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FOREWORD

This publication is a result of an extraordinary effort of an international group of cross-border cooperation experts and practitioners covering the eastern border of the European Union. The spirit of cooperation and friendship that has developed among these unique individuals should serve as a model for the cross-border cooperation in this region.

On behalf of the team of authors I know very well through our common long-term interest and passion – promotion of cross-border cooperation on the EU’s eastern border – I would like to explain the meaning of the mysterious Latin title of this publication.

Ex Borea Lux is a variation of more commonly used phrase Ex Oriente Lux originally referring to the sun rising in the east but rather alluding to the influence of the culture and spirituality coming from the eastern world.

The unorthodox approach of Norway and Finland to the cross-border cooperation with Russia described in this publication had paid off. The remote northern borders are safe and well managed. The inhabitants of the border regions are benefiting from open-minded cross-border cooperation practices. However Finland’s and Norway’s geopolitical and economic situation is undoubtedly unique. Are these successful practices applicable to the other parts of the European Union’s eastern border?

And here comes the metaphorical question in the title - Ex Borea Lux? Is the light coming from the north? The authors of this publication attempted to explain how the “northern approach” to cross-border cooperation could be applied but they also give Eastern European perspective to Nordic countries’ cross-border cooperation practices.

The publication also fulfills the mission of the Institute’s for Stability and Development to foster cross-border cooperation in the EU neighborhood and helping the vulnerable border regions to achieve lasting stability and development. I strongly believe it will provide a practical support and guidance for developing cross-border cooperation in Eastern Europe.

On behalf of ISD team, I would like to thank our partners involved in this projects and all contributing experts, in particular Mr. Pekka Järviö who provided an extraordinary leadership to this effort. Our deep appreciation goes to the Finnish Ministry of Foreign Affairs and to the Norwegian Barents Secretariat.



Vazil Hudák

Executive Director of the Institute for Stability and Development (ISD)

EXECUTIVE SUMMARY

The goal of this project, “Cross-Border Cooperation on the EU’s Eastern Border – Learning from Finnish and Norwegian Experience”, is to present the best practices of Finnish and Norwegian cross-border cooperation (CBC) and border management in the form of four case studies and accompanying analyses.

A team of experts from Finland, Norway, Russia, Poland, Hungary, Ukraine and Moldova led by Pekka Järviö prepared the case studies. Each study analyses the applicability of the practices described to other EU eastern borders with the aim to:

- × Identify best practices in CBC, especially concerning delegation of competences to the regional level, and in border management based on the Finnish and Norwegian experience in this area;
- × Improve CBC and socio-economic development in the EU’s Eastern Neighbourhood by applying relevant best practices;
- × Provide material and inspiration for training of key actors in CBC (local and regional authorities, key civil society actors, local economic associations such as chambers of commerce, media);
- × Promote dialogue among public, economic and civic actors related to cross-border cooperation in the border regions;
- × Re-examine and re-energise the role of Euroregions in promoting cross-border cooperation in the EU’s Eastern Neighbourhood.

The project was managed by the Institute for Stability and Development, based in Prague, Czech Republic. The project team worked closely with partners from Euregio Karelia, the Norwegian Barents Secretariat, the Finnish Ministry for Foreign Affairs, the Finnish Border Guard, the Regional Economic Development Agency in Kaliningrad and the Institute for Transfrontier Cooperation in Uzhgorod, Ukraine.

The online version of this publication, along with the most recent developments in the project, is accessible on the Institute for Stability and Development website, www.isd-network.org.

I. INTRODUCTION

Border regions on both sides of the EU's eastern borders are among the least-developed territories of their respective countries. This is largely a legacy of the Cold War when the primary role of these areas was to provide a "buffer zone" against a potential military attack. As a result, these regions suffer from weak transportation infrastructure, underdeveloped industry and high unemployment. This dire economic situation, combined with the high ethnic and religious diversity found in most of these regions, has created a fertile foundation for conflicts (such as those that erupted in the Balkans during the 1990s). That's why promoting economic and social development in these areas is an important strategic goal for the overall security and stability of Europe.

Owing to different historical experiences, however, the situation on the EU's eastern border is not homogenous. Finland, which acceded to the European Union in 1995, initiated intensive cooperation with Russia in the early 1990s. Finnish regions established contacts with their Russian neighbours and focused on regional development issues. Likewise, the Finnish Border Guard developed new cooperation methods with the Russian Federal Border Service. Common to these two cases is that they both exhibit a high level of delegation of powers to the regional level.

The experience of Finland in both cross-border cooperation (CBC) and in border management is widely considered to be a success. The Finnish-Russian cooperation programmes served as a model for the INTERREG-TACIS Neighbourhood Programmes in 2004-2006 and for the European Neighbourhood and Partnership Instrument (ENPI) CBC Programmes from 2007 onwards. Similarly, many of the methods applied in the management of the Finnish-Russian border have been presented as best practices in the Schengen evaluations performed by the EU member states beginning in 2001 and have consequently been adopted in the Schengen Borders Code.

Similarly, both CBC and border management on Norway's border with the Russian Federation have witnessed an interesting evolution highlighted by innovative approaches to cross-border relations. A key element of that cooperation dates back to 11 January 1993, when Norway, Finland, Sweden and Russia signed the Kirkenes Declaration, which established the Barents Euro-Arctic Region. This was one of the first institutionalised cross-border agreements between West and East in the post-Cold War period. The Norwegian Barents Secretariat, and later also the International Barents Secretariat, were established to provide institutional support to cross-border cooperation in the region. Promoting people-to-people contacts between Norwegians and Russians in the north has been the central task of the Norwegian Barents Secretariat. Through thousands of project grants, the secretariat has contributed to bringing together people from both sides of the border. Also, the recent agreement on non-visa local border traffic between Norwegian and Russian border areas may serve as an interesting inspiration for other regions along the EU's eastern border.

Although there is some information available on the Finnish and Norwegian CBC experience, a practical analysis of its applicability to other parts of the EU's eastern border is missing. The Ministry of Foreign Affairs of Norway has included cross-border cooperation among the priorities of its financial mechanism extended to the new EU member states. Experts from different Member States and partner countries in the EU's Eastern Neighbourhood have identified a need to investigate and analyse these issues.

This publication, representing the results of such an analysis by a group of experts from different European countries, has been produced in the framework of a project co-financed by the Finnish Ministry for Foreign Affairs, the Norwegian Barents Secretariat and the Institute for Stability and Development.

THE PUBLICATION AIMS TO CONTRIBUTE TO THE ACHIEVEMENT OF THE FOLLOWING DEVELOPMENT OBJECTIVES:

- a) **Identify best practices in CBC, especially concerning delegation of competence to the regional level and in border management, based on the Finnish and Norwegian experience in this area;**
- b) **Improve CBC and socio-economic development in the EU's Eastern Neighbourhood by applying relevant best practices;**
- c) **Provide material and inspiration for the training of key actors in CBC (local and regional governments, key civil society actors, local economic associations such as chambers of commerce, media, etc.);**
- d) **Promote inter-sectoral dialogue and cooperation in the border regions among public, economic and civic actors in the context of cross-border cooperation;**
- e) **Re-examine and re-energize the role of Euroregions in promoting cross-border cooperation in the Eastern Neighbourhood.**

II. FINNISH AND NORWEGIAN CROSS-BORDER COOPERATION EXPERIENCE - CASE STUDIES



A GENERAL DESCRIPTION AND HISTORICAL OVERVIEW OF THE FINNISH-RUSSIAN AND NORWEGIAN -RUSSIAN BORDER

PEKKA JÄRVIÖ, ATLE STAALSEN

FINNISH-RUSSIAN BORDER

The borders of Finland (the Swedish territory east of the Gulf of Bothnia and north of the Gulf of Finland) were first determined by Sweden and Novgorod in the Peace Treaty of Schlüsselburg (Swedish: Nöteborg, Russian: Oreshek) in 1323. The border ran from the island of Kotlin (Kronstadt near present St Petersburg) in the southeast to Northern Ostrobothnia, comprising less than one half of the present territory of Finland. The largely uninhabited northeast and north of Finland remained under Novgorod. The border has always been perceived as the border between the West and the East as well as between different strands of Christianity. Generally there has been very little contact across the border over the years.

Following this first demarcation, the border has been moved several times in the following centuries. The city of St Petersburg was founded by Peter the Great in 1703 on Swedish territory, which was then occupied by Russia. In the peace treaties of Uusikaupunki (1721) and Turku (1743) Russia acquired large parts of south-east Finland. In the Treaty of Hamina in 1809, the entire Finnish territory was transferred from Sweden to Russia and became a grand duchy with the Russian tsar as the grand duke of Finland.¹

As a grand duchy, Finland enjoyed a wide degree of autonomy and Swedish legislation continued to be applied in Finland. Growth of the city of St Petersburg close to the Finnish border meant that the economy of south-east Finland was largely based on supplying that city.

Despite the union with Russia, very few Russians emigrated to Finland during the 19th century. In 1900, after 90 years of Russian rule, there were only about 2,000 Russians living in Finland (in addition to military troops). Most of these were retired soldiers who were allowed to stay in Finland after completing their service. On the other hand, many Finns moved to Russia to seek their fortune in the army or civil service. In 1900 there was a Finnish community of more than 20,000 consisting of factory workers, artisans (e.g. Faberge silversmiths) and railway workers in St Petersburg.

The Russian revolutions in March and November 1917 and the consequent abdication of the tsar brought an end to Russian rule in Finland. The Finnish government declared Finland independent on 6 December 1917. Finland and Soviet Russia signed a peace treaty in Tartu (Dorpat) in 1920.

¹For the changing Finnish-Russian border between 1323 and 1947, see:
http://commons.wikimedia.org/wiki/File:Border_changes_in_Finland.gif

The Finnish-Russian border agreed to in Tartu was largely the same as the one set in 1812. In addition Finland received the northern region of Pechenga giving the country access to the Arctic Sea and an ice-free port.

After the Treaty of Tartu the border between Finland and Soviet Russia (later the Soviet Union) was almost completely closed. There was only one crossing point along the entire border, at the Rajajoki railway bridge.

In 1939, the Soviet Union, feeling the security of Leningrad was threatened, attacked Finland. After 105 days of fighting, a peace treaty was signed in Moscow in March 1940. The new border followed the border agreed to in the Uusikaupunki Peace Treaty of 1721. War broke out again in June 1941. After the cease-fire in September 1944, the border of 1940 was restored. In addition, Pechenga, where rich nickel deposits had been discovered in the 1920s, was ceded to the Soviet Union. This border was reconfirmed in the 1947 Paris Peace Treaty. The 470,000 Finnish inhabitants of the area that was ceded to the Soviet Union – representing more than 10 per cent of the population of Finland – were given the choice to either stay or to move to Finland. Less than 20 persons chose to stay. This means that there are very few cross-border family ties today.

The 1944 border, still in force today, is 1,340 kilometres long. For the most part it runs through forests and sparsely populated rural areas, the only notable exceptions being the metropolis of St Petersburg, about 150 kilometres from the border, and the Finnish towns of Lappeenranta and Imatra on the southernmost part of the border.

Trade between Finland and the Soviet Union was a significant factor in the development of Finnish industry in the post-war period. This intensive trade was conducted between the capitals and did not result in any significant cross-border contacts on the regional level. There were two exceptions: In 1977-1985 a consortium of Finnish construction companies built a greenfield industrial community for extraction of iron ore in Kostomuksha, in the Republic of Karelia. For hundreds of Finnish workers, the project brought the first possibility to establish personal contacts with their neighbours across the border. A similar project was implemented in 1972-1988 in Svetogorsk, across the border from the town of Imatra, to modernise an old pulp and cardboard mill. In the most intensive phase, 1,400 Finnish workers commuted to Svetogorsk daily. The project contributed strongly to the current close relations between the towns of Imatra and Svetogorsk.²

Beginning in the 1960s, a limited amount of tourism from Finland to Leningrad was allowed. Areas ceded to the Soviet Union in 1944 were, however, off-limits to Finnish tourists wishing to visit their former home regions. From the early 1980s this type of tourism was allowed on a case-by-case basis by Soviet authorities.

² See <http://www.citytwins.org/en/page/16/>

After the fall of the Soviet Union in 1991, the Finnish-Russian border was opened. Various types of economic and cultural cross-border contacts have since been established. Currently there are nine international border-crossing points. In 20 years the number of border crossings has increased almost tenfold to more than 10 million per year.

In the last 20 years many Russians have emigrated to Finland. Their number in Finland is currently about 50,000, or about 1 per cent of the total Finnish population. About one half of this number consists of Russia's Finnish minorities whose emigration from Russia has been facilitated by the Finnish government. In addition, Russians from the St Petersburg area have acquired a large number of holiday homes – particularly in south-east Finland – and spend weekends and holidays there. They also significantly contribute to the economy on the Finnish side of the border by frequently travelling back and forth for shopping purposes.

NORWEGIAN-RUSSIAN BORDER

While the main part of the border between Norway and Finland (then part of Denmark and Sweden, respectively) was settled in a treaty in 1751, the border separating Norway (then part of Sweden) and Russia (including the Grand Duchy of Finland) was settled only in 1826. The treaty signed in St Petersburg on 1 July 1826 starts with the religious words "In the Name of the Holy and Indivisible Trinity". Religion played a key role in the process. The Russians insisted that the Borisogleb church on the western bank of the Pasvik River should belong to Russia, and they agreed to grant Norway a far bigger coastal area on the eastern side in return. Later, Norway built Lutheran churches as border demarcation symbols in Grense Jakobselv, Pasvik and Neiden.

The 1826 treaty marked the delimitation of the last part of Norway. The border has remained unchanged with the exception of the 20th century inter-war period when the Pechenga area belonged to Finland. Interestingly, while the border is Norway's youngest, it is contemporary Russia's oldest. Of the Russian Federation's 14 neighbouring states, the border with Norway is the oldest unchanged international delimitation line.

For centuries, major parts of the Finnmark region and the Kola Peninsula were considered a common district by the national authorities, and the few people living in the area, most of them Sami, were forced to pay tax to both countries. After the delimitation of 1826, the border remained more or less open until after 1917 and the takeover of the Bolsheviks in Moscow.

In October 1944, Soviet troops liberated Kirkenes from Nazi Germany, which had used eastern Finnmark as its main bridgehead in the attack on Murmansk and the Kola Peninsula. Soviet soldiers pushed German troops westwards and stayed in the area for several months, but they eventually retreated across the border.

¹ Karelia ENPI CBC Joint Operational Programme, pp. 9-10, available at <http://www.kareliaenpi.eu/asiakirjat/PD.pdf>

² Republic of Karelia census 2010

³ Finnish population register August 2012



In the Cold War period, the Norwegian-Russian border was one of two international borders between a North Atlantic Treaty Organization (NATO) country and the USSR and the only border between a NATO country and the Russian Soviet Federative Socialist Republic. However, despite military build-up, political tensions and a closed border, remarkably, the two countries, together with Finland, were still able to agree in 1958 on the construction of seven hydropower stations on the Pasvik River, two Norwegian and five Russian. The two Norwegian stations are located partly on Russian territory.

Very few people crossed the border in the Soviet period. In 1990, the number was fewer than 3,000. Some activity took place on the individual level, however, for example in sports and culture. In 1988, a first friendship agreement was signed between the county of Finnmark and Murmansk Oblast. A number of cooperation agreements were later concluded between the two regions, all of which include a high focus on cross-border issues.

While Pechenga, the Russian area bordering Norway, had a very sparse population in 1917, the area at the time of the reopening of the border in 1991 had a population of close to 50,000, and included well-developed industry and infrastructure.

Throughout the Soviet period, Norwegian foreign policy and its national security agenda had the Soviet Union as a top priority. Today the Russian Federation – although a different country with a different political system – continues to be top priority in Norwegian government offices. The key position of Russia in Norwegian politics must be seen against the backdrop of the two countries' huge and vastly rich waters in the Barents Sea, the role of the Svalbard archipelago and the major national security interests in the area. This background determines much of Norwegian policy towards Russia, including the country's approaches to cross-border relations.

Today, as in both the tsarist and the Soviet periods, people and authorities in Finnmark County are generally more open towards cooperation with Russia and Russians, and consequently also more attentive towards Russian life than in the southern part of the country. It is with this in mind that one should view local curiosities like Russian-language street signs in Kirkenes or the carefully preserved local Soviet war memorial, around which both Norwegians and Russian place wreaths every 9 May.

The establishment of the Barents Cooperation agreement in 1993 marked the start of a new era in Norwegian-Russian regional relations. The structures and mechanisms established as part of the Barents Cooperation provided a new platform for cross-border contact and interaction.

1 Karelia ENPI CBC Joint Operational Programme, pp. 9-10, available at <http://www.kareliaenpi.eu/asiakirjat/PD.pdf>

2 Republic of Karelia census 2010

3 Finnish population register August 2012

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CROSS-BORDER COOPERATION BETWEEN FINLAND AND RUSSIA CASE KARELIA

PEKKA JÄRVIÖ

The regions on the Finnish eastern border facing the Russian Republic of Karelia have traditionally been among the most peripheral and marginalised in the country. After the fall of the Soviet Union the regional-level actors on the Finnish side of the border recognised the opportunities which were opening for cooperation across the border. Despite the huge socio-economic differences between the Finnish regions and the Republic of Karelia, common interests were identified and promoted, largely through EU funding. The methods developed in this cooperation and based on full equality – including the central role of Euregio Karelia, established in 2000 – served as a model for the establishment of the EU’s Neighbourhood and European Neighbourhood and Partnership Instrument (ENPI) programmes.

DESCRIPTION OF THE KARELIA BORDER REGION



Although the name Karelia actually refers to an area reaching all the way to St Petersburg in the south, Karelia in this paper refers to a smaller area encompassing the Kainuu, North Karelia and Oulu regions in Finland and the Republic of Karelia in Russia. These regions have formed the core of the Karelia Programme region since the launching of the INTERREG II A Karelia programme in 1996. This programme marked the first instance of cross-border cooperation between the EU and Russian regions.

Karelia is located in the north-eastborder region of the European Union bordering on the Gulf of Bothnia in the west and White Sea in the east. Finland and Russia share about 700 km of border in this area. Karelia covers 263,667 square kilometres, of which 180,500 square kilometres is on the Russian side.¹

The most important towns in the Finnish part of the area are Kajaani, Joensuu and Oulu while those in the Republic of Karelia are the republic's capital Petrozavodsk, Sortavala, Kondopoga, Segezha and Kostomuksha. Most other communities in the region are small and the population is dispersed over a large geographical area.

The area is very sparsely populated, with an average population density of 4.89 persons per square kilometre. The total population is 1,290,270 (1,325,637 in 2006), of whom 645,205 (693,100 in 2006) live in the Republic of Karelia² and 645,065 (632,537 in 2006) in Finland.³ Both sides of the border are characterised by a falling birth rate and extensive simultaneous retirement of the working-age population as the post-war baby boom generation reaches the end of their working careers. The average life expectancy in the Republic of Karelia is lower than in Finland, which is another factor aggravating the declining population trend. Long distances and decreasing population are typical characteristics of the area.

The area of today's Republic of Karelia has since the 19th century been perceived as the cradle of Finnish-language culture. The Finnish national epos "Kalevala" was collected by Dr. Elias Lönnrot in that area in the 1830's and many Finnish artists got their inspiration there in the late 1800's. Minority languages spoken in some parts of the Republic are closely related to Finnish. Consequently once the border could be crossed, much interest in contacts existed on the Finnish side.

Because the border – signifying the line between the West and the East and between two strands of Christianity – has largely remained in the same place for the last 700 years, contacts across it have traditionally been scarce. On the Finnish side the prevailing religion is Lutheran, on the Russian side Orthodox, although small religious minorities exist on both sides.

The Russian and Finnish parts of the area vary considerably in terms of gross domestic product

¹Karelia ENPI CBC Joint Operational Programme, pp. 9-10, available at <http://www.kareliaenpi.eu/asiakirjat/PD.pdf>

²Republic of Karelia census 2010

³Finnish population register August 2012

per capita, from the Oulu Region at one extreme with €26,721 (€25,859 in 2006) per inhabitant to the Russian Republic of Karelia at the other with €3,279 (€2,894 in 2006) per inhabitant.⁴

The regions in the Finnish part of the programme area have a highly similar economic structure. The share of primary production such as agriculture and forestry is slightly greater in North Karelia than in the other regions, as opposed to the Oulu Region, where industry occupies a more prominent role, and to Kainuu, where the share of services is somewhat more prominent. The share of primary production is falling, whereas that of services is increasing despite the cuts imposed on public services since the 1990s.

The largest sources of employment in the Russian Republic of Karelia are industry and services although in recent years the number of jobs in the industrial sector has declined. There are, however, major differences between branches of industry in this respect. Forestry plays an important role in the republic and the number of jobs in the pulp and paper industry is constantly rising at the same time as the metal industry sheds jobs. The number of new industrial jobs has increased considerably in the last few years e.g. in the town of Kostamuksha, close to the common border, partly owing to investment from Finland.

