

CROSS-BORDER COOPERATION IN THE CONTEXT OF REGIONAL DEVELOPMENT OF THE SLOVAK-UKRAINIAN BORDERLANDS



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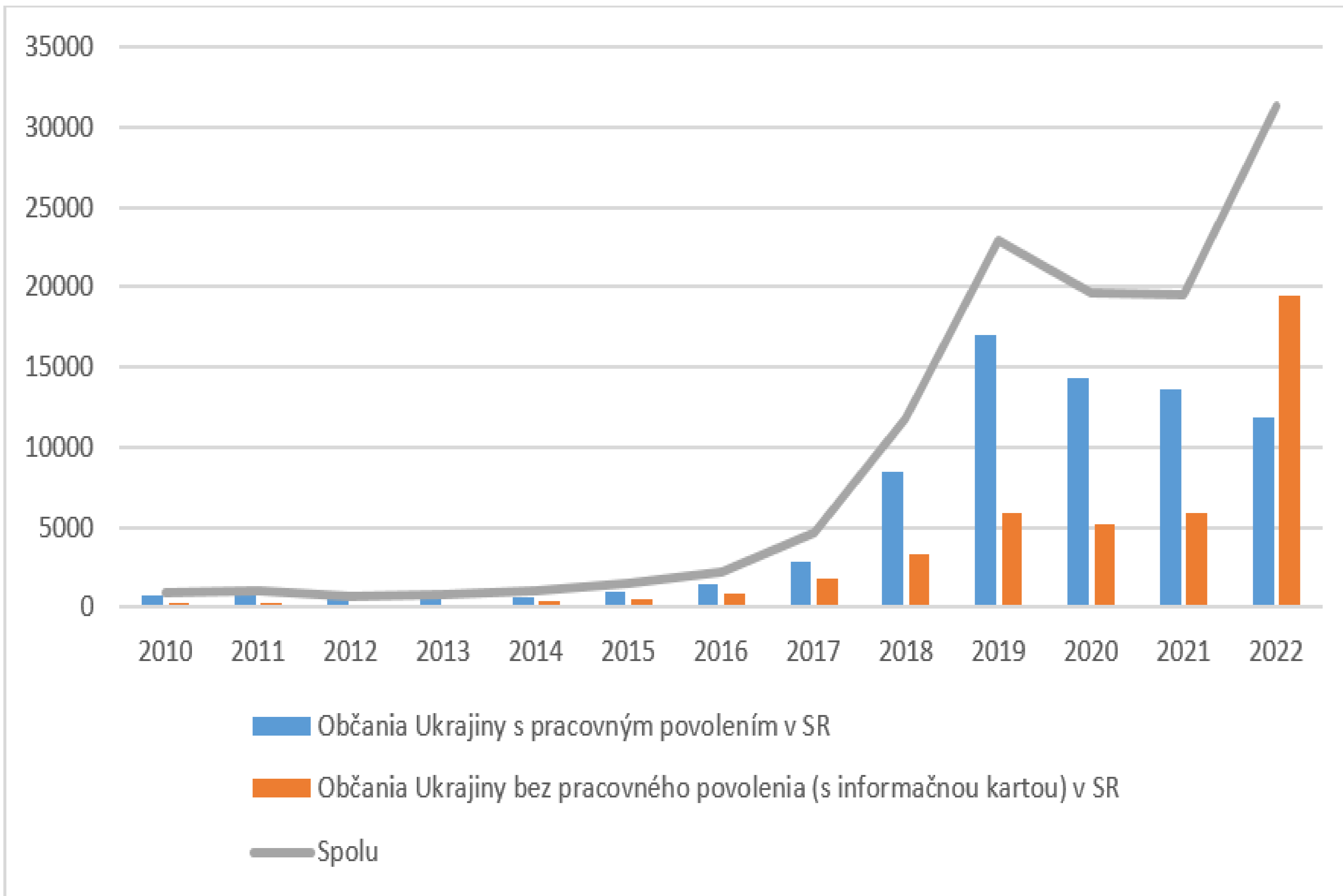
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SOCIO-ECONOMIC SITUATION

