

Central European Service for Cross-Border Initiatives  
European Institute of Cross-Border Studies



# **CROSSING THE BORDERS**

## **Studies on cross-border cooperation within the Danube Region**

### **Case Study**

Cross-border interactions between the cities of  
Pécs and Osijek

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## 1. Introduction

Cities often play a significant role in local and regional cross-border cooperation initiatives, and this is particularly the case when at least one side of the border is dominated by a large city, an unambiguous and overwhelming political and/or economic centre. Such cities are usually characterised by a relatively high concentration of companies, administrative functions, and tertiary sector facilities, also serving as nodes in transport systems. This financial and functional power makes these cities attractive for commuters and investors among others, even in cross-border terms, and enables them to back institutionalised cross-border initiatives with an appropriate financial and institutional background. In line with this, the urban development of these central places is of decisive importance in cross-border interactions.

In the formerly socialist Central and Eastern Europe, towns and cities benefited from a privileged status throughout the second half of the 20<sup>th</sup> century as opposed to rural settlements. The centralising logic of the communist system and the consideration of urban lifestyle as superior to others have led to an unproportioned reinforcement of cities. Despite all attempts from the early 1990s to lay the ground for a more balanced development of the settlement system, this past heritage has a powerful influence on territorial processes still in our days.

The interactions at the Hungary-Croatia border are also largely limited to urban centres, namely to the city of Pécs on the Hungarian side and, to a lesser extent, on the city of Osijek on the Croatian side. These two centres, although none of them situated in the very proximity of the borderline, have been committed to overcome borders through the implementation of a series of joint projects in an attempt to tackle the negative consequences of their unfavourable geographic location within their own countries. It is the restless work of about four decades that culminated in the establishment of the Pannon EGTC in 2010 to create an institutionalised framework for the common work of the cities of Pécs and Osijek, formerly based mainly on bilateral agreements, and to extend the benefits of cross-border relations to the broader area on both sides. Due to the recent EU-accession of Croatia in July 2013 the EGTC has not yet been able to fulfil its initial role, actors throughout the region are looking forward to benefit from this new legal form as soon as law harmonisation in Croatia is implemented.

In this case study we intend to introduce what traditions and experiences cross-border cooperation can build on in the near future on the Hungary-Croatia border, and to what sort of intervention is expected from an efficient EGTC when local characteristics are at stake.

As mentioned above, cross-border interaction across the Hungary-Croatia border has until now been little institutionalized. Official relations on the local and regional levels were mainly

developed under town-twinning agreements, while more organized forms of intensive cooperation, namely European Groupings of Territorial Cooperation (EGTC) only appeared in recent years, and since Croatia has not yet harmonised all its legal code to community standards, this kind of cooperation has not caught up considerably yet. It is therefore logical to raise the question why choosing this border section for a detailed investigation was relevant. For what reason can we consider such a border area as an exemplary case in the lack of institutionalised structures?

In the following we shall see that institutionalised framework is not an imperative precondition for the implementation of common projects.

When searching for a case study area, we tried to define the aspects of selecting successful cross-border cooperation initiatives. In five questions we sum up our criteria to which affirmative answers were needed to accept the collaboration as suitable. These questions are:

- Has the collaboration resulted in the meaningful intensification of cross-border relations?
- Did some kind of local identity appear in the area of the cross-border cooperation?
- Did they manage to exploit development funds for the cross-border cooperation?
- Are the objectives adequate in relation to the socio-economic situation in the border region?
- Did the cross-border cooperation affect the development of the region?

The cooperation of the cities of Pécs and Osijek has been found fully appropriate from all these aspects. The cooperation looks back at a long historic tradition as this partnership was first officially declared through the signing of a town twinning agreement in 1973. This agreement can only be considered as a loose framework with largely general goals; the agreement is widely seen as the very beginning of the common work.

In order to gain a deeper insight into the process and outcomes of the (at least) four decade long history of the cooperation, we made efforts to gather information in multiple ways. At first, a detailed online search was performed through the use of some keywords to have a broad view on the online commentaries and issues of cross-border relevance in any fields of the economy and social life from the wider Hungary-Croatia border region. This sort of information gathering enabled us to have an overall review on the most important outcomes of the common work of the two cities.