The number of border crossings through the five international and six temporary crossing points⁵ grew from 1,356,600 in 2007 to 1,810,879 in 2011 (33 per cent). Most crossings are for the purpose of one-day shopping trips. Very few persons commute to work across the border.

INTERREG II 1996–2000

The accession of Finland to the European Union in 1995 opened the financial possibilities provided by the EU Structural Funds to the Finnish regions. From the beginning the three Finnish regions which established the INTERREG II A Karelia Programme decided to focus their cross-border cooperation (CBC) activities on increasing cooperation with the Russian Republic of Karelia.

Implementation of the programme began at the end of 1996 when the first applications were selected for funding. The programme funding – €36.4 million – was provided from the EU, Finnish public and private sources as follows:

EU STRUCTURAL FUNDS	€13.6 MILLION
FINNISH PUBLIC CO-FUNDING	€14.3 MILLION
PRIVATE FUNDING	€8.5 MILLION

⁴ 2009 official GDP figures

⁵International border crossing points are open 24 hours each day and can be used by anyone. Temporary border crossing points are used mostly for timber and other goods transport, they have limited opening hours and a special permit is required to use them.

In total 226 projects were funded from the programme. It became the main source of funding for Finnish regional-level businesses and authorities seeking to open contacts to the Republic of Karelia. About half of the projects were linked to business activities, chiefly development of the business environment and promoting links with suitable partners on the Russian side. Businesses and regional authorities were also trained in Russian business culture, legislation and administration as well as language skills.

Business relations established during the programme period led to increased trade across the border. Investments such as roads, border crossing points, communications infrastructure and financing for administrative and human resources for cross-border cooperation emerged on the Finnish side to answer the demand from the other side. Concrete results were achieved in social services, cultural cooperation and communications infrastructure. INTERREG II A Karelia pioneered modern regional-level cooperation between the European Union and Russia. Arguably this was one major factor leading to the Neighbourhood Programmes and later to ENPI CBC. The main outcome of the programme was to establish contacts across the border for the first time. The programme significantly contributed to cross-border traffic. This part of the Finnish-Russian border, which had been practically sealed from 1920 to 1992, saw more than 1.2 million border crossings in 2000.

Conditions for cross-border cooperation on the north-east external border of the Union differ from those in more central, densely populated areas. This meant that new, innovative tools for cooperation had to be devised. Use of EU funding on the Russian side was extremely limited because of legal restraints. Although some Union funding was available in the Republic of Karelia through the TACIS⁶ CBC Programme, coordination of INTERREG and TACIS CBC funding for joint projects proved impossible.

EUREGIO KARELIA AND ITS ROLE IN CROSS-BORDER COOPERATION

During the implementation of INTERREG II A Karelia, discussions began between the participating Finnish regions and the Republic of Karelia on the need to bring political and strategic guidance and coordination to cross-border cooperation. Lobbying for the regions was needed in the two capitals and in Brussels. The talks led in 2000 to the establishment of Euregio Karelia, the first Euroregion on the land border between the European Union and Russia. As a consequence of the weakness of centralised government in Russia and an administrative reform in Finland in 1993, regional actors on both sides had acquired powers to independently make international contacts in the field of regional development. Both sides wanted to exploit these powers to maximum effect. This contributed to the identification of common development objectives and fostered a win-win atmosphere.

Euregio Karelia is not just an operative model, but a continuous cooperation process to identify and reach common development goals. Euregio Karelia aims, among other

⁶Technical Assistance to the Commonwealth of Independent States and Mongolia

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things, at influencing decision-making on the national level, as well as highlighting the role of cross-border cooperation in the EU's foreign and regional development policy. Euregio Karelia also aims to strengthen and improve the coordination of political and financial programmes relevant to cross-border cooperation.

Euregio Karelia was central in the discussions on the launch of Karelia INTERREG III A. Lobbying in Helsinki, Moscow and Brussels on the necessity and advantages of coordinating funding on both sides was very active.

Later, the personnel of the Euregio Karelia board and the steering committee of the programme were largely identical. The board soon identified of priority projects (Kuusamo-Suoperä border crossing point, Kostomuksha industrial park, Sortavala effluent treatment plant, "eKarelia" information society strategy, social-medical rehabilitation of drug users, preservation of Kalevala heritage), most of which were selected for funding by the steering committee and others eventually financed through other financial instruments.

INTERREG III

Under INTERREG II A, the programme was still predominantly directed towards Finnish actors, helping them to find contacts and initiate networks in the Republic of Karelia. Beginning in 2000, the III A programme aimed to strengthen the cooperation and build a basis for concrete partnership projects:

- × **business cooperation:**
 - forest and wood sector: knowledge sharing, joint Finnish-Russian "Idänmetsätieto" forestry database in both languages⁷
 - tourism: joint cross-border tourism initiatives
- × **cooperation between national parks** ("twin parks"), for instance Oulanka-Paanajärvi, where the border runs through both parks (joint education of park guides, joint planning of routes and services) development of joint education courses, a cross-border university network, border regional studies, etc.
- × **cooperation and joint action** on follow-up and management of water systems crossing the border
- × **social and health cooperation:** preventive work with youth, promoting a healthy lifestyle, etc.; development of an occupational health care system
- × **border infrastructure:** further development of international border crossing points

⁷<http://www.idanmetsatieto.info/fi/>

The programme was prepared in full partnership between the Finnish regions and the Republic of Karelia. Simultaneously the same partnership prepared the “Cross-border cooperation programme for the Republic of Karelia”⁸ with similar objectives. The decisive political and strategic guidelines for both programmes were established by the Euregio Karelia board which also undertook to coordinate the use of Finnish Neighbouring Area and TACIS CBC funding with the INTERREG programme. Preparation and implementation of the programmes were largely entrusted to the regions with little involvement from the national capitals.

The INTERREG III A programme had three priorities. The first and chief priority concerned promotion of business activities. The second priority included measures on education, research and regional cooperation. The third priority, “Everyday border crossings”, concerned transport and communications.

The ground-breaking work of the INTERREG II A Karelia Programme in developing modalities for external border cooperation was recognised in Brussels and Helsinki. This resulted in a 90 per cent increase in programme funding for the new period.

The indicative budget for the INTERREG III A programme was as follows:

European Regional Development Fund (EU)	€28.2 million
Finnish national public co-funding	€25.7 million
Finnish regional and local public co-funding	€2.5 million
Finnish private funding	€13.0 million
TOTAL	€69.4 MILLION

As mentioned, in 2000 the Euregio Karelia board identified nine priority projects and two larger umbrella projects, all of which were successfully realised.

Priority projects:

- × Development of international border crossing point Kuusamo-Suoperä
- × Kostamuksha industrial park
- × Sortavala effluent treatment plant
- × Social-medical rehabilitation of drug users, Kalevala heritage support
- × Creating centres of expertise about the border and neighbouring areas
- × Support for the Finnish language in the Republic of Karelia
- × Development of social and health-care services for the Republic of Karelia
- × Development of the use of local biofuels in energy production

⁸Republic of Karelia Decree N:o 279-P 16.10.2000

Umbrella projects:

- × Information society strategy for Karelia, “eKarelia”
- × Development of civil society in the border regions

Coordination of INTERREG activities on the Finnish side and TACIS CBC activities on the Russian side remained a major problem throughout the programme period. In July 2003 the European Commission proposed adoption of a two-step approach to improve the situation. An initial phase in 2004–2006 would focus on improvement of coordination between the different financing instruments. For the second phase, beginning in 2007, a new legal instrument (later to become ENPI CBC) was envisaged.

In the first phase, from 2004 to 2006, the Neighbourhood Programmes – largely based on experience of the Karelia Programme – had a single application process and single project selection and were jointly managed in full partnership by bodies consisting of representatives from both sides of the border. Joint projects were operated on both sides of the border concurrently rather than consecutively or separately. The INTERREG – TACIS Karelia Neighbourhood Programme was prepared by the regions and launched in 2005 with €4 million of TACIS funding included to its indicative budget.

Funding from different sources still had to be contracted and paid out by different authorities. Despite major efforts from all sides, synchronisation in contracting and paying out ERDF and external funds could not be achieved. This led to frustration and the failure of many joint projects. Despite this hitch, at the end of the eligibility period for the Karelia Programme, 200 INTERREG and 20 TACIS project decisions had been made and the programme had managed to use 99.41 per cent of the available EU and other public funding.

KARELIA ENPI CBC PROGRAMME 2007–2013

In 2007–2013 internal and external Community CBC funds were merged into a single European Neighbourhood and Partnership Instrument (ENPI)⁹ as a separate strand. The new uniform rules were expected to be based on the European Territorial Cooperation (ETC, INTERREG) taking into account the specificities required by operations outside EU territory. Unfortunately external action rules not suitable for cross-border cooperation were adopted instead. This resulted in major delays in launching the ENPI CBC programmes.

Preparations for the Karelia ENPI CBC Programme were begun in 2006. Evaluations of the previous Karelia programmes indicated that the activities of the programmes and their projects were dispersed so widely that it was difficult to determine their results and impact. Because activities were run under several small, independent projects, implementation of the programme had become fragmented and it was impossible to avoid duplication between project activities.

⁹Regulation (EC) No 1638/2006 of the European Parliament and the Council of 24 October 2006 laying down general provisions establishing a European Neighbourhood and Partnership Instrument

Past experience called for carefully defining the themes of cooperation and for joint background preparation. A new more strategic approach was chosen for implementing the Karelia ENPI CBC Programme. The new approach, endorsed by the Euregio Karelia board, also underlined the strategic choices needed to reach the objectives and goals set up for the programme.

The strategic approach of the Karelia ENPI CBC Programme is a combination of bottom-up and top-down methods. Existing regional coordination, as well as common understanding and views on cooperation, make it possible to employ the top-down model: the programme document defines a broad framework for cooperation; practical implementation will then be steered more precisely in the course of the programme. The Euregio Karelia board has an important role in guiding implementation by giving recommendations and signals to the Joint Monitoring Committee on the direction of cooperative projects, current needs and important thematic issues. The Joint Monitoring Committee takes these recommendations into consideration, then decides on thematic calls for applications within the programme and sets priority frameworks. Using this approach, programme implementation concentrates on the most significant and topical issues of cooperation. The indicators and monitoring system of the programme are also based on this approach.

The thematic call approach based on top-down guidance makes it possible within each call to launch a set of coordinated smaller projects working together for common development objectives. The approach, however, is not completely top-down. Although the operational frameworks are determined by thematic calls, practical solutions to reach the agreed objectives will be initiated from the bottom up. Regional administration, political and coordinating bodies have a strategic view about cooperation but not the practical knowledge that different stakeholders on both sides of the border possess. With this method the know-how of regional and local stakeholders can be guided to focus on strategically important themes.

To date the programme has announced the themes for six calls for applications (starting dates):

- × Cross-border solutions for sustainable spatial, economic and environmental development (1.2.2010)
- × Tourism (15.2.2011)
- × Forests and energy (1.9.2011)
- × Culture (1.2.2012)
- × Well-being (1.2.2012)
- × Sustainable use of natural resources (2.4.2012)¹⁰

The programme has utilised a two-phase method in most calls for applications. In the first phase short concept notes presenting project ideas are invited in an open call. Only applicants selected in the first phase are invited to submit a full application in the second phase.

¹⁰More information about the themes and the projects at <http://www.kareliaenpi.eu/en/themes2> Republic of Karelia census 2010

2

The indicative budget for the Karelia ENPI CBC programme is as follows:

NPI funding (EU)	€ 23.2 million
Finnish national co-funding	€ 11.6 million
Russian national co-funding	€ 11.6 million
Total	€ 46.4 million

European Union funding and corresponding national co-funding for the programme is smaller than in the previous period, because allocation of funding this time was mostly based on programme area population instead of qualitative factors. In contrast to the INTERREG Programmes, the Finnish state co-funding for the ENPI CBC programmes has been transferred directly to the managing authorities of the programmes, avoiding delays caused by earlier involvement of numerous state district authorities in awarding the funds to the beneficiaries.

Another major difference compared to previous programmes has been the intensive involvement of the Russian central government (Ministry of Regional Development) in the programme bodies. This resulted from the decision of the Russian Federation in 2007 to allocate significant national co-funding (50 per cent of EU funding) to the ENPI CBC programmes. The financial contribution has increased the interest of the Russian Federal government in the programme while reducing the influence of the regional level in project selection.

CONCLUSIONS

There are several factors which have contributed to the success of cross-border cooperation in Karelia. The population is equal on both sides of the border which is a good starting point for equal partnership. Common development objectives and benefits for both sides have been recognised on the regional level. Neither side has felt as being exploited by the other. Unanimous decision making in drawing up and management of the programmes and in project selection has contributed to the establishment of trust.

Cooperation was launched with a clean slate in the 1990's. The regions had had very few contacts in the preceding 70 years. The regional level competence had recently been increased on both sides, albeit for different reasons. In Finland traditional state-directed top-down regional development policy had been replaced in 1993 by transfer of responsibility and funding to the newly-created regional councils. In Russia, the disarray in central government after the fall of the Soviet Union had given new possibilities to the Federation subjects. Regions wanted to exploit their new competence fully also for cross-border cooperation.

Bilateral cooperation has been important to the development of the relations between Finland and Russia, it has always emphasised regional development objectives and methods. It has pioneered the use of two-phase and thematic application rounds which have increased the efficiency and the strategic focus of the actions.

The role of Euregio Karelia has been central in setting the strategy and giving political guidance to the programmes, coordination of the different regional development instruments in the region as well as lobbying in capitals for the benefit of the programmes.

The Karelia Programme has been the most innovative of all EU-Russian CBC programmes. This is partly due to the skill and dedication of the persons involved. However, the decisive factors in the success have been mutual trust across the border, understanding of mutual benefits of cross-border cooperation and the willingness of the respective central governments to recognise that competence, responsibility and benefits for cross-border cooperation belong to the regions.

3

CROSS-BORDER COOPERATION ON THE NORWEGIAN- RUSSIAN BORDER

ATLE STAALSEN

Relations across the 196-kilometre Norwegian-Russian border have been peaceful for centuries. Norway and Russia have never waged war against each other and cross-border relations have been able to develop without the burdens of past conflicts. At the same time, the two countries have through most of their modern history been part of different political alliances with conflicting world-views.

The sea and maritime matters have always constituted a key part of relations between Norway and Russia, both of them major coastal states in the High North, and to some extent the situation along the land border has mirrored the situation at sea. Fisheries, naval affairs, and ultimately, offshore energy developments have set much of the agenda, both in Soviet days and since.



Although not a member of the European Union, Norway even so has adopted a wide range of EU standards in recent decades, including in the field of border management. However, the country has only partly been integrated into EU policies and instruments for cross-border cooperation. This has made Norway able to develop several alternative approaches to cooperation with its eastern neighbour.

Local people, organisations and authorities on the Norwegian side of the border are today instrumental in the development of cross-border cooperation with Russia. At the same time, political and financial support from Norwegian national authorities remains crucial for the facilitation of local cross-border initiatives.

THE BORDERLAND

Located in one of the least populated parts of Europe, the Norwegian-Russian borderlands are still among the most densely populated areas in the whole circumpolar Arctic. A total population of about 50,000 lives in the immediate vicinity of the border, about 10,000 people in the Norwegian municipality of Sør-Varanger and about 40,000 in the Russian municipality of Pechenga. These local populations, less than 50 kilometres apart, are centrepieces in Norwegian-Russian cross-border cooperation. The city of Murmansk with its approximately 300,000 inhabitants is located about 200 kilometres from the border.

The biggest part of the Norwegian-Russian border coincides with natural boundaries – 153 kilometres of the 196-kilometre borders follows rivers and lakes and only 43 kilometres runs across dry land. The Russian border makes up about 8 per cent of the length of Norway's international frontiers. There is one border-crossing checkpoint, the Storskog-Borisoglebsk, which currently is open daily from 7 a.m. to 9 p.m. Norwegian time.

The municipality of Sør-Varanger has always had a multi-national and multi-cultural population of Norwegians, Sami, Finns and Russians. Today, the predominant share of the population defines itself as Norwegian, while Russians account for about 5 per cent. The border between Norway and Russia can be called a natural boundary with regard to ethnicity, culture and language. The populations living on either side are predominantly Norwegian and Russian respectively. However, it has not always been this way. When the border was delineated in 1826 it divided a nation – the indigenous Sami people – whose members subsequently had to decide on which side of the border to live and what citizenship to choose.¹

There is a significant cross-border divide with regards to socio-economic parameters, with an estimated six-fold difference in per-capita gross regional product.² The employment situation is positive on both sides of the border with an unemployment rate of about 3 per cent on the Norwegian side and an estimated 9 per cent on the Russian side (2011)³.

Big industrial companies operate on both sides of the border. On the Norwegian side, the Sydvaranger iron mining company is the main employer, along with smaller service companies, local authorities and health-care services. On the Russian side, Kola GMK, a subsidiary of nickel miner and processor Norilsk Nickel, is the dominant employer.

Norway and Russia each have a significant military presence in the borderlands. A Norwegian garrison is based in Sør-Varanger, and Pechenga Rayon in Russia hosts a motorised infantry brigade and the Sputnik naval infantry brigade.

¹ The Sami are an indigenous people living primarily in the Arctic parts of the Nordic countries and the Russian Kola Peninsula. The Sami population totals an estimated 70,000 of which the biggest part live in Norway, and about 2,000 in Russia

² The average monthly salary in Murmansk Oblast is about €800, compared to about €5,000 in Norway. Official statistics at <http://murmanskstat.gks.ru> (<http://murmanskstat.gks.ru/moinfigures/population/standardofliving/basicindicators/09.htm>) and <http://ssb.no> (<http://www.ssb.no/lonn/>)

³ <http://murmanskstat.gks.ru> and <http://ssb.no>

LEGAL BASIS

Bilateral relations

Norway and Russia have more than a land border in common; they also share extensive Arctic waters in the Barents Sea. Thus, Norwegian policies towards Russia, including cross-border relations, are to a great extent integrated into the country's High North policy⁴.

Norwegian relations with Russia are regulated by a number of bilateral and multilateral agreements, as well as by national regulations and policies. In addition, Norwegian regions, mainly the three northernmost counties of Nordland, Troms and Finnmark, have their own regional cooperation agreements and strategies for relations with Russia.

The Kirkenes Declaration⁵ signed by among others Norway, Russia, Finland and Sweden in 1993, marked the establishment of the Barents Euro-Arctic Council, as well as the start of a new era in regional cross-border cooperation. A second Kirkenes declaration, which is to reflect the many changes in the region, is under elaboration.

Norway also takes part in EU initiatives and policies with a strong focus on cross-border issues, among them the Northern Dimension, and has been engaged in important regional development and CBC programs such as INTERREG and the European Neighbourhood and Partnership Instrument (ENPI). A Norwegian ENPI Kolarctic secretariat operates in Vadsø as a regional unit under the Rovaniemi-based program management office.

Border treaties

The treaty of 1826 delineated the Norwegian-Russian land border and also regulated cross-border affairs. The current management of the land border is based on the 1949 border agreement, as well as a set of regulations on traffic and fishing on the local waterways. In 1959, Norway adopted its Law on the State Border, a legislative document based on the 1949 agreement. By agreement, every 25 years the two countries make justifications of the river borderline to reflect changes of water depths. The common border in the Barents Sea was delineated and approved only in 2011.

Norway became a full member of the Schengen area in 2001 and subsequently introduced new regulations along what became the northernmost Schengen border. That triggered the need for a revised Norwegian border law, which was still being drafted in 2012.

⁴See for example a white paper on the High North (2011): <http://www.regjeringen.no/en/dep/ud/documents/propositions-and-reports/reports-to-the-storting/2011-2012/meld-st-7-20112012-2.html?id=697736>

⁵See http://www.barentsinfo.fi/beac/docs/459_doc_KirkenesDeclaration.pdf

Multilateral relations

Norway is engaged in multilateral regional cooperation with Russia within a number of international structures, among them the Council of the Baltic Sea States, the Arctic Council, the Northern Dimension and partly also the Nordic Council. The Barents Cooperation, however, has over the last two decades been most instrumental in Norway's regional and cross-border cooperation with Russia.

Established in 1993, the Barents Cooperation introduced a new arena for post-Cold War relations in a region of abundant national security interests and militarisation, as well as socio-economic and cultural divides. Made up of Norway, Russia, Finland and Sweden, the Barents cooperation scheme puts its main focus on "low-sensitive" issues like people-to-people relations, the economy, the environment, health and infrastructure.

On the political level, two main cooperation structures were established: the Barents Euro-Arctic Council, which includes the countries' foreign ministers, and the Barents Regional Council, which includes regional leaders and officials. In addition, several working groups within various specialised fields were formed, including health, economic cooperation, environmental issues, transport, rescue, culture, youth, indigenous peoples and others. The two councils became a platform for political contact and interaction among official representatives of the four countries and of their respective northern regions. The Barents Region today includes four countries and 13 regions, of which five are located along the Schengen border.

The Barents Secretariat was originally meant to support only the first chairmanship period of the Barents Council, but was soon turned into a permanent Norwegian entity, through which Norwegian authorities channelled project grant money and promoted bilateral regional relations with Russia. It was later renamed the Norwegian Barents Secretariat, and is today formally under the authority of the three northernmost Norwegian counties. A separate International Barents Secretariat was established in 2008.