Description based on available statistical data

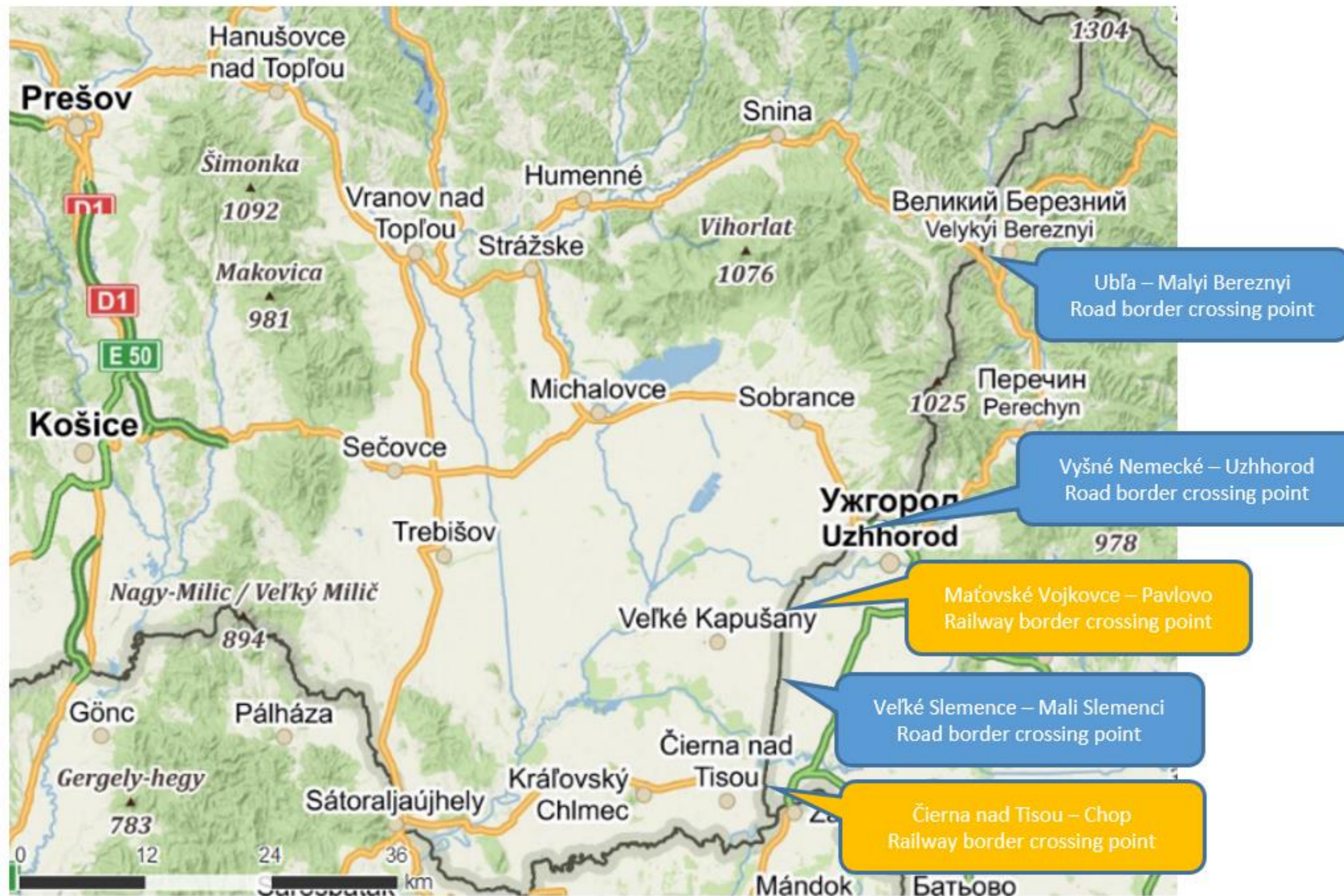
Regional GDP per capita	Regional unemployment rate	Disposable income	Cross-border trade
<ul style="list-style-type: none">• The Prešov and Transcarpathian regions belong to the least performing regional economies in Slovakia and Ukraine;• The performance of Transcarpathian regional economy lags significantly behind the level of regional economies in eastern Slovakia.	<ul style="list-style-type: none">• In all three regions for a long time above national averages;• Gradual reduction of the unemployment rate in Košice and Prešov regions;• Unemployment in the Transcarpathian region has been stagnant at around 10% for a long time.	<ul style="list-style-type: none">• In case of Prešov and Košice regions, mostly below the SK national average;• In case of Transcarpathia slightly above the UA national average;• In Transcarpathia the disposable income reaches about one third of the level in Prešov and Košice	<ul style="list-style-type: none">• Cross-border trade between Transcarpathia and Slovakia does not show any significant impact of the DCFTA until 2018;• The impacts of the COVID-19 pandemic and the Russian-Ukrainian conflict (since 2014) are obvious.