A more advanced level of the evaluation of on-line resources was achieved through taking into consideration those databases which include projects implemented under certain planning periods. Websites such as that of the *Hungary–Croatia IPA Cross-Border Cooperation Programme 2007–2013* (<http://www.hu-hr-ipa.com>) or even, to a minor extent, that of the Urban Development Public Company of Pécs (<http://www.pvfzrt.hu>) offers access to a wide range of information on ongoing and past projects. Through these descriptions it becomes

more transparent which sectors and fields were more or less involved in cross-border activities.

The deepest analyses were based on structured interviews, conducted with the executive officers of the most important actors in cross-border terms, such as the City of Pécs, the University of Pécs, the County of Baranya and the Urban Development Public Company of Pécs. The outcomes of the interviews are invaluable and indispensable to reveal all the important facts and motives of the cooperation, and to place current actions as well as ideas for the future into a historical and regional context.

## 2. The geographical confines of the cross-border cooperation

Though our case study concentrates on the cooperation of two cities, it would obviously be a mistake to ignore their hinterlands that are largely dependent on these urban centres and therefore also affected by the outcomes of interactions.

The core of the larger area of the cooperation is largely identical to the historical Baranya/Baranja region, a more or less flat plain between the Danube and Drava rivers. However, the hinterland of the two cities is much larger than this as even the cities themselves are located at the very edge of this plain area (Osijek is practically outside as it sits at the southern bank of the River Drava). It is more appropriate to identify the counties of Baranya and Osijek-Baranja, seated in Pécs and Osijek respectively, as the areas where the spillover effects of the cooperation of the cities is most effective.



Figure 1: Baranya and Osijek-Baranja

Moreover, the unambiguous role of the two urban centres is not limited to the borders of these counties but extends far beyond them. Osijek, with its population of about 110 000 inhabitants, is the fourth largest city of Croatia and the largest city as well as the economic

and cultural centre of the historical eastern Croatian region of Slavonia. The city hosts one of the seven public universities in Croatia, consisting of 11 faculties, 5 university departments, and an Academy of Arts, covering the study fields of natural sciences, technical sciences, biomedicine and medicine, biotechnical sciences, social sciences, humanities and arts. With around 20 000 students, the Josip Juraj Strossmayer University of Osijek is the third largest higher education institution in the country.

The significance of Pécs on the Hungarian borderside is even higher. Besides functioning as a county seat, the city is also the centre of the Southern Transdanubia region, one of the seven NUTS 2 regions that covers one-sixth of Hungary's territory, with a population of around one million people. The city itself hosts about 150 000 inhabitants and is an outstanding economic, cultural and administrative centre of the wider area of south-western Hungary. The University of Pécs, with approximately 24 000 students is the fifth largest university in Hungary, and definitely the major one in the whole region.<sup>1</sup> The institution is built up by ten faculties, which offer around 300 different study programmes in a wide range of study fields, including law, medicine, humanities, economics, arts, as well as technical and natural sciences, among others. The attractiveness of the university is no more confined to the internal side of the state borders but foreign students also have a growing significance, as the university hosts currently at least 2 500 students from abroad. Moreover, the international reputation of the city has seen a shift recently beyond the academic sector, mainly due to a series of valuable investments, implemented under the European Capital of Culture 2010 events.

The above described outstanding role of the two cities is paired with the relative weakness of the larger areas around. This is a basic characteristic of the settlement networks of Southwestern Hungary and Eastern Croatia. These lands are mostly rural areas, with few urban centres. In Slavonia, the second city after Osijek is Slavonski Brod (60 000), lying on the very southern edge of the region, which is followed by the much smaller municipalities of Vinkovci (35 000), Vukovar (28 000), Đakovo (28 000), as well as also more distant Požega (26 000), and Virovitica (21 000). Other urban centres do not exceed 15 000 inhabitants. Average municipalities have between 2 000 and 5 000 inhabitants, but none of them below 1 000.