The regional dimension of the Barents Cooperation was unique when established in 1993. In an unprecedented way, Russian regions took part in institutionalised political cooperation with foreign counterparts. This element of the Barents Cooperation is still exceptional, although the uniqueness has faded somewhat as regional leaders and officials, especially on the Russian side, have shown waning interest in the structure.

STATISTICS

In 2008, a total of 104,584 people crossed the Norwegian-Russian border. In 2010, the number increased to 140,855 and rose to more than 190,000 in 2011. Border crossings are



predicted to continue rising to about 400,000 in 2014. The lion's share, about 80 per cent, of the cross-border travellers are Russian citizens.⁶ The rapid increase can be explained by facilitated visa regulations, as well as by relaxed Russian customs regulations on goods purchased by private shoppers.

The numbers of border violations and cases of illegal migration are low. In 2011, 12 cases of attempted trespassing were reported. These low figures can be attributed to the remote location of the border, and also the security systems operated on the Russian side, which enable Russian authorities to stop migrants before they enter the border zone, an area stretching 25 kilometres back from the border line.

VISA PROCEDURES

In 2010, 16,614 visas were issued to Russians at the Norwegian General Consulate in Murmansk. In 2011, the number exceeded 20,000. The Norwegian Consulate in Moscow issued another 30,000 visas. About 30 per cent of the visas are multiple-entry visas.

The Norwegian-Russian visa agreement, which came into force in December 2008, is practically identical with the EU-Russian agreement from 2007. Norway continues to require invitations for most Russians going to Norway, and the majority of the visas issued are single-entry visas.

In 2009, Norway took the unilateral decision to begin issuing so-called Pomor visas to residents of Murmansk and Arkhangelsk oblasts. This facilitated visa enables applicants to obtain multi-year visas without invitations. The visas can be valid for up to five years. They require personal attendance when issued. In the Norwegian General Consulate in Murmansk, 58 per cent of the visas issued in 2011 were Pomor visas. Regardless of the number of previous visits to Norway, applicants for Pomor visas still have to visit Norway for a one-day stay on a regular visa, after which they can get the multi-entry visa. The price of the Pomor visa is €35. For Norwegians going to Russia on single-entry visas, the price is also €35, although the cost of multi-year Russian visas is significantly higher, up to €450.

EXAMPLES OF BEST PRACTICES

Project cooperation

Norway continues to grant substantial support to the Barents cooperation scheme and provides funding for cross-border activities. Over the almost 20 years of regional cooperation, Norway has spent about €630 million under the auspices of the Barents Cooperation, a major share of it in the fields of environmental protection and nuclear security.

⁶See Staalesen, A. (ed.), *Barents borders. Delimitation and internationalization*. Kirkenes, 2012.

Of that amount, about €63 million was directed to a special grant scheme funded by the Norwegian Foreign Ministry for Norwegian-Russian cross-border projects. Managed by the Norwegian Barents Secretariat, the programme has since 1993 helped more than 3,500 Norwegian-Russian initiatives come to life. The project grants, mostly small and medium-sized, have a broad scope. Of 171 projects awarded funding in 2010, the areas supported were culture (63 projects), competence (63), business development (19), indigenous peoples (15) and environment (11). In addition, special programmes offer financing within the fields of youth, health, sports, media and professional arts and culture.⁷

All the projects supported by the Norwegian Barents Secretariat have both Norwegian and Russian partners. Applications are made and grant funding channelled to the Norwegian partner. The lead partner of about half the projects is based in the county of Finnmark, the region bordering Russia. The grant money is geographically restricted to applicants from the three northernmost regions in Norway and the five Russian regions included in the Barents Region. A large proportion of applications is approved – about 70 per cent in 2010. Civil society development and the strengthening of democracy are guiding principles in the management of the grants. A high stress is put on projects that include human encounters and joint activities beneficial for both sides. Aid projects are not eligible for support.

Events

The expanding cross-border contacts in the region have prepared the ground for a wide range of such cross-border events as festivals, exhibitions, conferences, concerts and more. Among the main events is the Barents Spektakel in Kirkenes, an annual winter culture festival of contemporary arts and music, with space for political debate and expression.

The border town of Kirkenes has over the years been the venue for a number of political meetings. Norwegian Foreign Minister Jonas Gahr Støre is a frequent visitor to the town. These visits add political prestige to the area. In 2008, Støre and his Russian counterpart Sergei Lavrov spent two days together in the border areas, first in Kirkenes and then in Pechenga and Murmansk.

Border management

Norway has been operatively integrated in the Schengen Agreement since 2001. It also became an associated participant in the Frontex border agency when this was established in 2005. However, Norway still uses slightly different border-security methods than the other member countries.

Three agencies cooperate to enforce sovereignty along the Russian border. The East Finnmark Police District is responsible for prosecution, fines and processing of illegal immigrants, asylum

⁷See <http://www.barents.no/prosjektkataloger.139568.no.html>

seekers and border violations. The Border Commissioner is the policy-making and diplomatic department⁸. This office arranges contacts and meetings with Russian counterparts, makes agreements and rules and constitutes a substantial part of the diplomatic process.

Finally, the Sør-Varanger Border Guard Garrison (GSV) is responsible for military border patrol. Unlike other external Schengen borders, the Norwegian border with Russia is guarded by the army rather than professional guards under the Ministry of Justice. Norway has insisted on preserving this system, arguing that changes could negatively affect the well-developed relations between the border commissioner and his Russian counterpart.. The conscript soldiers of the GSV operate out of border guard stations. The commander of the GSV is also deputy border commissioner. Two new border stations will open in 2015, each manned by 92 soldiers and 20 officers.

The Russian side of the border is protected by professional soldiers from the Border Guard Service, an entity subordinated to the Federal Security Service (FSB). The unit's headquarters are located just across the border in the town of Nikel.

Officers of the Norwegian and Russian border guard services meet 50 to 60 times per year. The commanders from each side hold about 15 meetings per year, while their respective assistants meet far more often. There are also regular meetings with representatives of the Finnish Border Guard. Joint exercises between Norwegian and Russian border guards have been conducted regularly since 2004.⁹

The Norwegian and Russian border guard services hold several joint activities aimed at strengthening the bonds between them, for example the annual Barents Ski Race which crosses the borders of three countries and an annual football match. Border commissioners and officers from both sides of the border bring their families to these events.

Borderland institutions

A number of organisations active in cross-border cooperation are based in Kirkenes, the administrative centre of Sør-Varanger municipality. The Norwegian Barents Secretariat has cross-border project funding available to applicants in the region and operates an extensive information network. The International Barents Secretariat supports the bodies of the Barents Cooperation. The local Russian General Consulate follows up Russian interests and issues visas. The Border Commissariat and the GSV military garrison see to cross-border military relations. Many other local institutions have established close cross-border relations, among them the Kirkenes hospital, the library, schools, cultural organisations and others.

The border area also has an increasingly well-developed media industry. The local newspapers Sør-Varanger Avis and Finnmarken publish stories on cross-border cooperation almost daily and

⁸See <https://www.politi.no/grensekommisariatet>

⁹ See Pettersen, T, "Cross-border security cooperation" in Talking Barents. People, borders and regional cooperation. Kirkenes, 2010.p. 65

the website BarentsObserver.com reports comprehensively on developments in the region.

The borderlands do not have significant academic institutions, although on the Norwegian side the Barents Institute, established in 2005, now operates as a branch unit under the University of Tromsø, and Finnmark University College is developing cross-border training programs.

Several of the institutions mentioned, chiefly the Barents secretariats, are supported financially from Oslo and can be seen as decentralised Norwegian foreign policy tools. The Russian side of the border lacks institutions of higher education and major media and public information companies. Pechenga Rayon does however have well-established institutions like the Border Guard Service and the Customs Service, as well as a powerful mining and metallurgy industry.

Municipal cooperation

A number of northern Norwegian municipalities have inter-municipal agreements with Russian towns. Over the years, however, this kind of local cooperation has grown increasingly challenging as the political and administrative decision-making processes on the Russian side have become centralised, leaving less scope for local manoeuvring.

In 2006 and 2007 Sør-Varanger with support from the Norwegian Foreign Ministry promoted the establishment of a local cross-border industrial and economic zone with neighbouring Pechenga, the so-called Pomor Zone. The zone was meant to include special regulations for local cross-border travel and was promoted as a way to facilitate joint Norwegian and Russian petroleum initiatives in the strategically important coastal areas. The Pomor Zone did not materialise as officials planned. Still, the idea sparked debate and became a stepping-stone in the process which was to follow. In 2008, Sør-Varanger signed a twin-city cooperation agreement with Pechenga and in 2012 a local border traffic agreement came into force.

4

BORDER MANAGEMENT ON THE FINNISH-RUSSIAN BORDER

PEKKA JÄRVIO

The Finnish Border Guard is widely seen as the most efficient border service on the EU's external border. Finland has extensive experience in cooperating with Russia to make their shared border arguably the safest and best-managed in the Schengen area despite a considerable increase in the volume of border crossings. The success is based on border management methods developed over the years that have since been widely adopted by other Schengen states. The model is based on the strict application of the Schengen border and visa codes, the established cross-border cooperation structures, flexible visa-issuing policy and the use of advanced technology. As a small country with limited resources, Finland has had to develop unique forms of inter-agency cooperation to guarantee the efficient use of manpower and technical equipment.

LEGAL BASIS

The current border guard legislation¹ was enacted in September 2005. It broadened the powers and territorial competence of the Border Guard Service. Previously the service could exercise its powers only in its surveillance area, which consisted of border area municipalities and coastline near population centres. Today the service is empowered to act wherever appropriate for the purpose of maintaining border security. The Border Guard Service also conducts investigations into crimes related to its sphere of competence and may apply the same enforcement measures as the police. As a relatively new piece of legislation, the Border Guard Act contains several provisions influenced by modern basic rights and good-governance doctrines.

A unique feature in Finland is the cooperation among police, customs and the border guard (PTR-cooperation) regulated in the relevant act in 2009.² The act directs these authorities to perform criminal investigative and law enforcement tasks on behalf of and at the request of another authority.³

The border between Finland and the Soviet Union was demarcated in 1947 following the Paris Peace Treaty. In 1960 a the border regime agreement was concluded.⁴ This agreement, last revised in 1997, provides the cornerstone for the cooperation between the Finnish and Russian border authorities.

¹578/2005, <http://www.finlex.fi/fi/laki/alkup/2005/20050578>

²687/2009, <http://www.finlex.fi/fi/laki/alkup/2009/20090687>, PTR is an abbreviation of Poliisi, Tulli, Raja which is Finnish for Police, Customs and Border (guard)

³Police can perform these tasks on behalf of the customs and the border guard and vice versa: each of the three authorities can perform the tasks of the others where needed

⁴Agreement between the Government of the Republic of Finland and the Government of the Union of Soviet Socialist Republics concerning the regime of the Finnish-Soviet state border and the procedure for the settlement of border incidents (Finnish Treaty Series no. 32/1960, last amended in 1997: Finnish Treaty Series 54/1998).



The agreement established a permanent joint border working group as the working body of the two border guard services. Each party appoints regional-level border delegates and their deputies to carry out cooperation on the practical level.

The two border guard services cooperate on several levels. The heads of the border guard services meet informally on an annual basis or as required. The permanent working group meets three or four times a year to prepare the meetings of the border guard heads and to direct delegates' work. The working group is chaired by the deputy head of the Border Guard on the Finnish side and the head of the North-West Border Guard Administration on the Russian side.

From Finland, commanders of border guard districts are designated as border delegates, and on the Russian side regional border guard commanders are border delegates. This group regularly holds both informal and formal meetings to exchange experience and information relating to issues such as the situation on the border, the development of border crossing points, new tactics to deal with persons illegally crossing the state border and counterfeit documents.

The countries commit themselves to taking the necessary measures to prevent, investigate and settle border incidents such as illegal border crossings by persons, aircraft or maritime vessels.

The term “border incident” also includes the movement of property, reindeer and domestic animals across the border and the relocation or damage of border and navigation marks. As a general rule, investigation and settlement of border incidents is the responsibility of the border delegates.

Since 2006, the Schengen Borders Code has applied to any person crossing or external borders of a European Union country.

STATISTICAL OVERVIEW

The following table summarises developments at the Finnish-Russian land border from 2006 to 2011. The target average waiting time on the Finnish side for border crossing of persons is ten minutes in non-exceptional circumstances. Waiting times for commercial road transport are longer because of customs practices.

	2006	2007	2008	2009	2010	2011
Border checks	6.784.180	7.164.310	7.742.011	7.373.683	8.382.491	10.648.770
Non-visa requirement	2.198.251	1.947.976	2.001.875	2.072.217	2.180.385	2.518.942
Visa requirement	4.585.929	5.216.334	5.740.136	5.301.466	6.202.106	8.129.828
Average waiting time (minutes)	8.0	8.4	7.8	8.0	6.0	9.0
Customer service (1-5)	n/a	n/a	n/a	3.9	3.9	4.0
Illegal border crossings	48	30	26	55	13	13

Source: Finnish Border Guard

Surveys have been conducted among individuals crossing the border since 2009. The survey consists of questions addressing issues like waiting time, structural arrangements at the border crossing point, signage, capacity of the control personnel to reveal illegal border crossing and other crime, safety at the crossing point, behaviour and impartiality of the border control personnel, quality of service and language issues. The outcome of the surveys conducted so far has been consistent at around 4.0/5 (on the scale of 1 to 5).

At the current growth rate, the number of border crossings on the Finnish-Russian border could double again in the next ten years. The growth consists mainly of an increase of the number of Russian customers crossing the border for touristic purposes. The number of Finnish travellers on the border has remained fairly constant over the last years.

The number of applications for Finnish visas in Russia has doubled in the last five years to almost 1.2 million. More than 95 per cent of all Finnish visas are issued in Russia, and Finland issues more visas in Russia than any other Schengen country. The Finnish consulate general in St Petersburg alone received 743,485 visa applications in 2011 (323,489 in 2006). The refusal rate in Finnish consulates in Russia has stayed at less than one per cent (0.7 in 2011).

EXAMPLES OF BEST PRACTICES IN BORDER MANAGEMENT

The four-tier access control model

Since 1993, the Finnish Border Guard has applied the four-tier access control model endorsed by Schengen bodies in 1998. Today it forms the core of the Integrated Border Management concept applied on all EU external borders. The model requires that a set of complementary measures be implemented:

First-tier measures are taken in third countries, especially in countries of origin and transit. These measures include advice and training on the visa process for consular officials and for carrier-company personnel.

The second tier consists of cooperation with neighbouring countries. Agreements in the field of border management have been developed with neighbouring countries. Appropriate mechanisms have been established for the exchange of information and settling of incidents in an objective manner in order to avoid political disputes. Regional cooperation structures across external borders have also been established in maritime areas to bring together all countries in the region.

As the third tier, border control guarantees systematic border checks for every person entering or exiting the Schengen area. It also ensures an adequate level of certainty for exposing illegal border crossings in areas between border crossing points or at sea. Border control is a vital part of national crime prevention as it reveals human trafficking, smuggling, stolen property and other cross-border and border-related crimes.

The fourth tier comprises control measures within the area of free movement, including readmission. These measures expose illegal immigration and cross-border crime inside the territory of the Schengen states using enhanced searches, checks and surveillance measures. Illegal immigrants detected inside the Schengen area are apprehended, registered and, unless grounds for residence exist and there are no obstacles based on compelling humanitarian grounds or international law, they are repatriated to their country of origin.

Use of border delegates and delegation of competence to the district and regional level

Borders have been called mirrors of relations between the bordering countries. In times of tension, a minor incident at the border can unintentionally cause a serious crisis in relations. The

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border delegate system, as applied on the Finnish-Russian border, is designed to investigate and settle any incidents on the local or regional level without the involvement of national capitals. Border services on both sides treat border management as an activity entrusted to professionals with little political interference.

The main responsibility for the border delegate system lies with the heads of the border services. In their annual meetings they provide direction for the system. The border delegates exercise a large measure of autonomy in managing practical cooperation on their border section.

Frequent formal and informal meetings between the regional border commanders in their capacity as border delegates establish trust in the capability and intentions of the other side.

The use of technical border surveillance methods

The methods of border surveillance have undergone significant changes in the past 20 years. The land border was traditionally controlled through a network of watchtowers and trip-wires as well as patrols by border guards with dogs. Since 1995, the use of new technical surveillance equipment – including remote control cameras – has been increased while the number of patrolling hours has decreased.

Construction of fixed technical surveillance for the full 1,340 kilometres of Finnish-Russian border is not feasible. Fixed technical surveillance covers about 10 per cent of the land border, mostly in south-east Finland. The use of mobile equipment has been increased to strengthen border surveillance temporarily where necessary. Technical surveillance continues to be supplemented with dog patrols.

In the north, the border runs mostly through uninhabited wilderness covered in deep snow in winter. Illegal crossing of the land border there would require special skills not normally possessed by potential illegal immigrants. Although surveillance there is not as intensive, the border is not deemed to pose a security risk and practically all illegal border crossings are detected with the assistance of the local population.

Surveillance of the sea border in the Bay of Finland has been intensified in recent years through cooperation between the national authorities operating at sea (see page 38) and by international cooperation. Technical surveillance covers most of the sea area.

Inter-agency cooperation in border management

Traditionally relations between different Finnish law enforcement authorities operating on the border were strained due of disputes over the demarcation of powers. The PTR cooperation between the police, customs and the border guard implemented in the early 1990s has significantly improved the situation. Police duties are regularly carried out by border guard and customs personnel as the police are not normally present at the border crossing points.

Cooperation strategy is jointly defined in meetings among the heads of the three authorities. Joint operational planning based on a common risk and threat analysis is conducted at national, regional and local levels. The exchange of information and intelligence is essential for the trust between the three services. The possibility of assuming the duties of another service has improved efficiency of actions and the service provided to “customers” crossing the border.

Another form of cooperation – METO – was established in the mid-1990s by the national authorities responsible for monitoring the sea and coasts.⁵ It involves the border guard (being responsible also for coast-guard functions), the Finnish Transport Agency (formerly the Maritime Administration) responsible for the Vessel Traffic Service, and the navy. Over the years it has evolved into an effective exchange of operational information and cross-use of surveillance and transport equipment at sea. This cooperation has significantly contributed to thorough sea border surveillance while reducing the need for the border guard and other authorities to acquire proprietary equipment.

Visa issues

Although all Schengen visas are in principle issued under the same procedure and conditions established in the Visa Code⁶, the Schengen countries have different practices and interpretation.

The Finnish Ministry for Foreign Affairs has adopted a flexible and customer-friendly policy in issuing visas. The number of supporting documents needed for the application is less than for other Schengen countries. An invitation letter is not required. Not all applicants are interviewed; profiling is used to identify those who will be interviewed. An outside service provider (VFS Global) is contracted to collect the applications, including biometric data, and to distribute the visas. All database queries, however, are made and visas are issued by Finnish consulate personnel in accordance with the Visa Code. Some Schengen countries have made general claims that Finnish visa-issuing practices in Russia are too lenient and that Finland serves as a gateway to the Schengen area. These claims have not been corroborated with concrete cases of misuse of the system.

By far the most important project for Finnish-Russian border traffic in the years ahead is the proposed abolition of the visa requirement between the European Union and Russia, which would bring new challenges to all four tiers of border security. The current low visa refusal rate (under one per cent) indicates that individuals who don’t fulfil the preconditions for a Schengen visa (for example, because they have a Schengen Information System alert) don’t currently apply for a visa.

When visa procedures are lifted, the checks currently conducted in the visa application

⁵The acronym METO comes from the Finnish term “Merelliset Toiminnot” i.e. maritime operations

⁶Regulation (EC) No 810/2009 of the European Parliament and of the Council of 13 July 2009 establishing a Community Code on Visas.

process would need to be performed at the border crossing points, which could result in an increased number of problem cases to be resolved there instead. The importance of the border checks would be highlighted in addressing cross-border crime. The visa-free regime between the EU and Russia would consequently pose significant demands on the capacity of the infrastructure and the border control process along the whole EU-Russian border. The Finnish-Russian border, with the highest number of EU-Russian border crossings, would play a central role in this process.

Prevention of corruption

Corruption constitutes a major obstacle to European border security. Criminals engaged in smuggling, human trafficking and organising illegal immigration attempt to take advantage of the low level of income and morale among border guards.

It is important to note that while cooperation between border guard services should be encouraged, each side must see itself as performing independent tasks according to its own regulations. The use of joint border crossing points, commonly advocated as means of reducing border crossing times, may encourage collusion between local authorities in allowing criminal activities across the border. The Schengen Catalogue on External Borders Control, Return and Readmission⁷ adopted by the Council of the European Union in 2009 includes a list of recommendations and best practices for the prevention of corruption on the Schengen border. Special attention is drawn to personnel rotation, the use of mobile units to perform unannounced operations and systematic monitoring, and the recording of border checks.

