could take the guise of special "regional" visas for both private citizens and commercial purposes.

It can only be hoped that in the negotiations leading up to Action Plans cross-border cooperation at the regional and local level receives explicit support. Furthermore, in the regulation of its external borders a positive discrimination of border region residents and local/regional cross-border economic activity should be taken into consideration. Abolishing economic barriers, such as the mutual recognition of qualifications and restrictions on the freedom of business activities could greatly facilitate cross-border retailing and services. Under such conditions, competitiveness and economic growth could be achieved the exploitation of niche strategies.

Finally the EU could contribute immensely to more effective CBC by developing a more coherent set of opportunity structures. This, of course, includes the compatibility and improved manageability of funding instruments provided by the EU. These are the stated intentions of the Commission in developing the ENP and should be guaranteed.

Understanding the contingency of cooperation in order to improve policy

Different (and very legitimate) perceptions of the role of CBC have to be reconciled. Roughly speaking, one view is that CBC is about the development of common (European) values and social modernisation through multilevel governance; the other view emphasises the regional development and economic aspect of cooperation. These perspectives are not mutually exclusive and should be applied flexibly, not in a “one size fits all” manner.

One important issue therefore involves more effective avenues of communication between the supranational and the local. The fruitful exchange and diffusion of knowledge about the management of cross-border governance requires, however, background knowledge about the *situational ethics* of stakeholders. What this means concretely is knowledge about *why and how* various stakeholders develop cooperation strategies the way they do. Local stakeholders should be made more sensitive to the positions of the EU and the reasons why EU CBC policies are formulated the way they are. By the same token, understanding better how CBC and the EU are perceived locally is essential to evaluating the results of CBC. Thus understanding how CBC practices evolve locally out of multilevel contexts (see Figure 1) will help optimise future CBC support programmes. In addition, it would be quite important to understand the manner in which local “Europeanisation” processes unfold: how do local people see the EU in terms of what it does for them, what it promises their communities, and what it means in terms of identification with the EU. These measures could be implemented through targeted seminars, workshops or training sessions.

Strengthening civil/local community bases

This in many ways is similar to the above point but is meant more directly in terms of building up local democracy and governance capacities through practical training. Here, the EU and national levels could develop specific initiatives that help local stakeholders and citizens learn, through intercultural exchange, about the potential roles of local governments and regional administrations in various policy fields (not merely in CBC).

Education, research, learning as cooperation/development resource

Explicitly promote institutions of higher learning and research as “vectors” of cooperation, partly in combination with mobility schemes and RTD calls that also apply to non-EU neighbouring states.

Good practices II

Strengthening organisational capacities for CBC

In terms of more formal policies cognitive regionalisation (i.e. a *sense* of cross-border regional coherence) could be enhanced through a better co-ordination (rather than laborious integration) of policies at the local and regional level. Given the multilevel nature of cross-border co-operation, vertical and horizontal communication would, however, need to be vastly improved. Senior governments could have a vital role in providing in more explicit terms a supportive framework for co-operation; far from necessitating the creation of new formal institutions this could be achieved by co-ordinating available resources and the cross-border links established by individual

agencies (e.g. economic development, environment, transportation and infrastructure, spatial planning) within the context of selected co-operation initiatives. The first activities along these lines have begun to materialise in the shape of cross-border regional conferences and informal interorganisational networks of planning and economic development agencies. In bringing together actors responsible for spatial planning and regional development, these informal “networks” focus attention on specific issues and, in particular, on the identification, financing and management of so-called key projects.

New roles for Euroregions

The EU should provide financial support for the development and improvement of administrative mechanisms for CBC institutions. This is especially necessary in the case of Euroregions on the EU’s external borders where funds and specialised knowledge in the development of cross-border networks are limited. A major problem of Euroregions is that they do not fulfil their potential as local government fora that allow for greater citizen discussion of regional issues. Euroregions should not merely be “project factories” or “secretariats”. They must go beyond projects to actually develop an identity as open and public institutions.