Labour migration from Ukraine to Slovakia



- Slovakia is among the five most frequent destinations within the EU in terms of labor migration from Transcarpathia;
- Most of the incoming Ukrainian workforce is employed in the more developed regions of western and central Slovakia (only up to 20% of them work in Prešov and Košice regions).
- These are mostly short- and medium-term contracts of up to 24 months in professions such as machine and equipment operators and maintainers, or as skilled workers and craftsmen.

The Schengen border between Slovakia and Ukraine and border crossings



- The lack of transport connectivity is one of the main challenges - not only the low number of crossing points but also their distribution and capacity (e.g. weight limitation) and the bottlenecks of the cross-border road and rail networks are a problem.
- Waiting times at border crossings often run for several hours, which is not conducive to collaborations in the region requiring physical contact, including economic ones (e.g. labour market commuting) and people-to-people personal meetings.

SK-UA CBC RESEARCH

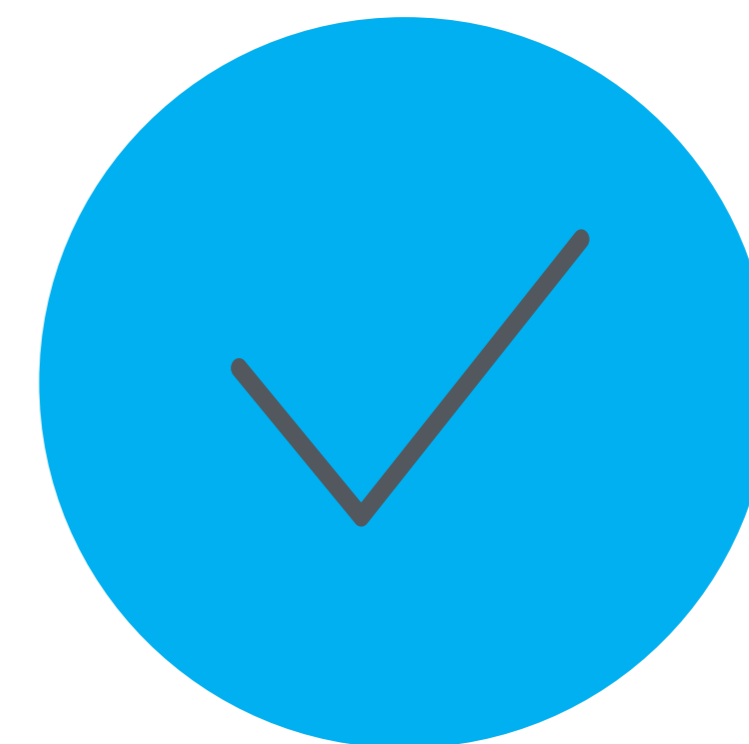
The research projects APVV-15-0369 (AASKUA) and APVV-21-0057 (CBCCOV) replicate the methodological approach of the EXLINEA project, the research tools were adapted with regard to current exogenous factors (i.e. implementation of the EU Association Agreement with Ukraine, implementation of the DCFTA, introduction of the visa-free regime, COVID-19 pandemics, Russia's invasion of Ukraine, Ukraine's status of a candidate for membership to the EU).



POLICIES



PRACTICES



PERCEPTIONS

Conceptualization of CBC actors' perceptions based on Political Opportunity Structure Theory

SK-UA CBC RESEARCH – KEY FINDINGS

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- Respondents perceive the following as the most significant **barriers** to cross-border cooperation: **corruption, bureaucratic procedures, approach of customs officials, insufficient support for cross-border cooperation by national governments, ministries and government agencies, insufficient rail connections**, as well as **low purchasing power in nearby markets on the other side of the border.**
- According to local actors on both sides of the Slovak-Ukrainian border, **more intense cross-border interaction would have a rather positive impact on the local economy and society**, however, the perceptions of Slovak and Ukrainian respondents differed statistically significantly within all evaluated items.
- Slovak and Ukrainian actors, perceiving the EU as a reliable partner for Ukraine, did not show a tendency to conclude that the EU should primarily benefit from **the implementation of the Association Agreement**, but were more inclined to the opinion that **Ukraine should benefit** from its implementation.
- At the local level, perceptions regarding the partnership of Ukraine, Slovakia and the EU can be considered relatively significant correlates of local actors' views on the effects of cross-border economic interaction, cross-border cooperation and the effects of the EU Association Agreement with Ukraine. Local actors who considered **Ukraine, or Slovakia as a reliable partner**, they showed a (mostly moderately strong) **tendency to positively evaluate the impacts of various forms of cross-border economic interaction and CBC.**