Finland has consistently been ranked among the six countries in the world with the lowest level of corruption in the Transparency International Corruption Index, while Russia ranks among the 25 per cent of countries with the highest level of corruption. Corruption is consequently a potential risk on the Finnish-Russian border, although no cases of corruption in the Finnish Border Guard or collusion between authorities across the border have been detected in the past few decades.

CONCLUSIONS

The Finnish border management model is based on strict application of an unambiguous legal basis consisting of national, EU and bilateral instruments. Cooperation structures between Finland and Russia created in the 1960 Border Regime Agreement provide a clear hierarchy where authorities at the national level lay out the strategy and the framework while local border authorities are in charge of day-to-day operations and practical cooperation. Border security is a common goal and a source of pride for the two services.

The Finnish zero-tolerance policy of corruption and efficient detection methods have made the Finnish-Russian border unique in Europe for being free of corrupt practices and collusion between the authorities on the border.

⁷ <http://www.consilium.europa.eu/media/1406673/st07864.en09.pdf>, p. 44

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The abolition of EU internal border checks and the development of advanced technical border surveillance equipment has led to an increase in the number of personnel at external border crossing points. This is also necessary due to the increased number of border crossings. Inter-agency cooperation at the border has significantly reduced bottlenecks and delays and has improved the results in the fight against serious cross-border crime.

The flexible and coherent application of the Schengen Visa Code has improved the service provided to Russian nationals wishing to travel to Finland and other Schengen countries and has removed the need for a local traffic agreement with Russia. Despite the large number of applications and the flexible practices, few problems with illegal immigration have been detected. No significant problems concerning illegal Russian immigrants with Finnish visas have been reported by other Schengen countries.



LOCAL BORDER TRAFFIC AGREEMENTS CASE NORWAY - RUSSIA

PEKKA JÄRVIÖ, ATLE STAALESEN

The possibility of establishing local border traffic (LBT) regimes to facilitate border crossing for persons living near the EU's external borders arose through an EU regulation in 2006. LBT agreements have been concluded by many of the 12 member states that joined the union in 2004 and 2007. Recently, special arrangements have been adopted to enable the whole area of Kaliningrad – a Russian enclave inside the EU – to enjoy the benefits of an LBT regime with Poland. Norway concluded an LBT agreement with Russia in 2010.

THE SCHENGEN LEGAL BASIS

Following the 2004 enlargement of the European Union, the European Parliament and the Council of Ministers adopted Regulation (EC) No. 1931/2006 in December 2006, which laid down rules on local border traffic at the external land borders of the member states (LBT Regulation).¹ This regulation allows the member states to derogate from the general rules on border checks laid down in the Schengen Borders Code for persons living in a border area in order to prevent the creation of barriers to trade, social and cultural interchange or regional cooperation with neighbours.

The LBT Regulation is a major exception to the central principle of Schengen external border protection, namely that abolition of internal border controls must be compensated by uniform external border controls conducted in accordance with all the requirements of the Schengen Borders Code.

In implementing the local border traffic regime, member states may conclude bilateral agreements with neighbouring countries. These bilateral agreements should fully comply with the parameters set for local border traffic regimes by the LBT Regulation. The parameters, and in particular the definition of the local border area, were set after difficult negotiations between the European Parliament, the Council and the Commission to find a balance between facilitation for those living in a border area who need to cross the border frequently and the security requirements of the whole Schengen area.

In accordance with Article 3² of the regulation, the relevant border area is defined as an area that extends no more than 30 kilometres from the border. Local administrative districts that are to be considered as the border area are specified in the bilateral LBT agreements. If a part of any such district lies between 30 and 50 kilometres from the border line, it can still be considered as part of the border area. On the other hand, any administrative district directly on the border but extending to more than 50 kilometres from it is automatically excluded from the scope of the regime.

¹ OJ L 29, 3.2.2007, p. 3

² Regulation (EC) No 562/2006 of the European Parliament and of the Council of 15 March 2006 establishing a Community Code on the rules governing the movement of persons across borders (Schengen Borders Code); OJ L 105, 13.4.2006, p. 1

The specific nature of the Kaliningrad oblast as a relatively small area surrounded by two EU states (Poland and Lithuania) required special arrangements in connection with the 2004 enlargement. The union devised two special instruments – the Facilitated Transit Document and the Facilitated Rail Transit Document – to allow Kaliningrad residents to travel by land to other parts of the Russian Federation without a visa. As some parts of the region were not eligible for the LBT regime in accordance with the 2006 LBT Regulation, the Commission, at the initiative of Poland, proposed in 2011 to amend the regulation to specifically include the whole Kaliningrad oblast and certain adjoining Polish regions in the scope of the regulation.³ The amendment was adopted in December 2011.⁴

The LBT Regulation sets out a number of measures to facilitate crossing the border for local residents that differ from the standard checks and procedures defined in the Schengen Borders Code. Local border area permit holders are exempted from the visa obligation (if such an obligation exists) and the need to have sufficient means of subsistence for their stay. Supporting documents to prove the purpose of the stay may not be required at the border crossing point.

Holders of local border traffic permits may stay on the territory of the relevant neighbouring country without absolute time restrictions, except that each uninterrupted stay may not exceed 90 days. This is a derogation from the standard rule of the Schengen Borders Code that limits short stays to a maximum of 90 days in a 180-day period.

Local border traffic permits may be issued free of charge, and the permits may be issued for a period of validity of from one to five years. In all cases, the fees for the permits may not exceed the fees charged for multiple-entry visas.

Special border crossing points may be set up for local border traffic and specific lanes may be reserved for border residents at ordinary border crossing points. Persons who regularly cross an external land border and who are well known to the border guards may usually be subject only to random checks. Local border traffic permit holders are also exempt from the passport-stamping obligation when crossing the border.

To benefit from the local border traffic regime, the residents of the local border area must fulfil several conditions, including:

- × the requirement of having been resident in the eligible border area for a minimum of one year;
- × possession of a valid travel document;
- × not being the subject of a Schengen Information System alert;
- × producing evidence of their status as border residents and reasons for frequent border crossings;

³COM(2011) 461 final

⁴Regulation (EU) No 1342/2011 amending Regulation (EC) No 1931/2006 as regards the inclusion of the Kaliningrad oblast and certain Polish administrative districts in the eligible border area.

- × not being considered a threat to public policy, internal security, public health or the international relations of any of the member states.

LOCAL BORDER TRAFFIC AGREEMENTS

In the first four years after the regulation was adopted, four local border traffic agreements entered into force: Hungary-Ukraine in January 2008, Slovakia-Ukraine in September 2008, Poland-Ukraine in July 2009 and Romania-Moldova in October 2010. According to the European Commission⁵ only the Romania-Moldova agreement fully complies with the LBT Regulation. The other agreements either have a border area that goes beyond what is allowed by the regulation (Hungary-Ukraine and Slovakia-Ukraine, albeit in a limited area), or require travel medical insurance contrary to the regulation (Poland-Ukraine).

The Latvia-Belarus Local Border Traffic Agreement entered into force in December 2011 and its implementation began in March 2012. LBT agreements have also been signed between Poland and Belarus and Lithuania and Belarus, but their ratification procedures have not been finalised.

For the border with the Kaliningrad region, a LBT agreement was signed between Poland and Russia in December 2011. It entered into force on 27 July 2012. A draft LBT agreement between Lithuania and Russia (Kaliningrad) was produced in 2009. Negotiations on the agreement have been delayed by Russia's insistence that the eligible area on the Lithuanian side should be extended in a similar manner to its agreement with Poland, even though the 2011 LBT Regulation amendment does not foresee the inclusion of Lithuanian regions from outside the regular scope of the regulation.

In addition, Slovenia and Croatia have a bilateral agreement on border traffic cooperation that dates from 2001 and, according to the European Commission, is incompatible with the regulation in several important respects. The LBT agreement signed between Norway and Russia in November 2010 is described on page 47 and 48.

EXPERIENCES WITH LBT AGREEMENTS AROUND THE EU⁶

The EU member states have applied the facilitation measures set out in the LBT Regulation to a differing extent. In none of the consulted bilateral agreements the full range of facilitation measures has been used. Most EU member states apply stricter requirements than those laid down by the LBT Regulation.

⁵Communication from the Commission to the European Parliament and the Council: Second report on the implementation and functioning of the local border traffic regime set up by Regulation 1931/2006; COM(2011) 47 final

⁶Second report on the implementation and functioning of the local border traffic regime set up by Regulation 1931/2006; COM(2011) 47 final

In particular, restrictions are set regarding how long a person can stay in the EU. Where the regulation allows a person to stay in a member state for up to three months within a given period, certain (draft) agreements reduce the maximum stay to 15 days within a given period, or to 90 days within 180 days. Three agreements require the person to have been resident in the border area for three years; the others require only a one-year period of residence, in accordance with the regulation. No LBT permits are issued free of charge, as the regulation would allow, but are subject to a fee of from €20 to €35 .

The following table presents the number of permits issued by the member states to eligible border residents in neighbouring countries:

Member state	Number of permits issued	Period	Total eligible population	Percentage of eligible population issued permits
Hungary	58,055	1/2008-5/2010	400,000-450,000	13-14.5 per cent
Poland	31,652	7/2009-3/2010	1,200,000	2.7 per cent
Slovakia	1,106	9/2008-6/2010	415,000	0.3 per cent
Romania	20,308	10/2010-12/2010	200,000	1.7 per cent
Slovenia	15,623 (number of valid border passes in 2010)		250,000	6.2 per cent

Source: European Commission

The highest use, both in absolute and relative numbers, of LBT permits was in Hungary. This is probably related to the large presence of Hungarian ethnic minorities in its bordering countries and consequent strong family and cultural ties across the borders.

The percentage of applications refused ranged from 13 per cent (Slovakia), to 4.7 per cent (Romania), 1.4 per cent (Hungary) and 0.85 per cent (Poland). The refusal rate can be considered as relatively high in Slovakia, low in Romania and very low in the other two states. The main reasons for refusal were SIS alerts, applicants' inability to provide legitimate reasons for frequent border crossing, or applicants being considered to present risks related to illegal immigration. There have been also some cases of smuggling and illegal involvement in economic activities in the member states that issued the permits.

It is clear that in some member states LBT-permit holders cross the border very regularly and



stay for just a few hours, which indicates use of the permit for work, shopping or undeclared small-scale cross-border trade. In some countries the average stay is one or two full days, which would indicate a purpose more in line with the original objectives of the LBT Regulation.

Relatively few abuses of LBT permits have been reported. The main reasons for revoking the permit are overstaying the 90-day period allowed and being apprehended outside the eligible area.

There seems to be no evidence that LBT permit holders utilise the regime for illegal travel to other member states, which was the main concern at the time of the adoption of the LBT Regulation. Consequently the regime seems to be working quite well in practice.

THE NORWAY-RUSSIA LBT AGREEMENT AND ITS PRACTICAL IMPLICATIONS

The establishment of a local border traffic regime between Norway and Russia officially came on the agenda when the two countries' foreign ministers jointly visited the border areas in October 2008. The decision to introduce the regime was formally announced during President Dmitry Medvedev's state visit to Norway in April 2010, and the agreement was subsequently signed in early November the same year. It came into force on 29 May 2012. It was the first agreement of its kind active on Russian territory.

The agreement

Covering a 30-kilometre-wide belt on both sides of the border, the visa-free zone includes practically all the inhabited areas of the Russian Pechenga Rayon, as well as the Norwegian municipality of Sør-Varanger. About 40,000 Russians and 9,000 Norwegians inhabit the area. With the exception of lands located adjacent to military facilities, the whole zone is open to travel by permit holders.

In principle, anyone with a minimum of three years of registered residence in the area is eligible to get the permit. The only formal exceptions are individuals previously expelled from the country or those registered in the Schengen Information System. In addition, the local regulations include two vaguely defined restrictions: individuals who are considered "a threat to national security, public order and public health" are prohibited from getting the permit, and all applicants are requested to formally state "a reason for the need to regularly cross the border".

The permits are valid for up to three years, and permit holders are allowed to cross the border as many times as they want but not longer than 15 days per visit. There is no maximum number of days allowed in the course of a year.

The permits are issued by the Russian general consulate in Kirkenes and its Norwegian counterpart in Murmansk. The Norwegian permit issued to Russians is a standard electronic card, while the Russian permit is a sticker that is attached in the passport. Among the data included in the permit document are name, date of birth, citizenship, time and place of issuance, passport number, home address, photo and signature. The Norwegian card issued to Russians also has an

electronic chip and includes photo and fingerprint data.

The permit is normally issued within ten days after an application is submitted. In extraordinary cases, however, the review of an application can be extended to 60 days. The cost of the permit is €20; applicants under 18 or over 60 years are exempted from the fee. The permit does not include any right to work or business activities. Russians can apply for the permit online.

For Norwegians crossing into the Russian part of the zone, the requirement to fill out migration cards both at entry and exit still applies. Similarly, they will also have to register at the local office of the Federal Migration Service if they want to stay on the Russian side for more than seven days at a time. Visitors who intend to stay overnight outside the populated areas (e.g. in tents), will also have to register with local authorities.

PRACTICAL IMPLICATIONS

Political relations

On the Norwegian side of the border, the LBT agreement is officially promoted as a stepping stone in the process towards fully-fledged, visa-free travel between the European East and West. For Norway, the agreement is seen as a natural continuation of several previous initiatives, among them the proposed establishment of a local industrial and economic zone (the Pomor Zone) and the inter-municipal Twin-City agreement, as well as part of the country's generally high emphasis on facilitating smooth relations with the big eastern neighbour. The deal could consequently help the two countries maintain momentum in general cross-border affairs, as well as in wider bilateral relations.

The agreement can also be seen as part of a bigger Arctic agenda promoted both by Norway and Russia. In the background sit major plans for industrial developments in the Barents Sea. Offshore oil- and gas-related activities will inevitably require land-based operations, and the municipalities of Pechenga and Sør-Varanger are seen as highly suitable by the oil industry.

In addition, for non-EU member Norway, the agreement with Russia might also be seen as a way to promote itself in European cross-border affairs. By hammering out the first-ever LBT agreement with Russia, Norway aspires to join the front group of progressive states in European East-West relations.

More contacts

The level of success of the agreement depends to a great extent on the number of people obtaining the permits. By early September 2012, 475 Russians and 1,100 Norwegians had obtained the cross-border document.⁷

For residents of Pechenga Rayon, the so-called Pomor visa appears to be a far more favourable arrangement than the LBT permit. After all, this kind of Norwegian visa, which is

⁷Information from the Norwegian General Consulate in Murmansk and the Russian General Consulate in Kirkenes.

available to people in the Russian part of the Barents Region, opens up multiple-entry travel in the whole Schengen Area, and has a price only €15 higher than the local permit. However, frequent border crossers might still prefer to have both the Pomor visa and the LBT permit, partly because the latter does not entail stamping the passport.

For Norwegians the LBT permit, although covering only a tiny part of Russia, could become a cheap substitute to the multiple-entry Russian visas, which usually cost several hundred euros.

In both Norway and Russia, the new local permits may also be of interest to local people who otherwise would not consider crossing the border. Several sports clubs, schools and cultural institutions are planning to strengthen cooperation with counterparts on the other side of the border and could encourage their youngsters to obtain the cross-border permits. The LBT regime could potentially facilitate the joint use of sport facilities as well as joint training and competitions. For example, why should the local Kirkenes hockey club or football team travel several hundred kilometres to play against another Norwegian team when it could face a tougher and better challenge in the immediate vicinity, just across the border?

For some, the exclusivity of the local border traffic regime might be seen as an added value to the life in the border zone. The local LBT card could ultimately become a symbol of “border citizenship” and even raise young people’s interest in living in the area.

Economic benefits

The Pechenga Rayon and the Sør-Varanger municipality both have the lion’s share of their populations living in close proximity to the border. Travelling distance between the two administrative centres of Nikel and Kirkenes is about 50 kilometres and travel time about one hour. With a joint population of about 50,000, the two areas together constitute a consumer market of significant size for this northernmost part of Europe.

The local visa-free zone could stimulate the development of new businesses and services on both sides of the border and, consequently, create positive effects for the local economy. While Norwegians might want to buy gasoline or tobacco and go to the dentist on the Russian side, Russians might want to buy their clothing, sports articles and electronic devices in Norway.

The new regime is also likely to facilitate the establishment of new cross-border transport connections. Until now, public transport between the border towns has been very limited. Public transport companies on both sides plan to open new cross-border routes.

Border infrastructure

The LBT regime is likely to increase pressure on the Storskog/Boris Gleb border stations, the only border crossing between the two countries. Both sides now fear strained capacity and traffic jams at the border.

A Norwegian working group was established in 2008 to examine possible ways to handle

the situation. In late 2009 the group presented a report recommending the construction of a new border station with several more exit and entry lines, including a priority lane for LBT travellers. The Norwegian Storskog border station is now operating at well above its intended capacity of only 100,000 border crossings per year.

Authorities on the Russian side as well are exploring ways to increase capacity and the regional government is pushing the Federal Border Agency (Rosgranitsa) to include the Boris Gleb station in its investment programme for the period ending in 2020. The current Russian station was built in 2003. It was financed by Norwegian money and built by a Norwegian construction company.



III. IMPLICATIONS OF FINNISH AND NORWEGIAN CROSS-BORDER COOPERATION EXPERIENCE FOR THE EU'S OTHER EASTERN BORDERS

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ANALYSIS AND CONCLUSIONS FOR THE RUSSIA-LITHUANIA BORDER

ALEXEY IGNATIEV, PETR SHOPIN

BORDER AREA DESCRIPTION AND LEGAL BASIS

In the wake of the collapse of the Soviet Union and the fall of the “iron curtain” in the early 1990s, Kaliningrad Oblast became a Russian exclave in Europe, cut off from the rest of Russia by newly independent countries to its east.¹ Thus, the region’s socio-economic development is to a large extent dependent on the level of cross-border cooperation with its neighbours.

The unique situation of Kaliningrad requires a flexible approach to problem-solving rarely encountered in the practice of other Russian regions. An early instance of this approach was the decision in the 1990s to allow visa-free travel to Poland and Lithuania for Kaliningrad residents and to Kaliningrad Oblast for Poles and Lithuanians. Then, in preparation for the accession of Lithuania to the EU in 2004, the Facilitated Transit Document and the Facilitated Rail Transit Document were introduced, allowing Russian citizens to travel from Kaliningrad to other Russian regions and back by land across Lithuanian territory without a visa.

At present, the framework of cross-border cooperation for Kaliningrad and other Russian regions is defined by two documents: the Concept of Cross-border Cooperation², which set out the basic principles guiding development of border trade and economic cooperation with neighbouring territories of other states; and the European Outline Convention on Transfrontier Cooperation between Territorial Communities or Authorities, which Russia acceded to in 2003. By joining the convention, the federal government committed itself to support cross-border cooperation between Russian regions and regions of neighbouring countries.

However, border regions and municipalities cannot fully benefit from these documents because as framework agreements they lack legal definitions of the procedures and mechanisms for cross-border cooperation. This situation could change thanks to a draft law on cross-border cooperation, which the Russian State Duma was debating in October 2012.³ If adopted, the law will greatly facilitate the development of cross-border cooperation, especially for the municipalities.

Russian legislation provides local authorities with rather extensive powers to make decisions

¹The Kaliningrad-Lithuania border was most recently defined by a bilateral agreement between the Russian Federation and the Republic of Lithuania (signed on 24 October 1997, ratified in 2003).

²Concept of Cross-border Cooperation approved by Order of the Government of the Russian Federation on 9 February 2001, No. 196-г.

³Законопроект № 351626-5 «Об основах приграничного сотрудничества в Российской Федерации» (Draft law “On the Basics of Cross-Border Cooperation in the Russian Federation”), submitted to the State Duma on 31 March 2010.

on a wide range of issues concerning municipalities, including municipal budget revenues and property management. However, due to the specifics of the tax and budgetary legislation, municipalities are highly financially dependent on regional authorities and aren't always free to act on their own. The 2006 amendments to the federal law on "general principles of local government"⁴ created more confusion. The amended law rearranged the structure of local government into a two-level system, with urban districts and municipal areas at the top level and rural and urban settlements at the bottom level. The reform has been widely criticised as unsuccessful.⁵

The new arrangements led to the creation of additional governing bodies, placing a significant burden on local budgets. The lower-level municipalities have even fewer resources and can't exercise their authority properly. The situation is aggravated by a lack of competency and capacity to administer cross-border cooperation. The appropriate offices are understaffed and existing staff lack skills such as knowledge of foreign languages and management skills. These factors reduce the municipalities' capacity to carry out cross-border cooperation efficiently.

One of the main driving forces of cross-border cooperation – civil society – also has been affected on the Russian side. In July 2012, the State Duma passed a law imposing restrictions on Russian NGOs that receive international grants and whose activities are considered political.⁶ Despite Russia's substantial financial contribution to the ongoing European Neighbourhood Partnership Instrument (ENPI) CBC programmes, such funding also falls within the scope of this law, and it is possible that some Russian NGOs previously involved in cross-border cooperation projects will decide to review their priorities in favour of Russian grants, which rarely support cross-border



⁴ Федеральный закон от 6 октября 2003 г. N 131-ФЗ „Об общих принципах организации местного самоуправления в российской Федерации“ (Federal Law No. 131-FZ of 6 October 2003 “On General Principles of Local Government in the Russian Federation”).