Crucially, local authorities usually lack a strategy for using EU CBC funds. Instead, local and regional governments will often more willingly use other structural funds. Moreover, the cooperation of local and regional bodies is often too formally structured and does not translate into specific projects.

Exploiting crossborder networks and local resources

Future governance capacities of cross-border co-operation will, no doubt, also lie in networking. EXLINEA results have shown that many promising cooperation initiatives are emerging from the “bottom-up”. Furthermore, a variety of technical and administrative circumstances seem to favour small-scale and locally based co-operation rather than grand *Euroregional* concepts. The EU has been seen as too focused on institutions and formal planning and less concerned with civil society, the exploitation of societal and cultural links and the inclusion of economic actors. For this reason, economic, cultural, and religious organisations are important potential cooperation resources that need greater attention and that should be explicitly addressed in CBC programmes. **Economic actors in particular need to be more directly involved in CBC.** A common complain was the fact that while business opportunities were seen as essential to more responsive cross-border cooperation, businesses were excluded from EU programmes.

Exploiting complementary urban networks Exploit where possible the economics of urban networks. This is particularly relevant in the case of complementary market areas that have been truncated by state borders. Urban networks can involve developing political and functional relationships between public agencies, universities, firms, etc. Such networks could also participate in infrastructure investments and the promotion of economic development. There are, for example, specific contexts that are especially conducive to CBC. Cultural overlap due to the existence of transnational ethnic groups has, particularly in the case of most of Hungary’s borders, been an “empowering” factor. **Good practices III**

Promoting “ownership” of local/regional cooperation initiatives

This point relates in several ways to suggestions made above. In essence, this good practice is about recognising local perspectives and needs with regard to CBC so that cooperation practices “resonate” with the local citizenry.

Addressing local stakeholders: the degree of institutionalisation must be negotiated and carefully considered. Institutional modernisation is an important goal but it should not mean an unnecessary complication of cooperation by overstretching administrative/legal capacities before these can be built up. It is perhaps best to build up open networks before formalising cooperation.

Addressing local, national and EU policy stakeholders: short-term demands for visible results must be reconciled with the necessity of long-term strategies. Cooperation approaches should include both objectives, dedicating resources to a limited number of large projects that attract public attention and interest while promoting more complex initiatives that require longer preparation and programming periods. This could also be reflected in EU CBC policies, allowing for more flexible, multi-term programming of development projects and not limiting budgets to the life of individual Action Plans.

4. Conclusions

The removal of barriers does not in and of itself guarantee the emergence of cross-border region. Only social practices and attitudes can make such a regional project reality. The results gathered within the scope of the EXLINEA research project thus highlight the value of open-ended, project-oriented and somewhat less rule-based co-operation. Cross-border co-operation and region-building is a learning process and the more it is based on well-established links and working relationships, rather than on grand regional development schemes, the more it will be perceived as a realistic undertaking.

Given the simultaneity of inclusion and exclusion in borderlands contexts, the quality of co-operation will to a great extent depend on the role political elites assume in promoting a regional idea and bridging cultural difference. The quality of the political message, however, is not only a local issue, it is subject to practices and discourses that operate at several different spatial levels and societal realms.

With regard to the lamentable developments on the US-Mexican border – where new walls are being erected, new technologies will make the ubiquitous control of individuals reality and protectionist policies are being increasingly championed – the EU could set an excellent geopolitical counterexample with a more inclusive border. This would of course be contingent on policies that do not exclude Ukrainians, Russians, Moldavians (as well as Turks) from labour markets in the EU.

In closing: CBC in general and EU cross-border co-operation policies in particular will not quickly reverse the economic and political marginality of regions on the EU’s external borders. Indeed, on the level of day-to-day politics, differences in paths of economic transformation and institutional modernisation have tended to inhibit greater co-ordination of policies; while supporting cross-border interaction EU member states and their neighbours are (logically)

striving to establish conditions that will be most beneficial to their own respective regional and local constituents. And yet, despite obvious limitations, and considering very difficult initial conditions, cross-border regionalism has made considerable progress since its appearance – virtually without historical precedents – since 1991.