IMPLICATIONS IN REGIONAL DEVELOPMENT MANAGEMENT

-  In regional development management of borderlands, **cross-border cooperation** is used as one of the significant tools generating growth impulses for regional economies and a **synergistic effect in the use of existing resources and capacities** in cross-border entrepreneurship, as well as and in cross-border public services.
-  According to the analyzes of the Ministry of Economy of the Slovak Republic, **the optimal use of cross-border cooperation with Ukraine** under the conditions of the AA/DCFTA, represented **an opportunity to increase the annual turnover of bilateral trade by potentially 1 billion €**.
-  When formulating strategies and managing the regional development of border regions, it is therefore very important to identify **opportunities and barriers to cross-border cooperation** and then incorporate the findings into strategic objectives and operational measures.

IMPLICATIONS IN REGIONAL DEVELOPMENT MANAGEMENT

Regarding the priorities defined in **strategic documents of Prešov, Košice and Transcarpathia regions**, there is a different degree to which individual regional authorities reflect the importance and need of using CBC within the framework of regional development management, as well as a different degree of attention paid to the opportunities that the changing character of the border brings for regional development management and exogenous factors affecting development impulses based on cross-border cooperation.

Strategické dokumenty	<i>PHSR PSK na roky 2021-2030</i>	<i>PHSR KSK na roky 2016-2022</i>	<i>Regionálna stratégia rozvoja ZOU na roky 2021-2027</i>
Oblasti CBC	<ul style="list-style-type: none"> - Cestovný ruch, - cezhraničná mobilita, - zlepšenie prístupu k TEN-T. 	<ul style="list-style-type: none"> - Rozvoj dopravných koridorov, - prepojenie priľahlých cezhraničných regiónov. 	<ul style="list-style-type: none"> - Doprava, - výstavba cestnej a pohraničnej infraštruktúry, - priestorové a územné plánovanie, - ochrana životného prostredia, - cestovný ruch, - propagácia a ochrana kultúrneho dedičstva, - poskytovanie sociálnych služieb, - vytváranie cezhraničných klastrov.
Preferované schémy podpory CBC	<u>Interreg</u> Poľsko-Slovensko 2021-2027	<u>Interreg</u> Maďarsko-Slovensko 2021-2027	<u>Interreg</u> Poľsko-Bielorusko-Ukrajina; Maďarsko-Slovensko-Rumunsko-Ukrajina; Rumunsko-Ukrajina; Dunajský nadnárodný program

POLICY CONSIDERATIONS AND PERSPECTIVES

- Rapid and effective implementation of the necessary changes in the Ukrainian legislation and institutional framework related to the economic integration of Ukraine, started with the implementation of the Association Agreement and the DCFTA, currently continuing with the status of Ukraine as a candidate country (in terms of market competition, public procurement, trade facilitation, intellectual property protection, investments and transport), in order to support the inclusive functions of the border, or to achieve a state where Ukraine will be included in the Schengen area;
- Optimizing the insufficient legal regulations regarding the legal protection of business;
- Improvement of the institutional environment and management of public administration (bureaucratic and non-transparent procedures at local public administration offices, police and courts), elimination of space for corruption;
- Streamlining the management of the Ukrainian-Slovak border, speeding up and simplifying border and customs control, increasing the efficiency of customs offices, which paralyze local small and medium-sized businesses;

POLICY CONSIDERATIONS AND PERSPECTIVES

- Building up the insufficient road and railway infrastructure (number and availability of border crossings, quality of transport infrastructure) on both sides of the border;
- Restoration of air connections between the Eastern Slovak regions and Ukraine;
- Involvement of Slovak entities (including local businesses from border regions) in the implementation of the Ukraine Reconstruction Plan in the field of construction and renovation of buildings, industrial, transport and telecommunication infrastructure, energy, transport and logistics, agri-food and forestry, environment, healthcare and social services, digitization of public administration and public institutions and others;
- Institutionalization of the cooperation of regional development management actors using the EGTC, which as a transnational entity will be aimed at facilitating and supporting territorial (including cross-border) cooperation with the aim of strengthening economic, social and territorial cohesion and overcoming obstacles, including the implementation of operations supported by the Union through the European Regional Development Fund, the European social fund and the Cohesion Fund

THANK YOU FOR YOUR ATTENTION!



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