⁵ For instance, at a meeting of the Kaliningrad regional government on 5 July 2011, Governor Nikolai Tsukanov said a petition asking for the law to be clarified had been sent to the Russian Constitutional Court, in order to obtain the right to abolish municipal areas and thus “to reduce the administrative and bureaucratic apparatus. To return to the normal management system, as it was, say, five years ago”. Source: <http://rugrad.eu/news/433748/>

⁶ Федеральный закон от 20 июля 2012 г. N 121-ФЗ „О внесении изменений в отдельные законодательные акты Российской Федерации в части регулирования деятельности некоммерческих организаций, выполняющих функции иностранного агента“ (Federal Law No. 121-FZ of 20 July 2012 “On changing certain legislative acts of the Russian Federation with regard to regulating the activity of non-commercial organisations fulfilling the functions of a foreign agent”).

cooperation activities. The possible implications may include increased difficulty for international NGOs and NGOs from neighbouring countries to establish partnerships with their Russian colleagues and the disruption of existing cross-border networks of civil society organizations.

CROSS-BORDER COOPERATION ACTIVITIES AND STRUCTURES

Cooperation between Kaliningrad and Lithuania takes place mostly within the framework of the intergovernmental Russian-Lithuanian Council established in 1999.⁷ Made up of high-ranking officials from various governmental bodies and agencies of Lithuania and Kaliningrad, the council defines the agenda and programmes of long-term cooperation between regional and local authorities and coordinates the work of nine committees for economic cooperation, trade and energy, border crossing issues, and other matters of common concern.

Several international cooperation programmes have contributed significantly to the development of cross-border contacts between Russia and Lithuania. Following the 2004 enlargement of the EU, which included Kaliningrad's neighbours Lithuania and Poland, a number of neighbourhood programmes were launched within the INTERREG initiative. For the 2004-2006 period, more than €44.5 million from the European Regional Development Fund and TACIS was allocated to an INTERREG IIIA/TACIS programme for Lithuania, Poland and Kaliningrad, which resulted in 162 cross-border projects fostering investment, economic growth, development of border infrastructure, etc. This was succeeded by the Lithuania-Poland-Russia ENPI Cross-Border Cooperation Programme 2007-2013, under which 53 regular projects totalling €78.6 million and seven large-scale projects (mainly infrastructure projects with extensive budgets, such as water-treatment facilities) totalling €56.7 million have been chosen for co-financing.⁸ An initiative by a Russian and two Lithuanian municipalities to contribute to the protection of the Baltic marine environment and improve the quality of life for people in the Neman River delta is an example of the large-scale projects.

ROLE OF EUROREGIONS IN CROSS-BORDER COOPERATION

Kaliningrad Oblast in whole or in part (through individual municipalities) and neighbouring Lithuanian municipalities are involved in the activities of the Baltic, Lyna-Lava, Neman, Saule and Sesupe Euroregions. The Euroregional structures have long been used for channelling EU funds for regional development and cross-border cooperation from various budget lines. The total amount of grants allocated to projects between 1998 and 2005 exceeded €8.9 million for the Baltic Euroregion and €13.2 million for the Neman Euroregion, resulting in 240 and 279 cross-border projects respectively.⁹

⁷Similar work is implemented by the Russian-Polish Council established on the basis of a Russian-Polish intergovernmental agreement in 1992.

⁸The co-financing rate under this programme is a maximum of 90 per cent of the total project budget; the remainder is contributed by the implementing partners.

⁹ Lithuania-Poland-Russia ENPI Cross-Border Co-operation Programme 2007-2013. Operational Programme, final version, revised after EC comments. Document adopted by the European Commission on 17 December 2008, amended on 7 March 2011: www.lt-pl-ru.eu

Kaliningrad's participation in Euroregions has created additional opportunities for dynamic cross-border cooperation. For example, the Baltic Euroregion, established in 1998 by a group of local governments and municipalities from Poland, Sweden, Denmark, Lithuania, Latvia and Russia with a population of about six million, set a strategic goal to pay special attention to development of the Kaliningrad region.¹⁰

BORDER MANAGEMENT AND LOCAL BORDER TRAFFIC AGREEMENTS

Border infrastructure

The Russian-Lithuanian agreement on border crossings in 1995 proposed to establish nine crossing points: four road, three water and two railway crossings. The agreement is expected to be modified to include a new road crossing between Dubki (Russia) and Rambinas (Lithuania).

In 2012, the border infrastructure in Kaliningrad is still underdeveloped and does not fully satisfy the economic needs of the region. For instance, none of the water crossing points has been established, despite the extensive economic potential for tourism in the Curonian Lagoon. Work to open the first of these, at Rybachiy-Nida, has been intensified on both sides of the border and is expected to be completed by mid-2013.

In 2010, the Kaliningrad territorial administration of the Russian Federal Border Agency (Rosgranita) reported that only two road crossings into Lithuania, Morskoe and Chernyshevskoe, met requirements for design, equipment and level of services rendered to passengers. The road network feeding into the border crossings also requires major rebuilding and further development. Infrastructure on the Lithuanian side is better developed, as Lithuania allocated substantial resources for this in the past decade to upgrade the road system and crossing points to meet the standards applied to external borders of the EU.

Some border infrastructure projects such as the new bridge over the River Neman between Dubki and Rambinas, are being developed but lack funding. New legislative amendments adopted in 2011¹¹ created opportunities for private investment in this field on the Russian side based on public-private partnerships. In some cases, the two countries resort to ENPI CBC Programme funding. For example, in August 2012 the Klaipeda regional customs office, together with partners from similar Lithuanian and Russian organisations, initiated a €4 million project to increase capacity of the Panemune-Sovetsk and Kybartai-Chernyshevskoe border-crossing points.

Although the road crossings are currently operating only at 66 per cent of their designed capacity¹², the traffic is not evenly spread, resulting in idle time at some crossings and long

¹⁰ Euroregion Baltic Strategy available at <http://www.euroregionbaltic.eu/downloads/file52.pdf>

¹¹ Changes introduced in April 2011 to Закон N 4730-1 от 01.04.93 «О государственной границе Российской Федерации» (Law No. 4730-1 of 4 April 1993 "On the State Border of the Russian Federation").

¹² Data from the report of Viktor Kudryavtsev, acting head of Kaliningrad Territorial Administration of Rosgranita, presented at the IV Baltic Transport Forum, Kaliningrad, 12-13 September 2012.

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lines at others. Border authorities are trying to reduce waiting times. For example, in December 2011, a new-generation system of checking passports and visas was installed and tested at the Kybartai-Chernyshevskoe crossing. This system is designed to significantly reduce waiting times through automation of procedures. By the end of 2012, all four road crossings in the oblast will be equipped with these systems. Another time-saving novelty, "Border-on-line," began testing in June 2012. By the end of the year Internet users will be able to access live footage from webcams installed at Kaliningrad crossing points, allowing them to take informed decisions as to which point to choose.

EU citizens also benefit from a new procedure allowing them to fill in a customs declaration once every 30 entries into Russia, rather than at every entry as was the case before 2011. Another measure meant to shorten queues and speed control procedures should take effect in the near future, when Lithuania introduces a new electronic information system on its side of the crossing points.

Visa procedures

Lithuanian consulates issue Schengen visas in two cities of Kaliningrad Oblast: Kaliningrad and Sovetsk (a city on the border with Lithuania). Invitations are required to apply for a multiple visa. However, the consul general is entitled to make decisions on a case-by-case basis in the event an invitation is not available. In 2011, multiple visas represented 60 per cent of the total number issued, compared to 40-45 per cent three years earlier. Lithuanian consulates are taking steps to make visa procedures more efficient. Since October 2012, visa applications can only be filled in online. This saves the applicant one trip to the consulate and reduces overall processing time.

Russian visas for Lithuanian citizens are issued by the Russian Embassy in Vilnius and the General Consulate in Klaipeda for a service fee of €21. Consular fees are the same as those paid by Russian citizens for Lithuanian-issued visas: €35 or €70. Some categories of applicants are exempt from the consular fee; the fee can also be reduced or waived on a case by case basis. Applicants must have an invitation to apply. Since 1 June 2012, applications for a Russian visa are made through an online service.

Cooperation between Russian and Lithuanian border services

The border services of the two countries began formal cooperation in 1996. Regular meetings of working groups of experts and representatives of relevant government offices are also held within the framework of the joint Russian-Lithuanian demarcation commission established by a bilateral treaty in 1997¹³. Issues relating to border infrastructure are regularly discussed in working groups of the relevant committee of the Russian-Lithuanian Council. The agreed proposals are then passed to relevant higher-level authorities for further consideration and practical implementation. An agreement signed in 2011 on border commissioners came

¹³Treaty between the Russian Federation and the Republic of Lithuania on the Lithuanian-Russian State Border of 24 October 1997.

into force in July 2012, allowing each country to appoint commissioners to represent their respective border guard services. The commissioners will meet at least twice a year and will have extensive powers to resolve border incidents and a wide range of border issues.

One of the oldest problems of Russian border stations – poor coordination among various structures and services (border guards, customs officers, etc.) is being addressed by a draft law.¹⁴ The law would set up coordination councils at every Russian border crossing, comprising representatives of all services implementing control procedures at the border as well as the municipalities on whose territory crossing points are situated.

Local border traffic

In contrast to the LBT regime introduced between Russia and Poland in the summer of 2012, negotiations on LBT at the Russian-Lithuanian border have not been successful so far. Russia insists on including the whole territory of the Kaliningrad region and comparable territory of Lithuania as border areas subject to the agreement, while Lithuania proposes to limit the LBT regime to a 30-kilometre to 50-kilometre wide area straddling the border.¹⁶ In an interview in 2012, Lithuanian Foreign Minister Audronius Azubalis confirmed the official Lithuanian view on the issue: “With regard to cross-border movement with the Kaliningrad region, I say this: we can not be both a member of the Schengen area, and have some exceptions”¹⁷. As this report is being prepared, both countries are sticking to their positions and no negotiations between them on LBT issues are underway.¹⁸

LEARNING FROM THE FINNISH AND NORWEGIAN BEST PRACTICES

CROSS-BORDER COOPERATION

Legal basis

The experience of the associations of municipalities on the Finnish-Russian border could be further studied. Even though there is a strong similar association in Kaliningrad – the Council of Municipalities of Kaliningrad Oblast (AMOKO) – uniting 79 of 88 regional municipalities, CBC is currently not among its priorities.

EU cross-border cooperation programmes

The Lithuania-Poland-Russia ENPI Cross-border Cooperation Programme 2007-2013 already

¹⁴Проект федерального закона «О пунктах пропуска через государственную границу Российской Федерации» (draft law “On Border-Crossing Points on the State Border of the Russian Federation”, not yet submitted to the State Duma).

¹⁵Official reply of Russian Foreign Ministry spokesman A. K. Lukashевич on the prospects of introduction of local border traffic regime with Lithuania, 17 January 2012.

¹⁶As permitted by European Parliament and Council Regulation 1931/2006.

¹⁷Konstantin Amelyushkin, „Аудронис Ажубалис: кто может себе представить оккупацию без ущерба?“ („Audronius Azubalis: Who can imagine an occupation without damage?“), 30 July 2012, at <http://ru.delfi.lt/opinions/comments/audronyus-azhubalis-kto-mozhet-sebe-predstavit-okkupaciyu-bez-uscherba.d?id=59195439> (accessed 9 October 2012).

¹⁸However, the Lithuanian Interior Ministry’s regional policy department chief, Arunas Pliksnys, said in September 2012 that negotiations were being held with the European Commission on the introduction of an LBT agreement with Kaliningrad.

incorporates many best practices of Finnish and Norwegian CBC programmes. However, several features that could substantially improve the ongoing programme and any future CBC programmes are worth consideration. First, the question of the number of partner countries: in some areas it might be expedient to consider implementing two bilateral programmes instead of a trilateral one, as was the case with the Lithuania-Poland-Russia Programme. Future cooperation programmes with participation of the Kaliningrad Oblast could also benefit from thematic calls for project proposals (for example – environmental protection, small and medium enterprises development) allowing to launch joint projects targeting a common objective. Another progressive feature used in the ENPI cross-border programs in Karelia is the two-phase application procedure, which could save considerable time and effort for many applicants.

Euroregions

Euroregion Karelia could set an example to Kaliningrad and Lithuania of how they might improve their influence on decision-making on the national level. To that end, the existing Euroregions might need to be reformed. Potential changes range from simple improvements to their management structures to more essential changes, like merging some Euroregions into a single body and, perhaps, inviting new regions to join it.

BORDER MANAGEMENT, VISAS AND LOCAL BORDER TRAFFIC

Legal basis

The existing legal framework covering border management issues on the Russian-Lithuanian border is rather well developed. It lays down a sound foundation for productive cooperation between the two countries in this field. The recent enactment of the agreement on border commissioners will help to contribute to further improving the situation on the border.

Cooperation at the border

Coordination of each country's border procedures is gradually improving, although it has still not reached the level found at the border between Russia and Finland. The practice of traveller satisfaction surveys could be employed more extensively.¹⁹

Corruption

Although a number of anti-corruption measures are in place (special help lines, warning signs, etc.), and shared border crossing points are not used, corruption is still a serious issue on the Russian-Lithuanian border. The experience of the Finnish Border Guard offers a positive example of the increases in efficiency that a zero-tolerance approach can bring. Zero tolerance of corruption must eventually become standard on the Russian-Lithuanian frontier.

Visa procedures

Overall, visa procedures at Lithuanian consulates in Kaliningrad Oblast have substantially

¹⁹Only very limited feedback is gathered from people crossing the Russian-Lithuanian border, mostly in the form of questionnaires located near information boards.

improved since 2005 (to a certain extent owing to the example set by the Polish consulate in Kaliningrad, which has stayed a few steps ahead in terms of efficiency). The practice of issuing multiple-entry visas without invitation could be introduced (as in the majority of cases an invitation is merely a formality, and often a profitable business for companies that arrange them). The possibility of adopting Norway's simplified "Pomor visa" could be looked into as well. Thousands of people who have already been issued several multi-entry visas and have no record of violating the visa regime could benefit from it.

Local Border Traffic agreement. If an LBT regime is introduced in the future (see above) it will most likely be based on the principles applied at the Russian-Norwegian border.

CONCLUSIONS

As a Russian exclave flanked by EU countries, Kaliningrad presents a special set of cross-border issues. We have looked at the best practices developed on the Finnish-Russian and Norwegian-Russian borders and seen that some have to a large extent already been applied on the Russian-Lithuanian border, while others could also be applied to the benefit of both countries. Other practices used on the Russia-Lithuanian border, such as the Facilitated Transit and the Facilitated Rail Transit documents, were introduced to deal with unusual problems determined by Kaliningrad's exclave status.

Additional work is required in a number of areas to develop the potential for cross-border cooperation between Kaliningrad and Lithuania:

- × optimisation of existing cross-border cooperation entities (for example Euroregions);
- × further development of border infrastructure (particularly on the Russian side);
- × improvement of border control procedures resulting in shorter queues and waiting times;
- × simplification of visa procedures;
- × further development of competences and skills among personnel of important CBC actors including regional and municipal administrations and NGOs, (particularly on the Russian side);
- × better planning and improved methodological approaches for future CBC programmes (use of bilateral instead of trilateral programmes, thematic calls for project proposals, two-phase application process, etc.).

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ANALYSIS AND CONCLUSIONS FOR THE POLAND-RUSSIA BORDER

MAŁGORZATA SAMUSJEW

Border Area Description and Legal Basis

The area along the Polish-Russian border lies within three administrative regions. On the Polish side it includes two regions: Pomerania (with just two kilometres of the land border on the Vistula Spit and part of the maritime border) and Warmia-Masuria (208 kilometres of the land border and part of the maritime border in the Vistula Lagoon). On the Russian side it includes the Kaliningrad region of the Russian Federation. The overall area of this cross-border region is 39,336 square kilometres. Situated in the south-eastern part of the Baltic Sea region, Kaliningrad is the most western region of Russia. The region is 205 kilometres at its widest point from east to west, and just 108 kilometres from north to south. It covers an area of 15,096 square kilometres. The Warmia-Masuria region is located in the north-eastern part of Poland. With a total area of 24,173 square kilometres, the region constitutes around 7.7 per cent of Poland's territory. The description should also include a unique border area located on the Vistula Spit, belonging to Nowy Dwór Gdański district in the eastern part of Pomerania Province with a total area of 67.1 square kilometres.

The population of the cross-border region amounts to 2,406,917 (as of 31 December 2011), with 944,100 people living in the Kaliningrad region, 1,427,118 in Warmia-Masuria Province



and 35,700 in the Nowy Dwór Gdański district. Population density varies across the region with 62.1 people per square kilometre in the Kaliningrad region, 59 in Warmia-Masuria and 53 in the Nowy Dwór Gdański district. There are four main population centres: Kaliningrad, Olsztyn, Elbląg and Elk. The urban population amounts to 77 per cent in the Kaliningrad region and only 60 per cent on the Polish side of the border. The population growth rate in the Polish border region is positive (+ 3,351), but it is negative on the Russian side (-2,689 in 2010). All areas are mostly of agricultural character. The main branches of industry include farming, food production, rubber production, furniture manufacturing, fishing, amber mining, transport -equipment manufacturing and shipbuilding.

CROSS-BORDER COOPERATION: BACKGROUND AND LEGAL BASIS

Cross-border cooperation was made possible only after 1990 when Poland completed its first self-government reform, which resulted in the creation of local government bodies (communes). Another major reform in 2000 established self-governing authorities on a regional level (districts and regions).

The first interregional document –the Protocol of Intent with Regard to Cooperation between the Kaliningrad Region, the Elbląg Province and the Province of Blekinge (Sweden)– was signed in June 1991 in Karlskrona. Currently three intergovernmental agreements¹ serve as a legal basis for Polish-Russian cross-border cooperation. In 1993 these intergovernmental agreements established the Polish-Russian Council for Cooperation of North-Eastern Regions of the Republic of Poland and the Kaliningrad Region. The council is chaired by the minister of territorial development and relations with local municipalities of the Kaliningrad regional government and by the deputy minister of internal affairs and administration of Poland. There are 12 commissions within the council that address issues such as border crossings and environmental protection.

Apart from cooperation activities on the governmental or regional level, most cross-border activities are implemented by local communities and self-government authorities. Based on the European legal framework and local regulations, local authorities have established their own cooperation frameworks by signing relevant agreements with their counterparts across the border.

As with the local level, initial development of cross-border cooperation on the regional-municipal level also started in the first half of the 1990s. Authorities began searching for partners and developed the first partnerships not only with regions from the west of Europe but also from the Kaliningrad region. The first cooperation agreements were signed in 1994, and their number grew significantly, especially between 2002 and 2008, when the majority of such agreements were signed. District towns from the border area of Warmia-Masuria concluded 52 cooperation agreements with towns from other countries but only nine agreements were signed with partners from Russia.

¹Treaty between the Republic of Poland and the Russian Federation on Good-Neighbourliness and Friendly Cooperation of 22 May 1992; (2) Agreement between the Government of the Republic of Poland and the Government of the Russian Federation on Cross-Border Cooperation of 2 October 1992; (3) Agreement between the Government of the Republic of Poland and the Government of the Russian Federation on Cooperation between the North-Eastern Regions of the Republic of Poland and the Kaliningrad Oblast of 22 May 1992.

CROSS-BORDER COOPERATION ACTIVITIES AND STRUCTURE

INTERREG IIIA (2004-2006)

After the EU enlargement, INTERREG IIIA programmes within the new neighbourhood policy started to be implemented. A new trilateral programme, called the Neighbourhood Programme Lithuania-Poland-Russia 2004-2006 (INTERREG IIIA/TACIS), was made available for beneficiaries from the Polish-Russian border area. This initiative combined an INTERREG IIIA programme with a Technical Assistance to the Commonwealth of Independent States (TACIS) cross-border cooperation programme and was funded by the New Neighbourhood Policy instrument, allocating funds for EU external cooperation. The programme, which was implemented in regions having significant differences in development related to infrastructure, economy and local democracy, allocated €48.71 million for both borders, €9.5 million from CBC TACIS and €36.53 million from the European Regional Development Fund (ERDF).

According to the operational document, the programme was designed to “complement the general EU-Russia bilateral relation focusing on the border regions on both sides of the borders. [...] From a general perspective, the EU aim is to work with Russia to promote the socio-economic development of Kaliningrad, facilitate trade and tackle cross-border issues.”² The programme emphasised the importance of cooperation on the EU-Russia borders in the Kaliningrad region owing to Kaliningrad’s special position as a territory separated from the rest of Russia. Unfortunately, the results of the programme’s funding distribution as well as its implementation proved that cooperation with the Russian partners was not its main priority. The programme implemented only 22 bilateral Polish-Russian projects (14 per cent of all projects) totalling €4,073,865 (10 per cent of the entire allocation). The distribution of the programme’s funds was not favourable for the Kaliningrad region border area because only Polish-Lithuanian projects were eligible.

ENPI Programme 2007-2013

The Lithuania-Poland-Russia European Neighbourhood Policy Instrument (ENPI) Cross-border Cooperation Programme 2007-2013 is the continuation of the INTERREG IIIA/TACIS initiative. The allocation amounts to €132,129,733. With the financial agreement that was reached in 2009 with the European Commission, Russia participated financially for the first time in the programme, contributing a total of around €44,000,000.

² Lithuania-Poland-Kaliningrad Region of Russian Federation Neighbourhood Programme 2004-2006

The aims of the programme are to promote socio-economic development on both sides of the common border, work together to address common challenges and common problems, and promote cooperation between people living on opposite sides of the border. The programme outlines two main priorities:

- 1) Contributing to solving common problems and challenges (sustainable use of the environment and accessibility improvement);
- 2) Pursuing social, economic and spatial development (tourism, development of human potential, increasing competitiveness of SMEs and development of the labour market and joint spatial and socio-economic planning). A third, secondary aim is to promote cross-border contacts between people.

ROLE OF EUROREGIONS IN CROSS-BORDER COOPERATION

The institutionalization and creation of Euroregions significantly contributed to the growing importance of Polish-Russian cross-border cooperation. The first Euroregion on the Russian-Polish border - Neman was established through an agreement signed in 1997 by Belarusian, Lithuanian and Polish partners (municipalities and associations of municipalities). Russian partners from the Kaliningrad Region joined the agreement five years later, in 2002. The Baltic Euroregion, established in February 1998, included member regions from six countries: Poland, Russia, Denmark, Sweden, Lithuania and Latvia and was the first Euroregion to have formally included Russian partners. There are four Euroregions formally registered at the Polish-Russian border: Baltic, Neman, Sesupe (established in 2003) and Łyna-Lava, which is the only Euroregion including Poland and Kaliningrad district of bilateral character.

In 1994 a limited financial source for Euroregions became available in Poland when around one fourth of the funds for the Poland and Hungary: Assistance for Restructuring their Economies (PHARE) programme were allotted to PHARE cross-border cooperation projects (the counterpart of INTERREG programmes). At the time, it was possible to support all border initiatives with EU financial assistance. This also included the Polish-Russian border, where Polish partners were able to cooperate with their Russian counterparts via the Small Projects Fund that was operational from 1999 to 2006. Acting within a centralised implementation system (which was adopted for PHARE in Poland in 2000), Polish Euroregional associations played a key role in promoting and supporting cross-border cooperation among local communities. Acting locally and close to the border – and being well anchored politically (as associations of municipalities) – they provided significant resources for cross-border cooperation as operators of the Small Projects Fund (SPF). The main goal was to create foundations for social capital in cross-border regions, as well as mutual trust and cooperation skills. Between 1999 and 2006 the fund implemented 236 micro-projects totalling approximately €6 million.

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BORDER MANAGEMENT ISSUES AND LOCAL BORDER TRAFFIC AGREEMENTS

According to the authors of a report on cross-border relations of Poland's eastern regions³, "... Poland's eastern border has become one of the few borders which during less than 20 years first became spectacularly open (increase in border permeability) just to be sealed again later (increase in formal and legal barriers)". This argument is supported by data on the numbers of persons and vehicles crossing the border as well as the declining income from Russian-speaking tourists in the biggest tourism centres on the Polish-Russian border. Sealing the border as the consequence of Poland joining the Schengen agreement in 2008, resulted in a stricter and time-consuming visa procedure, became a serious problem for the implementation of cross-border projects. The number of persons crossing the Polish-Russian border in both direction dropped in 2008 by more than 30 per cent in one year. In 2010 the Russian- Polish border crossed only half persons in both directions compared to 2003.⁴

On 27 July 2012 the bilateral agreement between Russia and Poland on local border traffic came into force. It allows the inhabitants of border regions to cross the Polish-Russian border without a visa. The area covered by the agreement is larger than the standard EU regulation which covers areas up to 30 kilometres from the border. In the case of the Polish-Russia border, the local border traffic area stretches along two districts and is applicable only to land border crossings (maritime border crossings are excluded from the agreement despite being within the local border-traffic area). There are five border crossings, four for vehicles and one railway crossing. Residents of the border area are allowed to cross the border with special permits issued by the Embassy of the Russian Federation in Warsaw and the Consulate General of the Russian Federation in Gdańsk, or by the Consulate General of the Republic of Poland in Kaliningrad. To obtain such a permit, the applicant needs to have been registered for permanent residence within the local traffic-border area for at least three years. The permit fee costs around €30 and is valid for two years the first time it's issued and for five years thereafter. The permits are also issued for persons from the local border-traffic area who are not Polish or Russian citizens, if they hold permanent residence status. The local border traffic permits allows travel to the neighbouring country for up to 30 days, but no longer than 90 days in the course of 180 days. The local border traffic system operates independently of the existing visa system.

CONCLUSIONS

Taking into consideration the best practices in use at Finland's and Norway's borders with Russia, we should be able to define some possible directions of cooperation and new efforts. The legal basis which has been developed for cross-border cooperation on the Polish-Russian border and between neighbouring regions is adequate. It allows all levels to cooperate while devolving significant competence to local authorities as well as other organisations.

³T. Komornicki, A. Miszczuk, Transgraniczne powiązania województw Polski wschodnie (Cross-border cooperation of the Polish Eastern Provinces), report commissioned by the Polish Ministry of Regional Development.

⁴Statistics on number of border crossings are available at Polish Border Guard website: http://www.strazgraniczna.pl/wps/portal/tresc?WCM_GLOBAL_CONTEXT=pl/serwis-sg/polskie_formacje_graniczne/statystyki/

Border Management

One serious problem is the lack of an effective and non-confrontational system of border management. The Polish and Russian border guard services are regulated by rules more or less similar to those used by other countries. However, the rules for cooperation between their border guard services, customs and police forces are very poor. The practices developed in the north offer an excellent model that can be applied in this region. Polish central authorities are fixated on guarding and monitoring the external EU border. Too little attention has been paid to making the border more “people friendly”. An interesting example of such a border-management system is the delegate system used on the Finnish-Russian border, which was designed to investigate and settle any incidents on the local or regional level without the involvement of national capitals. Implementing this system on the Polish-Russian border would require a more decentralised structure, greater competences for institutions responsible for border management on the regional level and better cooperation between institutions on both sides of the border.

Prevention of corruption

Polish-Russian cross-border cooperation is burdened with significant political risk (just to mention the example of the Lithuania-Poland-Russia ENPI Programme), and any action working to eliminate that risk needs to be taken at all levels of cooperation. This also includes active anti-corruption actions on both the local and regional levels. Unlike at the Finnish-Russian border, there is no such cooperation in this region that would involve the customs service as well as dedicated regional and local non-governmental organisations. The problem is significant. Whereas Finland has been at the top of the Transparency International Corruption Perceptions Index for many years, Poland is currently ranked 41 and Russia is ranked 143. The main risk of corruption on the Polish-Russian border comes from the smuggling of goods (mainly tobacco, alcohol, fuel and unprocessed amber).

Lessons from Euroregion and EU Cross-border Cooperation Programmes

If we compare the rather negative experiences from the implementation of CBC programmes on the Polish-Russian border with very positive examples of similar programmes in Karelia on the Finnish-Russian border, for instance, several lessons can be drawn. The general conclusion is that CBC programmes should be implemented with participation of the state authorities limited as much as possible. It is also important to separate border programmes from the influence of current national politics or foreign relations. The system has to be based on local and regional actors and stakeholders as well as the existing structures of cross-border cooperation. One possible solution could be to utilise Euroregions as a basis for the implementation of cross-border cooperation programmes on the EU external borders. Although in the case of the Small Projects Fund, Polish Euroregions were merely treated as executive bodies performing technical functions, the Karelian example shows that Euroregions can play a more significant role. And just as with the Karelia ENPI CBC Programme and Euroregion Karelia, a bottom-up approach can also be integrated with the top-down

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approach on the Polish-Russian border, for instance by increasing the role of Euroregions' boards – from the programming phase to the implementation of particular projects – in the CBC programme implementation system. Making the functional areas (i.e. Euroregions) responsible for cross-border cooperation programmes would undoubtedly facilitate and enhance planning and implementation of these programmes. This should not be difficult to implement on the Polish-Russian border, where the Euroregions have already gained significant experience while implementing the Small Projects Fund.

The present situation shows that efforts should be made to transfer positive experiences from other external borders to the Polish-Russian cooperation area. The cooperation in the Barents Sea region offers one such model. Both cooperation areas have similar features. They include highly militarised areas on the Russian side of the border. In both cases, the border was virtually closed until the beginning of the 1990s. Currently, both areas enjoy the benefits of the local border traffic. However, the results and current level of cooperation vary significantly in both regions. There are certain elements that could be incorporated into the cooperation on the Polish-Russian border, such as financial mechanisms in support of cooperation and defined roles of central and regional authorities. There are a number of arguments that support the establishment of such system, such as the existence of strong Euroregions on the Polish side that have many years of cooperation experience, good contacts with local and regional authorities and functioning cross-border cooperation structures on all levels. Financial resources could potentially come from the Eastern Partnership on the condition that the Kaliningrad Region be included in this programme.



ANALYSIS AND CONCLUSIONS FOR THE HUNGARIAN AND SLOVAK EXTERNAL BORDERS

SANDOR KOLES

BORDER AREA DESCRIPTION AND LEGAL BASIS

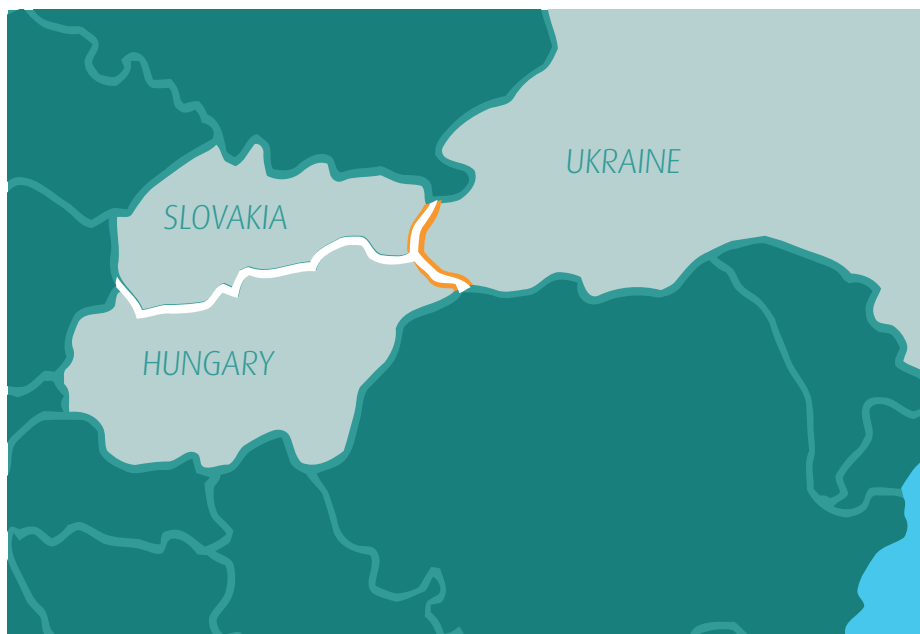
Cooperation at the external border regions of Hungary and Slovakia must be viewed through the interlinked contexts of the continuous geopolitical upheavals and re-formations of political, cultural and socio-economic space throughout history as well as of European integration. During various eras Central and Eastern European countries were regions within empires, satellites of great powers, republics inside a federation or union or independent nation-states, always facing continual political volatility. This resulted in perpetual re-drawing of state borders – generally in ethnically mixed populations in border regions. The major regime changes in the last decade of the 20th century resulted in some of the largest transformations of Europe’s border in more than 50 years, including the collapse of the Soviet Union and the split of Czechoslovakia. As a result of this complex process, the European Union faced political destabilisation and economic uncertainty as it moved toward ever-deeper European integration and closer relations with its neighbours. One result of these events was that Hungary and Slovakia became members of the EU in 2004 and their external borders became those of the union.

In addition to lifting the internal borders, one of the aims of the union’s policies is to avoid the emergence of new dividing lines between the enlarged EU and its neighbours. As a result, Hungary and Slovakia had to quickly move to stabilise their historically difficult relationships through bilateral treaties and agreements¹ during the pre-accession process. At the same time, both Hungary and Slovakia – first as candidate countries and later as EU members – signed bilateral good-neighbour agreements with Ukraine related to cross-border trade, taxation, energy security, nature protection, disaster management, etc.

Slovak and Hungarian cross-border cooperation with Ukraine has been greatly affected by the following factors:

- × The impact of nation-state variables on the emergence and shape of cross-border initiatives and relations, as well as several border shifts, leading to functional interdependencies and

¹The relations were strained from the very beginning of Slovakia’s existence as an independent state in 1993 due to Hungary’s refusal to sign the treaty on inviolability of shared borders and also because Hungary declared its intent to interfere in Slovak internal affairs regarding Hungarian minority protection. Hungarian interference was seen as unacceptable in Slovakia. Since both Slovakia and Hungary were aspiring to EU membership at the time, in 1995 Hungarian Prime Minister Gyula Horn along with his Slovak counterpart Vladimír Mečiar signed a bilateral treaty which included measures for guaranteeing minority rights in both countries and pledges not to regard the treatment of the Hungarian minority in Slovakia (or vice versa) as an internal affair.



ethnic, social and economic similarities which can be translated into joint problems to be resolved and common advantages to build on;

- × The impact of supranational structures and their policies on cross-border cooperation (CBC), especially that of the EU, but to a smaller extent also that of the Council of Europe. Euroregions were formed as structures to promote CBC, legally initiated by the Council of Europe, but, in Central and Eastern Europe, initially strongly connected to the availability of EU funds (from PHARE and TACIS until 2007 and ENPI from 2007 onwards).² Starting from the programming period 2007- 2013, the legal basis of a new type of cooperation structure within regional cooperation and cohesion policy was created – that of the European Grouping of Territorial Cooperation (EGTC).

DESCRIPTION OF THE BORDER REGIONS

On the east the external border of the EU stretches 97.9 kilometres on the Slovak-Ukrainian border and 134.6 kilometres on the Hungarian-Ukrainian border. The region encompasses the Košice and Prešov regions in Slovakia, Szabolcs-Szatmár-Bereg and Borsod-Abaúj-Zemplén

²PHARE, originally created in 1989 as the Poland and Hungary: Assistance for Restructuring their Economies Programme, was later expanded to all other accession countries, including Slovakia, to assist applicant countries in their preparation for joining the EU. ENPI, European Neighbourhood and Partnership Instrument, has been operational since 2007 as the main source of funding for the 17 countries within the European Neighbourhood type of cooperation structure within regional cooperation and cohesion policy was created – that of the European Grouping of Territorial Cooperation (EGTC). Policy, including Ukraine. It replaced the TACIS (Technical Assistance to the Commonwealth of Independent States) programme, operating from 1991 to 2006.



counties in Hungary and the Zakarpatska region in Ukraine. In total, five border-crossing points serve traffic for vehicles. There is a border-crossing point (railway, road or pedestrian point) every 22.4 kilometres on the Hungarian-Ukrainian border but only every 49.6 kilometres on the Slovak-Ukrainian border. EU citizens are exempted from visa requirements when travelling to Ukraine. In 2007 Hungary and Ukraine concluded a bilateral agreement for the purpose of implementing a local border traffic regime according to relevant EC regulations. Slovakia did the same by the end of 2011. The number of multiple Schengen visas issued has been rising annually and reached around 8,000 in 2010. Yearly, more than 2 million people cross the border between Hungary and Ukraine and around 1.5 million people between Slovakia and Ukraine. However, the number of public roads accessing the borders and pedestrian points and their capacity still leaves much to be desired. Long wait times at the borders are still characteristic.

According to Frontex, the Slovakian-Ukrainian border remains one of the sections of the EU's external border most affected by irregular migration. Almost 30 per cent of the total number of illegal border-crossing detections take place here. The second most affected border section (21 per cent of detected illegal border crossings) is located on a migration route that links Belarus to Lithuania.³

The total population of the border area is more than 4 million. This population is relatively young and structurally balanced. In Hungary the largest minority group is the Roma (5.36 per cent of the total population). On the Slovak side the largest minorities are Hungarians (6.37 per cent), Roma (5.02 per cent), Ruthenians (1.71 per cent) and Ukrainians (0.65 per cent). In Zakarpatska the largest minority is the Hungarian (12.1 per cent), followed by Romanians (2.6 per cent).

The border region lies in the Danube and Tisa river basins and is endowed with unique natural resources, most of which are protected (for example, the Carpathian Biosphere Reserve in Ukraine) and important from a tourism point of view. Economically the whole region lags behind in comparison to both the national and EU averages. The employment figures generally show the level of industrialization except for the Prešov region in Slovakia, where the share of those employed in industry is rather high, and Zakarpatska, in Ukraine where almost 30 per cent of workers are employed in agriculture.

CROSS-BORDER COOPERATION ACTIVITIES AND STRUCTURES

Cooperation on the trilateral border started in the 2004-2006 programming period with the Hungary-Slovakia-Ukraine Neighbourhood Programme with a budget of €27.8 million, out of which €4 million came from TACIS in Ukraine and the rest from the European Regional Development Fund (ERDF) for the two member states. The overall objective of the programme to finance bi- and tri-

Policy, including Ukraine. It replaced the TACIS (Technical Assistance to the Commonwealth of Independent States) programme, operating from 1991 to 2006.

³ Eastern Borders. Annual Overview 2012. Source: http://www.frontex.europa.eu/assets/Publications/Risk_Analysis/EB_AO.pdf

lateral projects was to strengthen the level of economic and social integration of the cross-border region. Its aims were to promote the development of the trilateral border area to become a common, future-oriented economic and living space; to improve its competitiveness within a European context; to improve sustainable living conditions for the residents in the eligible area and to help to overcome regional development disadvantages caused by separation by national borders.

In the current programming period, the Hungary-Slovakia-Romania-Ukraine ENPI Cross-Border Cooperation Programme 2007-2013 is financing projects with a total allocation of €68.6 million of ENPI CBC funding through four priorities: economic and social development, enhancement of the environment, increasing border efficiency and supporting what is vaguely termed “people-to-people cooperation”⁴. As of 2012, three calls for proposals have already been closed. From the first two calls, 82 projects have been contracted. Most of the projects are bilateral as Ukrainian participation is a requirement in all cases. Twenty-nine per cent of the projects are being led by Ukrainians, 28 per cent by Hungarians, 24 per cent by Slovaks and 19 per cent by Romanians. Most projects focus on cross-border tourism, environment and ecology, economic development, cultural exchange and social issues through linking relevant institutions (local municipalities, schools, museums, development agencies, civil-society organisations, etc.). The main objectives of the projects are experience exchange and planning.

ROLE OF EUROREGIONS IN CROSS-BORDER COOPERATION

Within this specific area of cooperation, one of the most important Euroregions is the Carpathian Euroregion, which was founded in 1993 and comprises 19 administrative units of Poland, Slovakia, Hungary, Ukraine and Romania. It has a total area of about 160,000 square kilometres and a population of close to 16 million people. This was the first Euroregion to embrace areas in the former socialist bloc situated in peripheral territories in their own countries, whose inhabitants are connected by similar histories and traditions. Its objectives are the promotion of cooperation in social, economic, scientific, ecological, educational, cultural and sports affairs and lobbying for cross-border projects in cooperation with national institutions and organisations.

The Carpathian Euroregion plays an important role in coordinating joint actions between municipalities. This is accomplished most effectively through the Carpathian Foundation, the “civil society and community arm” of the Euroregion.⁵ The foundation engages in both grant-making and operational activities. Since its creation in 1995, it has granted a total of about €12 million to more than a thousand NGOs and local governments in the five countries. Its grant-making activity covers a wide range of fields, including rural economic development, cultural heritage, inter-ethnic cooperation, cross-border cooperation, Carpathian research and Carpathian RomaNet programs, as well as events like the Carpathian Communal Expo for local governments and the Carpathian Fair.

⁴ More on ENPI in the ENPI CBC Strategy Paper 2007/2013 http://ec.europa.eu/world/enp/pdf/country/enpi_cross-border_cooperation_strategy_paper_en.pdf

⁵See: <http://www.carpathianfoundation.org/>

The European Grouping for Territorial Cooperation (EGTC) is a new generation of the institutional form of cross-border cooperation established in 2007 based on Regulation (EC) 1082/2006. Compared to Euroregions, EGTC⁶ is a cross-border cooperation structure that can function as a legal personality (Euroregions are not legal personalities). They can be established by local and regional authorities, other public entities or public-equivalent bodies, associations of public entities and member states. In the post-2014 programming period, such structures will be given greater importance in the implementation of cross-border projects and programmes. So far, only a limited number of such entities have been founded in Central and Eastern Europe, none with the participation of non-member states. The only EGTC located in the Slovak-Hungarian-Ukrainian (and Romanian) border region is the Ung-Tisza-Túr-Sajó Limited Liability EGTC (UTTS.) The centre of the organization is in Hungary and it has two Slovak member municipalities. Its territorial coverage includes Košice and Prešov counties in Slovakia; Borsod-Abaúj-Zemplén, Szabolcs-Szatmár-Bereg and Hajdú-Bihar counties in Hungary; the Zakarpatska oblast (region) in Ukraine and Satumare and Arad counties in Romania. The main goal of the UTTS EGTC is to develop the local labour market in order to mitigate migration and the causes of forced migration. Their sample project, “Solar Energy, Day-by-Day Energy” addresses the need for the elaboration and application of alternative energy-use methods in order to decrease the dependency on traditional energy sources in the border region.⁷

RELEVANCE OF FINNISH AND NORWEGIAN EXPERIENCES

The experiences of Finland and Norway in cross-border projects with the Russian Federation highlight several important conclusions that are relevant in several fields of the external borders of Slovakia and Hungary:

- × The need for a stable legal base and institutional framework for cross-border cooperation, based on the principles of subsidiarity and strengthening the role of local stakeholders.
- × In the case of Karelia, tasks and responsibilities have been delegated to regional councils (associations of municipalities), and the use of state regional funding has been mandated to these councils. Municipalities are entitled to enter into cooperation arrangements with their counterparts across the border. In the case of Norwegian-Russian cross-border cooperation, the Barents Secretariat and its institutions play an effective, complex and strategic role in promoting cross-border cooperation. This could be a useful model and inspiration to re-energise and re-define the Carpathian Euroregion to find its role in the wider setting.
- × A well-defined geographical scope for cross-border cooperation is crucial for effective programmes.
- × Balanced, partnership-based and transparent financial mechanisms for cross-border cooperation are needed.

⁶More on EGTC at: http://europa.eu/legislation_summaries/agriculture/general_framework/g24235_en.htm

⁷Source: <http://egtc.kormany.hu/egtcs-in-hungary>



- × During project selection, programme management and in the decision-making process, it is crucial to establish an equal partnership among actors and stakeholders.
- × The involvement of central governments in programme preparation, management and project selection should be limited. It is important that the central government is restricted to providing expert and technical assistance in these issues, in order to emphasise the regional development objectives and methods instead of general external relations practices.
- × Effective border management. Finnish and Russian border guards exhibit professionalism and pride in maintaining effective border management. The use of improper or humiliating practices is not tolerated. In both countries this professionalism is the result of a continued dialogue among responsible agencies and the effective use of human resources.
- × Effective cooperation between the national authorities (police, customs and border guards), with clear delegation of tasks at borders, is also important.
- × Prevention of corruption at border crossing points and zero tolerance against corruption of border guards is crucial

CONCLUSIONS

- × CBC at the local level occurs as a result of organic development, namely that it cannot be enforced only from the top down and it is crucial to take into consideration the “bottom up approach”, i.e. what local communities need. For this reason setting up CBC projects can be a difficult and lengthy process, requiring joint and harmonised efforts at the local, national and international (EU) level.
- × CBC can be more complex than interstate relations. The real task of state-level institutions and international organisations in terms of supporting CBC is to create a sustainable legal and institutional framework.
- × Subsidiarity – the delegation of authority to the lowest possible level where it can be managed – is necessary for CBC to flourish, so decision-making will not become bureaucratic
- × Focused financial mechanisms should be developed, as in the case of the Carpathian Euroregion where the Carpathian Foundation, as a private grant-making organisation, plays an important role in supporting small-scale CBC initiatives and provides grants to grass-roots organisations that have no chance to get European funding.
- × Building local capacity, strengthening local communities’ absorption capacity and forming partnerships among municipalities, civil-society organisations and local businesses across the borders all require constant attention.

ANALYSIS AND CONCLUSIONS FOR THE UKRAINE-EU BORDERS

SERHII USTICH

BORDER AREA DESCRIPTION AND LEGAL BASIS

The demarcation of Ukraine's borders with neighboring European Union countries is stable and has not been a source of dispute or conflict. Those demarcations are anchored in agreements between Ukraine and Poland (agreement from January 12, 1993), Slovakia (agreement from October 14, 1993), Hungary (agreement from May 15, 1995) and Romania (agreement from June 14, 2003). One exception was a territorial dispute between Ukraine and Romania. On February 3, 2009 the UN International Court of Justice delivered a judgment on the case of delimitation of the continental shelf and exclusive economic zones of Ukraine and Romania in the Black Sea. The judgment recognized Zmiiny (Snake) Island as an island with a territorial sea of 12 nautical miles; it also determined that Zmiiny Island cannot be considered to be a part of Ukraine's coastal line when determining the midline for demarcation of the continental shelf and exclusive economic zone. The same judgment specified the demarcation line between the exclusive economic zones of Ukraine and Romania; it was a compromise between the Romanian and Ukrainian positions.

The total length of Ukraine's borders with EU countries is about 1,400 km (in total, Ukraine has 7,000 km of borders).

UKRAINIAN BORDERS WITH EU COUNTRIES

No.	State	Total border length	Including land borders	Including river border	Maritime borders
1	Poland	542.4 km	542.4 km	187,3 km	No
2	Slovakia	97,9 km	97,9 km	2,3 km	No
3	Hungary	136,7 km	136,7 km	85,1 km	No
4	Romania	613,8 km	613,8 km	292,2 km	33 km



Six Ukrainian regions neighbor regions in EU states: Zakarpatska oblast (area, about 12,000 square kilometers; population, about 1.3 million inhabitants) has borders with Hungary, Slovakia, Romania and Poland; Lviv oblast (area, about 22,000 square kilometers; population, about 2.5 million inhabitants) and Volyn oblast (area, about 20,000 square kilometers; population, about 1 million inhabitants), both have borders with Poland; the oblasts of Chernivtsi (about 8,000 square kilometers, about 900,000 inhabitants), Ivano-Frankivsk (about 14,000 square kilometers, about 1.5 million inhabitants) and Odessa (about 33,000 square kilometers, about 2.5 million inhabitants) have borders with Romania.

The Ukraine-EU border area is about 100,000 square kilometers of land area and of 10 million inhabitants who live here. The borders are very complex and unique in geographical, historical and political terms. First, most of them are located in an area of Europe that is considered by many to be the geographical center of the continent. One of these regions, Zakarpattya, is the only region on the new eastern border of the EU that has borders with four EU states. The location of these territories has always given them some advantages in terms of the development of a variety of forms of cross-border communication (such as trade, technical and technological exchange, and cultural cooperation). Secondly, these border regions have a very complicated geopolitical history. For example, the territory of today's Zakarpatska oblast was for centuries held by a variety of kingdoms and states (in the 20th century alone, this territory was part of six different states).

Thirdly, whatever the period and whatever the state to which they belonged, these lands have always been peripheral, least-developed areas characterized by inefficient, subsistence farming, under-developed industry and infrastructure, excessive exploitation of

natural resources (particularly over-harvesting of forests), low investment, high overall levels of poverty, high inter-regional migration of people, and high rates of unemployment.

CROSS-BORDER COOPERATION (CBC) ACTIVITIES AND STRUCTURES

The enlargement of the European Union in 2004 and 2007 had a positive impact on cross-border cooperation of Ukraine with Poland, Hungary, Slovakia and Romania, all of which joined the EU. Cross-border cooperation with its EU neighbors is one of the priorities of Ukrainian foreign policy.¹

There is a secure normative framework and legal basis for cross-border cooperation for Ukrainian border regions. Ukraine is the only eastern European state to have signed and ratified all key European documents governing cross-border cooperation. In 2004 Ukraine approved a separate law, "On cross-border cooperation".² Ukraine has also signed separate intergovernmental agreements with Hungary and Slovakia on cross-border cooperation, which led to the establishment of mixed Intergovernmental Commissions on Transborder Cooperation, headed by ministers or deputy ministers.³ The Commissions meet annually to discuss the full range of issues in cross-border cooperation between states and, when necessary, to propose solutions.

Many partnership agreements have been concluded between state authorities and local authorities in neighboring regions. For instance, authorities in the Zakarpatksa oblast have entered into 24 partnership agreements with regions in neighboring countries, including Slovakia (18 agreements), Romania (three agreements) and Poland (one). These agreements differ in their timeframes (short-, medium-, and long-term), in their participants (ranging from governments of small settlements to regional), in the issues they address (these include economic, humanitarian, environmental problems).

Cross-border cooperation among Ukraine and Poland, Hungary, Slovakia and Romania comes in a variety of forms. Early this century, the search for more flexible forms of multilateral cooperation led to the formation of relatively small framework structures, such as Interregio, an association of border regions in Hungary, Romania and Ukraine. This particular means of association was intended to address several forms of activity: general issues relating to the borders and their associated infrastructure; European transport corridors (such as highways and railway lines); protection of the environment and water resources; economics and foreign tourism; the protection of the border regions' cultural heritage; and education and culture.

¹ План Дій «Україна – Європейський Союз» (EU-Ukraine Action Plan) of February 12, 2005.

² Закон України «Про транскордонне співробітництво» № 1861-IV, 24.06.2004. - (Act on Cross-border Cooperation)

³ Угода між Кабінетом Міністрів України та Урядом Угорської Республіки про транскордонне співробітництво (Agreement between the Cabinet of Ministers of Ukraine and the Government of the Republic of Hungary on cross-border cooperation) of November 11 1997 , Угода між Кабінетом Міністрів України і Урядом Словацької Республіки про транскордонне співробітництво (Agreement between the Cabinet of Ministers of Ukraine and the Government of the Slovak Republic on cross border cooperation) of January 29 2001.

Generally, the EU's financial aid to cross-border cooperation along its eastern borders has proved both important and productive. For example, Ukrainian partners from the Ivano-Frankivsk and Zakarpattya oblasts by 2012 have received or will soon receive over €20 million from the European Union for implementation of joint projects agreed under the European Neighborhood Partnership Instrument programme covering Hungary, Slovakia, Romania and Ukraine for the 2007-2013 budget period. Such assistance has the capacity quickly and efficiently to solve some pressing regional development problems, such as the creation of a joint flood-prevention system along the Tisza River, which runs through regions in Romania, Hungary, Slovakia and Ukraine.

ROLE OF EUROREGIONS IN CROSS-BORDER COOPERATION

In February 1993, the foreign ministers of Hungary, Poland and Ukraine approved a declaration on the creation of 'the Carpathian Euro-region'. Today, this Euro-region encompasses administrative territorial units and some population centers in five countries: Ukraine, Hungary, Poland, Slovakia and Romania. It covers about 130 000 square kilometers, and its population is over 10 million.

In the 1990s, the Carpathian Euro-region played a wholly positive role, helping to develop cross-border cooperation and to strengthen mutual understanding and trust between border regions in the Carpathian basin. In particular, it actively encouraged the establishment and strengthening of a range of contacts between authorities at all levels and fully supported joint projects carried out by non-governmental organizations from the border regions. Now, however, the organizational structure of the Carpathian Euro-region is in need of substantial innovation. This is due primarily to the need to secure financial support for its activities, to establish close cooperation with existing European donors, and to receive effective support from participating countries.

BORDER MANAGEMENT ISSUES/PRACTICES AND LOCAL BORDER-TRAFFIC AGREEMENTS

Well-functioning border crossings play an important role in the development of cross-border cooperation. In total, there are 31 check-points on Ukraine's borders with its EU neighbors: 12 are international check-points on its border with Poland (six are rail and six are road check-points); five are check-points on its border with Slovakia (two for road vehicles, two for rail and one for pedestrians and bicycles); seven are on its border with Hungary (five for road vehicles and two for rail); and seven are on Ukraine's border with Romania (four for rail, three for cars and pedestrians). For instance, along the Ukrainian-Hungarian border, there are 5.2 check-points per 100 km. This can be deemed satisfactory, bearing in mind the existing level of border infrastructure.

Infrastructure on borders is in a permanent process of evolution. In 2007, the Ukrainian government adopted a state-level targeted law-enforcement program entitled 'state border development and reconstruction' to run through to the end of 2015. It allocated



7 bln UAH (€680 mln) to the program, through to 2015.⁴ Unfortunately, the funding is inadequate, posing a fundamental obstacle to implementation of the program. For 2012, Ukraine has budgeted 131.5 mln UAH (about 12.5 mln EUR) for the program; this compares with the original projection that the program would need 895.5 mln UAH (€85.2 mln).

On average, it takes up to two hours to cross into Hungary at check-points in the Zakarpatska oblast; at weekends, four to five hours is necessary. There is a growing effort to combat abuse by officials at check-points (such as unethical behavior and corruption).

In 2011, figures on the number of Ukrainian citizens on who crossed into neighboring countries were: Hungary – 1,695,094 Ukrainian citizens; Romania – 533,746; Slovakia – 418,354. In 2005, Ukraine unilaterally (asymmetrically) introduced a visa-free regime for all citizens of the European Union, Switzerland and the Principality of Liechtenstein entering Ukraine (and staying in Ukraine for no more than 90 days).

EU states have introduced a simplified visa regime for some categories of Ukrainian citizens (a list of privileged categories, as well as the rationale of the simplified regime and its conditions were identified by particular agreements between EU-member states and Ukraine). For inhabitants of Ukrainian border regions, a local transit regime has been introduced.

- **With Hungary:** Introduced in 2008, the regime covering a zone of 50km along the joint border (244 Hungarian and 384 Ukrainian settlements). The permit costs €20 (free for some categories of citizens such as people with disabilities, pensioners, children up to 18 years old and dependent children younger than 21). The permit takes 1-10 days to issue and lasts one to five years. The permitted duration of stay is up to 90 days.⁵

- **With Slovakia:** Introduced in 2008, the regime covers a 30-50 km zone along the joint border (299 Slovak and 280 Ukrainian settlements). The permit is issued free of charge. The process takes 60-90 days. The permit is valid for one to five years. The permitted duration of a stay is up to 90 days per visit, with a maximum of 90 days in any six months.

- **With Poland:** Introduced in 2009, the regime covers a 30 km along the joint border (1822 Polish and 1545 Ukrainian settlements). The permits costs €20 (free for people for disabilities, pensioners, children up to 18 years of age and dependent children younger than 21). The permit takes 60 days to issue from the day when the application was filed; in some cases, the term can be extended to 90 calendar days. The permit lasts up to five years. The permitted duration of a stay is up to 60 days from the day the border is crossed, but no more than 90 days in six months from the date of the first border crossing.

⁴Cabinet of Ministers of Ukraine of 13thune 2007 Ref. No. 831, available at <http://www.cafe-lu.es/oim/lit/land/borderdevelopmprogramme2015.pdf>, (accessed on 4 October, 2012)

⁵Decree of the President of Ukraine "On visa free regimen for citizens of the European Union, Swiss Confederation and the Principality of Liechtenstein". -<http://zakon2.rada.gov.ua/laws/show/1131/2005>

Border traffic is functioning most efficiently in the border regions of Ukraine and Hungary. Thousands of Ukrainian citizens have already received the biometric Hungarian document required for simplified border crossing.

RELEVANCE OF FINNISH AND NORWEGIAN EXPERIENCES

While the past decade has seen Ukraine's cross-border cooperation with its neighbors improve in many ways, many of the existing mechanisms could be improved by the adoption of best practice from Finland's and Norway's experience of managing their borders with Russia.

Border infrastructure and border-area management

One of the most acute and best-known problems in interactions at Ukraine-EU borders is the low level of technological infrastructure on the Ukrainian side. Ukrainian border officers would undoubtedly benefit from Finnish experience of constructing technological surveillance along parts of its border with Russia.

Ukraine may be equally interested to learn from Finland's unique experience of coordinating the activities of various border services – namely, the 'PTR cooperation' established between its police, border and customs officers. This regulation grants authorities the power to conduct criminal investigations and law-enforcement activities on behalf of another authority, through delegation. In Ukraine, borders are controlled not by a sub-division of the interior ministry, but by a wholly separate authority, the State Border Service. The need to bring the service up to European standards has long been a subject of discussion. Finnish and Norwegian expertise and experience could be particularly useful.

Corruption is widely recognized to be a problem on Ukraine's border. Adoption of measures used by Finland's border service would be extremely relevant to Ukraine's battle with corruption. Specifically, Ukraine's border service would benefit from rotating personnel, using mobile phones and other mobile devices, conducting unannounced inspections, carrying out systematic controls, and recording border checks conducted.

Cross-border cooperation

It can be said with some certainty that the countries in the Carpathian region – Slovakia, Hungary, Romania, Ukraine and Poland – would find it an asset to have an institution similar to the Barents Euro-Arctic Council or the Barents Regional Council, which involve national and regional representatives in cross-border cooperation. Such a structure would enable the creation of new, effective mechanisms of cooperation, would secure new resources for relevant projects, and would foster trust and respect in the region. Such a process could be kick-started by a summit of leaders from the countries in the Carpathian region.

The recent agreements between Norway and Russia on joint exploration of

oil and gas deposits in the Barents Sea are a shining example across the entire system of international relations. Those agreements demonstrate how a rational approach can resolve complex international problems; their resolution will, of course, give a powerful push to regional cross-border cooperation. This example should be heeded by countries of the Carpathian region in order to develop together the local resources (such as water, natural ores, forestry etc.) in the Carpathian-Tisa basin in a manner that is environmentally friendly.

Also of great interest for Ukraine's border regions is the Barents-2020 Action Program put forward by the Norwegian foreign ministry in 2006. This proposed the development of an industrial and economic zone covering parts of Russia's Pechenga Rayon and Norway's Sør-Varanger Municipality. Another valuable idea is the innovative 'Twin City' proposal put forward in 2008 to develop two municipalities on the Russian-Norwegian border.

In the second half of the 1990s, Ukraine's parliament passed a law on special (free) economic zones. This prompted the creation of various such zones in the Zakarpatska oblast, Lvivska oblast and Volinska oblast. For a variety of reasons, they were short-lived. Increasingly, though, experts recognize that their demise was a mistake and are calling for them to be revived

Nordic cross-border cooperation also highlights the importance of highly efficient coordination of efforts by civic bodies, expert bodies and national governmental organizations as well as by local government bodies. **Not only do they analyse information and generate new ideas on a highly professional level but also coordinate/organise many original events/enterprises. Another valuable experience is the training new cross-border cooperation experts such as Barents Institute's branch unit under the University of Troms and the Finnmark University College which is developing cross-border training programs.**

The first steps have already been taken to train new specialists. The Transcarpathian State University's international-relations department has created a course entitled "The theory and practice of cross-border cooperation". This work should be continued with the assistance of Finnish and Norwegian experience.

Sadly, in Ukraine's border regions, there are, so far, no organizations that have both the ideas and the money (primarily from the foreign ministry, as is the case in Norway and Finland) to implement those ideas. There is no doubt that they must be created, with significant assistance from an analysis of Finnish and Norwegian practice.

People-to-people contact between inhabitants of border areas

Finland has a general regime for applications for a Schengen visa. The policy is both flexible and cooperative (for instance, it requires far fewer documents than other Schengen countries do, it does not require an invitation, and it does not interview every candidate). This could be highly relevant for Ukraine. Ukraine's EU neighbors – Poland, Slovakia, Hungary and Romania – do not have a similarly unified approach. Quite often, without any real need or legal basis,



applicants are required to produce additional documents and documents of confirmation. There have also been instances when Ukrainians with Schengen visas granted by one Schengen country have not been allowed to enter another Schengen country. In such cases, one can only assume that the relevant authorities have forgotten that Ukraine has previously offered unilaterally to waive visa requirements for EU citizens. It would be constructive if Finnish and Norwegian experience in this respect were drawn upon.

It would be beneficial to residents in the border areas of Hungary, Slovakia, Romania, Poland and Ukraine to extend agreements on local border traffic, so that these agreements apply across the entire territory rather than within a 30 km zone only. This had been done between the Kaliningrad region of Russia and the border regions of Poland.

10

ANALYSIS AND CONCLUSIONS FOR THE MOLDOVA-EU BORDER

VICTOR CHIRILA

BORDER AREA DESCRIPTION AND LEGAL BASIS

Cross-border cooperation between the EU and Moldova is based on the European Neighbourhood and Partnership Instrument (ENPI) CBC Strategy 2007-2013.¹ In accordance with this document, cross-border cooperation with the EU covers the entire territory of Moldova and is part of the CBC programme area Romania-Ukraine-Republic of Moldova, which includes six counties in Romania (Suceava, Botosani, Iasi, Vaslui, Galati and Tulcea); the oblasts of Odessa and Chernivtsi in Ukraine; and the entire territory of Moldova, covering 33,851 square kilometres with a population of 3.6 million.

The Romania-Ukraine-Republic of Moldova CBC area covers 112,554 square kilometres, and the length of its combined border with the EU is 1,333 kilometres, including 684 kilometres of Romanian-Moldovan border, which is entirely a river border. There are approximately 10 million inhabitants in the CBC area and the average population density is 91.3 inhabitants per square kilometre.

About half of the population in this territory lives in rural areas. Most large towns and cities are located more than 30 kilometres from the border, leaving the area close to the border with a sparse population of small villages. Out-migration is a major problem in the programme area and has contributed to an overall ageing of the population and a lack of a sizeable labour force of people aged 20 to 40.

The economic structure of the eligible territory is characterised by the important role of agriculture, with an agricultural area of 66 per cent in the Romanian counties and 74 per cent in Moldova. Despite the great agricultural potential of the area, the low level of sector organisation has hindered the introduction of new technologies, making the economy sensitive to weather conditions and competition in agricultural markets.

CROSS-BORDER COOPERATION ACTIVITIES AND STRUCTURES

The ENPI CBC Strategy 2007-2013 has initiated 15 programmes, of which Moldova is eligible for two. The Joint Operational Programme Romania-Ukraine-Republic of Moldova 2007-2013 concentrates on developing a more competitive border economy, addressing

⁶ ENPI CBC Strategy Paper 2007-2013, at http://ec.europa.eu/world/enp/pdf/country/enpi_cross-border_cooperation_strategy_paper_en.pdf



environmental challenges and emergency preparedness and promoting greater interaction between people and communities living in the border areas. To achieve the above-mentioned priorities, the EU has allocated €126,718,067 and the partner countries must match at least 10 per cent of the EU contribution from their own resources. Two calls for proposals with a financial limit of €72.9 million have been announced. In the case of Moldova, the selected projects have a €20.1 million budget. The key thematic priorities are improving the competitiveness of the border economy and addressing environmental challenges and emergency preparedness.

The second programme, the Joint Operational Programme Black Sea 2007-2013, promotes sustainable economic and social development of the regions of the Black Sea Basin. The programme is financed by ENPI drawing on external and internal funds. The total allocated ENPI budget for 2007-2013 is €17,305,944. At the same time, the participating countries are required to co-finance projects matching a minimum 10 per cent of the EU contribution. So far there have been two calls for proposals. After administrative and technical evaluations, 19 projects were selected, having a combined budget of €5.7 including €906,819 allocated to 10 Moldovan participants.

Both programmes have set up Joint Monitoring Committee (JMC), which are the key joint-decision-making structures. They are composed of representatives appointed by each participating country on an equal basis. The JMC makes decisions by consensus, and the chairperson acts as an arbitrator. The Romanian Ministry of Development, Public Works and

Housing was designated in both cases to fulfil the functions of the Joint Managing Authority, which is the executive body responsible for managing the joint programmes, including technical assistance, and implementation of the decisions taken by the JMC.

The managing authority is assisted in its daily activities by a joint technical secretariat, which has regional offices located in two of the eligible Romanian counties (Suceava and Iasi) as well as branch offices in Chisinau (Moldova), Odessa and Chernivtsi (Ukraine). The projects financed under these programmes are generally selected according to a thematic call for proposals by the managing authority after the JMC has approved the call, the procedures, and the project eligibility and evaluation criteria.

ROLE OF EUROREGIONS IN CBC

The Euroregions have become essential instruments for promoting cross-border cooperation between neighbour countries Romania, as an EU Member State, and Ukraine. Since 1998, four Euroregions have been established involving Romania (eight border regions), Moldova (24 districts) and Ukraine (three regions): Romanian-Moldovan Siret-Prut-Nistru Euroregion (2000); Romanian-Moldovan-Ukrainian Upper Prut Euroregion (2000); Romanian-Moldovan-Ukrainian Lower Danube Euroregion (1998); and the Moldovan-Ukrainian Dniester Euroregion (2012).

All four Euroregions have joint management structures in the form of Euroregion Councils and/or Cross-Border Cooperation Associations that coordinate the elaboration and implementation of the joint CBC projects in accordance with the development strategy of each Euroregion. Owing to these joint-management structures, the regions and districts involved have been able to create a network of bilateral (or multilateral) CBC agreements and action plans meant to promote social, economic, cultural and scientific cooperation.

Aiming to insure more cohesion within the CBC cooperation, the Upper Prut Euroregion has designed a thematic approach to the joint partnership by setting up four distinct cooperation committees to oversee the following spheres: 1. infrastructure economy and tourism; 2. sustainable development and environmental protection; 3. cultural, scientific, education, sport and health cooperation; 4. local authorities, international relations and mass media.

The Euroregions have asserted themselves as an important networking and exchange platform for not only regional and local authorities, but also for non-governmental organisations, business, tourism agencies, educational institutions, cultural organisations and trade unions. They have been instrumental in the identification of potential CBC partners in the respective regions. Most importantly, however, partners have started to think regionally how to solve their common economic, infrastructural, environmental and social problems.

⁶ ENPI CBC Strategy Paper 2007-2013, at http://ec.europa.eu/world/enp/pdf/country/enpi_cross-border_cooperation_strategy_paper_en.pdf

For Moldova, the Euroregion concept is becoming a valuable instrument to promote confidence-building measures with its separatist Transnistrian region through the implementation of joint regional-development projects. On 2 February 2012, local authorities from the Ukrainian Vinnitsa Region and six Moldovan districts signed an agreement to establish the Dniester Euroregion, which will be joined by two districts from Transnistria (Kamenka and Rybnitsa)¹.

BORDER MANAGEMENT

Since 1 January 2007, Moldova has had a 684-kilometre common border with the EU (Romania). In the last four years, 14 million legal crossings of that border have been registered, of which 10 million have been made by Moldovan citizens. The border management cooperation between the Moldovan and Romanian border police services is based on a solid legal and institutional framework. In November 2010, Moldova and Romania signed the Treaty on State Border Regime, Cooperation and Mutual Assistance on Border Problems, thus putting aside one of the most sensitive bilateral issues - lack of ability of the two countries to adopt basic bilateral treaty.

Intensive cooperation takes place between the Moldovan and Romanian border police based on annual action plans in areas like exchange of information and expertise; common anti-trafficking operations; coordinated border patrolling, and others. The communication is a continuous process that takes place at both the central and territorial levels. The heads of the Moldovan and Romanian border police have regular annual meetings, at least once per year, and the chiefs of territorial offices meet quarterly to discuss and coordinate their common activities. The Common Contact Centre in Galati (Romania), which includes border police and customs representatives from Moldova, Romania and the EU, performs an essential communication and coordination role.

Cross-border traffic at the Moldova-Romania border has been significantly expedited in the past five years. On 1 January 2007, EU citizens were exempted from visa requirements when travelling to Moldova or transiting through its territory. Concurrently, Moldova and EU have signed the Readmission Agreement and Visa Facilitation Agreement, which simplified the Schengen visa-issuance procedures for Moldovan citizens.

In November 2009, Moldova and Romania signed the Agreement on Local Border Traffic (LBT) that has enabled the free movement of people in the border area. The agreement allows residents of both countries who have lived at least one year in a village or city located within 30 kilometres of the Moldova-Romania border to travel visa-free to the corresponding zone on the other side of the state border, provided that they possess an LBT permit and a valid passport. The holder of the LBT permit has the right to stay in Romania for a continuous period of 90 days. As of June 2012, Romanian authorities had issued just under 41,000 LBT permits to Moldovan citizens.

¹See <http://dniester.eu/content/about.html>

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In the context of its visa liberalisation dialogue with the EU, Moldova has begun to harmonise its border management practices with the Schengen Border Code. As a result, in November 2011, Moldova approved a new border law which allows the border police to participate in the detection and investigation of cross-border crime in cooperation with all relevant law enforcement authorities and extends their area of responsibility to the entire state territory.

Zero tolerance policies on corruption are a main priority of the Moldovan Border Police Department, which periodically organises anti-corruption courses, seminars and training sessions. They also periodically collect questionnaires from travellers at the state border crossings on the quality of services provided. The border police force also uses special investigative methods to combat corruption in cooperation with the General Prosecutors Office, the Ministry of Internal Affairs and the Centre for Combating Economic Crimes and Corruption.

EXPLORING THE LESSONS OF FINNISH AND NORWEGIAN CONTACTS WITH RUSSIA

The analysis of the CBC experience of Finland and Norway with the Russian Federation highlights several important conclusions that are relevant to Moldova-Romania cross-border cooperation as well:

- × The crucial importance of the appropriate bilateral political and legal framework to support unhindered cross-border cooperation. Finland attained this by signing an agreement on cooperation between neighbouring areas with Russia in 1992. The Barents Cooperation agreement initiated by Norway in 1993 has become a key element in Norwegian-Russian cross-border relations.
- × Delegate responsibility for regional development to local authorities. Regional councils in Finland and municipalities in Norway have been empowered by central authorities to coordinate and use regional development and CBC funding, and have been mandated to enter into cooperation arrangements with their partners across the border.
- × Ensure constant financial support from the central government to regional authorities. For instance, in the framework of the INTERREG IIIA Karelia Programme alone, the Finnish government spent over €25 million. Norway has spent €63 million on cross-border projects with Russia.
- × Provide clear political and strategic guidance and coordination for cross-border cooperation. Finland has solved this issue by setting up the Karelia Euroregion. Norway achieved the same goal by establishing two main cooperation structures in the framework of the Barents Cooperation: the Barents Euro-Arctic Council, which includes the foreign ministers of Norway, Russia, Finland and Sweden, and the Barents Regional Council, which includes regional leaders and officials.
- × Cross-border cooperation has to formulate achievable priorities with practical impact on

citizens' lives. From the outset, CBC projects have been focused on promoting business activities, building "spiritual bridges" through education, research and regional cooperation, common cultural and sport events, and facilitating "everyday border crossings" including transport and communications.

- × Exploit the thematic-call approach to focus regional and local stakeholders on strategically important CBC themes. Finland's CBC experience shows that the thematic-call approach allows local stakeholders to come up with practical solutions to achieve the objectives set by the operational frameworks of each thematic application.
- × Give Euroregion managers a greater role in guiding ENPI CBC programmes. The Karelia Euroregion Board, for example, makes recommendations to the Joint Monitoring Committee on the direction of cooperation projects, current needs and important thematic issues, which are eventually taken into consideration by the committee when it decides on the thematic calls.

EXPLORING THE LESSONS OF FINNISH AND NORWEGIAN BORDER MANAGEMENT COOPERATION WITH RUSSIA

Despite the different political and historical background of Finland's and Norway's relations with Russia, their border management experiences present a common set of valuable practices:

- × Border management is based on a solid and unquestionable bilateral legal framework. The cornerstone of Finnish-Russian border cooperation is the border regime agreement signed in 1960 with the Soviet Union and revised in 1997. Norwegian-Russian land border management is based on the 1949 border agreement, as well as on a set of regulations on traffic and fishing in local waterways.
- × Both countries have harmonized their border management with the Schengen Borders Code. After becoming a member of the Schengen area, Finland broadened the powers and territorial competence of the Border Guard empowering it to act wherever appropriate for the purpose of maintaining border security, and Norway has introduced new border management regulations in accordance with the Schengen requirements.
- × Border management focuses on maintaining efficient border security and facilitating cross-border traffic. The Finnish Foreign Ministry has adopted a flexible and customer-friendly policy in issuing visas.³ Since 2009, Norway has issued so-called Pomor visas to residents of Murmansk and Arkhangelsk oblasts. This facilitated visa enables Russian citizens to get multi-year visas without invitations. Moreover, in May 2012 the Local Border Traffic Agreement between Norway and Russia entered into force.

³ An invitation letter is not required, not all applicants are interviewed and profiling is used to identify those who will be interviewed.

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- × A constant process of inter-agency cooperation. In Finland, border management cooperation between the police, customs and the border guard has been implemented since the early 1990s. Joint-operational planning is done at national, regional and local levels, based on a common risk and threat analysis. Norwegian border management with the Russian Federation is likewise a cooperative task among the police, the border commissioner in charge of policymaking and the border guard garrison responsible for military border patrol.
- × Efficient border management communication with Russian counterparts. Finland and Russia have developed a border delegates system to investigate and settle any incidents on the local or regional level without the political involvement of either capital. Norway's and Russia's border guard services hold regular meetings (50-60 times per year), which sometimes include representatives of the Finnish border guard. Moreover, joint exercises between Norwegian and Russian border guard services have been undertaken on a regular basis since 2004.
- × Zero tolerance policies on corruption. Both countries apply zero tolerance policies on corruption. Finland draws special attention to rotation of personnel, use of mobile units, carrying out unannounced operations and systematic monitoring and recording of border checks.

CONCLUSIONS

As set out in the ENPI CBC strategy and the visa liberalisation process with the EU, cross-border cooperation between Moldova and the EU is currently based on the same set of principles as Finnish-Russian and Norwegian-Russian cross-border cooperation: equal partnership, common elaboration of neighbourhood programmes, a single application process, a single selection process, joint management and simultaneous implementation of projects on both sides of the border. Nevertheless, there are areas where Moldova would still benefit from studying the CBC and border management experience of Finland and Norway:

- × Strengthening the regional development role of Moldovan local authorities through increasing their role in coordinating and using regional development funding, which is the prerogative of the Ministry of Regional Development and Construction;
- × Enhancing clear political and strategic guidance and coordination of CBC through developing regional cooperation structures with the participation of central and regional authorities by exploring the experience of the Barents Regional Council;
- × Formulating achievable priorities with practical impact on citizens' lives by applying a thematic-call approach, identifying common development objectives and emphasising the mutual benefits of cooperation in border areas;
- × Increasing the Euroregion Boards' role in guiding the implementation of the ENPI CBC programmes by learning from the experience of the Karelia Euroregion;

- × Strengthening border security while facilitating cross-border traffic through establishing the Schengen four-tier access control model, using technical surveillance of the border and excluding improper and humiliating practices;
- × Enhancing inter-agency border management cooperation through joint-operational planning based on a common risk and threat analysis;
- × Enforcing zero tolerance policies on corruption by carrying out unannounced operations and using systematic monitoring and recording of border checks.

IV. CONCLUSIONS

GENERAL ISSUES

Traditionally, borders between states have been perceived as an obstacle to development in border regions. These regions are often peripheral because day-to-day contacts across the border are not possible for historical and security reasons.

With European integration, the importance of the border as a barrier has dwindled for members of the European Union, especially within the Schengen area. This development began in the late 1980s, when trade and other contacts between the members of the then European Community increased significantly as an outcome of the drive toward the single market. It became necessary to simplify movement across the Community's internal borders.

The transformation of internal borders from barriers into gateways became a central tool in European policy. The abolition of internal border controls created the need to secure the barrier function of the common external borders. Subsequent to the enlargement of the EU in 2004 and 2007 and of the Schengen area in 2007, the Schengen border and visa regime was introduced on the EU's new external borders, which for a decade had been relatively relaxed and permeable.

One of the central preconditions for cross-border cooperation is a well-functioning border which guarantees border security and minimises the adverse effects of cross-border crime while providing for fluent border crossing. Corruption of authorities on the border is the main hindrance to effective cross-border cooperation on the EU's eastern border. Smuggling of high-value goods undermines the businesses of honest entrepreneurs in the border areas and reduces the fiscal income. As a customs union the EU cannot tolerate evasion of customs duties, as these make up a large part of its own resources income.

Although cross-border cooperation across the EU's external border poses many challenges, it is also one of the few comparative advantages that regions on the EU's eastern border possess. Cross-border cooperation is also one of the main contributors to the positive development of relations between European countries.

Cross-border cooperation has to become an integral element of economic and social planning, thus allowing these regions to catch up with the other parts of their respective countries, as well as to become "connecting points" within an integrated Europe. The Finnish and Norwegian experiences on their borders with Russia provide possible models for successful cross-border cooperation. Although the operating environment is different in the north, many of these practices merit a close

look by the EU's other eastern border regions, as the analyses in this publication demonstrate.

CROSS-BORDER COOPERATION ACROSS THE EU EXTERNAL BORDERS

Legal basis, delegation of powers and co-funding

It is important that the competence for regional development and CBC is clearly entrusted by law to regional authorities or associations of local authorities on the regional level. This should also imply assigning the task of programme management to a regional authority where these authorities possess the necessary competence and resources. Although national development strategies are relevant to regional development, only the regional level is capable of recognising the development needs on the ground. The main task of institutions at the state and EU levels is to create a sustainable legal and institutional framework and provide the necessary co-funding for cross-border cooperation to regional actors. At the same time it is imperative that regional and local actors demonstrate their commitment to CBC by providing their own funding in addition to central-level sources.

Cooperation and identification of joint interests on both sides of the border

The main precondition for successful cross-border cooperation is identification of joint development interests of the whole area by actors on both sides of the border. Instead of each side competing for funding, promotion of a sense of shared interests when selecting cooperation projects has proven most effective. This requires a bottom-up approach to substantive issues in EU CBC programmes and close consultation with the concerned regions when setting the geographical coverage of the programme.

As the examples of the Finnish-Russian and Norwegian-Russian borders show, such an approach is made easier where there is well-developed cooperation between regional and local authorities.

The role of Euroregions in cross-border cooperation

The Karelian experience demonstrates that a Euroregion composed of relevant regional authorities in an EU CBC programme area can make a significant contribution to drafting and implementing the programme. The members of the Euroregion board can use their considerable influence in their capitals and in Brussels to promote the objectives of their region. Euroregion participants' views on the common regional development strategy of the programme region are also taken into account by the programme bodies in management and project selection.

The role of multilateral cooperation structures

Establishment of permanent arenas for cross-border political cooperation is very important for sustainable relations. In the Barents Region, for example, institutionalised multilateral cooperation structures on the regional and national levels have provided a valuable platform for

political contact, joint initiatives and identifying problem areas.

The use of new programme-management methods

The Karelia ENPI CBC Programme has chosen to adopt two programme-management methods not previously utilised in cross-border projects on the EU's eastern border. The use of thematic calls for applications – although controversial in some respects – has led to high-quality applications which complement each other and give a significant impulse to development in a particular sector. The use of two-phase application rounds has also proven a success. In the first phase, short concept notes outlining project ideas are invited in an open call. This method has saved a lot of work as only applicants selected in the first phase are invited to submit a full application in the second phase.

Another illustration of new methods comes from the successful experience of a Norwegian small-grant scheme to support cross-border initiatives. Simple, easy to understand application and reporting procedures allow a wide range of local stakeholders to take part.

BORDER MANAGEMENT ISSUES

Legal basis, delegation of powers

The Finnish experience shows that border management has to be based on clear national legislation and agreements between the neighbouring countries. In order to keep border incidents from developing into diplomatic crises, powers to run day-to-day border management needs to be delegated to the regional/district level. The border delegate system in use on the Finnish-Russian and Norwegian-Russian borders has demonstrated its strength in this respect. Close contact between the border delegates and their deputies also seems to foster professional pride in efficient border management on both sides of the frontier.

Investment in border infrastructure

It has been estimated that billions of euros are lost yearly through queuing of traffic on the EU's eastern border because of poor border infrastructure and corruptive or unprofessional practices by the border authorities. Investment in high-quality border infrastructure has proven profitable everywhere on the EU's external border. In some cases the non-EU border state rationalises present lack of investment by looking ahead to possible EU accession, at which time the border would become an internal Schengen border.

Cooperation and coordination among national authorities on the border

One of the traditional obstacles to well-functioning border management has been rivalry among the different authorities on the border. Within individual countries, disputes over jurisdiction can cause delays and there is often duplication in purchases of technical equipment.

In Finland these problems were recognised early. Cooperation and coordination of police, customs and border guard authorities has significantly improved throughput at the border crossing points and the quality of technical surveillance. It also has the added benefit of preventing corruption. Although the Finnish model has been included in the Schengen Best Practices Catalogue, it has not been adopted as such on other EU borders.

Along Finland's and Norway's frontiers with Russia, there is also well-developed cooperation between the respective countries' border management authorities, going so far as joint training and off-duty events.

Border-control and anti-corruption measures

Finland, as a small country with a long external border, has had to explore different methods to make border procedures efficient while maintaining the required level of security. Several benchmarks have been utilised to that purpose. Zero tolerance of corruption among the border authorities is enforced through advanced techniques. The Finnish Border Guard also conducts regular traveller satisfaction surveys in order to adjust the system. These methods merit study at other EU borders in order to shorten queues, prevent corruption and improve border security in general.

Visa procedures

Adoption of the single Schengen visa has significantly facilitated travel in the EU for nationals of non-EU states. The Schengen visa is a central tool in the prevention of illegal immigration and cross-border crime. It is important that the requirements of the Schengen Visa Code are followed scrupulously to prevent entry into the Schengen area of persons having an alert listing in the Schengen Information System. The Finnish experience shows that flexible, applicant-friendly practices can be utilised within the applicable rules.

Local border traffic agreements

Local border traffic (LBT) agreements have been concluded in many parts of the new EU eastern border. Relatively few abuses of LBT permits have been reported by the member states. These regimes run contrary to the general Schengen principle of effective external border control and abolition of controls on the internal borders. Finland has argued that a flexible system of issuing multiple-entry visas is a preferable method of maintaining effective controls while allowing residents of the border region access to the whole Schengen area. Visa-facilitation agreements could be concluded between the EU and its neighbouring countries to secure reciprocity. The main problem remaining would seem to be a technical one: frequent border crossing rapidly exhausts the space for stamps in passports. Innovative solutions should be explored to solve this. Norway's LBT agreement with Russia entered into force only recently and no reliable conclusions can be drawn yet. However, preliminary data show that a significant number of LBT permits is being issued and this is likely to result in a higher number of local cross-border travellers.