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<sup>1</sup> [http://pte.hu/tenyek\\_adatok/statisztikak](http://pte.hu/tenyek_adatok/statisztikak)



Figure 2: The region of Slavonia

In contrast to this the Hungarian side is much more polarised. The weight of the city of Pécs within the settlement network is more overwhelming, than that of Osijek in Slavonia. Based on the number of inhabitants Pécs (approximately 150 000) is more than twice as large as the second city Kaposvár (65 000) and almost five times greater than the third Szekszárd (33 000). Other municipalities counting more than 15 000 inhabitants are Siófok (25 000), Komló (24 000), Dombóvár (19 000), Paks (19 000), and Mohács (18 000). At the same time, the significance of the entities from the very bottom of the settlement hierarchy also refer to a more imbalanced settlement system than in Slavonia. According to the census of 2011, 497 of the 799 municipalities (or 62%) of the whole region has a residential population of less than one thousand people, and this share of small size settlements was even more significant in Baranya county, the closer hinterland of Pécs, where 258 out of 301 settlements (86%) had no more than one thousand inhabitants. All this points to the decisive role of Pécs as an ultimate centre of the wider area.





Figure 3: Southern Transdanubia Region

All in all, we can say that the borderland area of historical Baranya/Baranja region is organised around two important urban centres on the two sides of the border. However, the overwhelming weight of Pécs suggests that there might appear some asymmetries concerning economic and social interactions in cross-border terms, in favour of the Hungarian side.

### 3. The development of the cross-border cooperation

As already mentioned, cross-border cooperation in the Baranya/Baranja region as well as along the entire section of the Hungary-Croatia border has only begun to constitute institutionalized forms in the course of the last few years. The Pannon EGTC, founded in 2010, is considered as the very first such cooperation initiative which has the capacity to provide a strong institutional background, an overall development strategy and an appropriate legal embeddedness that are essential for an efficient joint work. Though the initiative itself is still fairly young, its activities are based upon a several decade long experience of common work, an invaluable heritage from the past and also a particular form of capital from which the current cooperation can largely benefit. In this chapter we are tracing a brief overview on the roots and past development of cross-border economic and social ties and interactions between the cities of Pécs and Osijek, which have contributed to the joint planning and project implementation of the last years, targeting the overcoming of the state border.

The two cities have always had active ties between each other in the historical past as they were connected by trade routes since the Roman period and they became seats of the adjacent counties of Baranya/Baranja and Virovitica/Verőce from the Middle Ages onwards. Having lived mostly under the same regimes and jurisdictions throughout their history (Roman Empire, Kingdom of Hungary, Ottoman Empire, Habsburg Empire, Austro-Hungarian Empire), they tended to share a similar fate. Although the emergence of the state border after the end of the First World War put an end to this situation, interactions between the two sides of the border have not ceased entirely but saw a revival at last, even if in a different way than before.

Officially, the first documented cooperation initiative dates back to 1973 when a town twinning agreement between the two cities was signed. Basically, this partnership arrangement created a loose framework in a wide range of fields, such as the reinforcement of civil society activities and local democracy together with the support of minority culture and rights, although very few definite interventions were indicated within the document itself. At first, emphasis in general laid in most cases on symbolic actions and events, such as delegation, folk dance group and choir visits, art exhibitions as well as international fairs. These expenditures were mostly financed by the budgets of the two urban municipalities. Eventually, with the worsening of the financial conditions of the municipalities by the 1980s and 1990s, actions in these cooperation fields saw a remarkable decrease.

With the outbreak of the Croatian War of Independence in the beginning of the 1990s, the Yugoslavian/Croatian side of the border found itself in a worrisome situation. The territory of Slavonia was heavily involved in the battles, and the settlements of the area, including the city of Osijek, were largely ruined by the middle of the decade. During these times former

conventional cooperation ties ceased to exist, although there was no lack in cross-border interaction at all. Humanitarian actions became most prevalent during the years of the war, in which the City of Pécs played an important role, for which the city was awarded UNESCO Cities for Peace Prize in 1998. The accommodation of war refugees, the supply of scarce goods and the assistance in post-war recovery from the part of the city also contributed to the strengthening of interregional cohesion as well as to the reinforcement of some kind of a common identity binding together the riverbanks of the Drava.

After the end of the war, one could see a shift in the intensity of economic interactions that was not at all independent on the growing wealth and on the increasing interest of Hungarian companies to enter the emerging Croatian market. In 1996, the Chamber of Industry and Commerce of Pécs opened a sub-office for trade development in Osijek. This was an important step toward the subsequent establishment of the Hungarian-Croatian Chamber of Industry and Commerce which operated between 1997 and 2002. Though this common institution dissolved after a few years, due to the unfavourable economic environment and administrative burdens, the chambers of the border areas are still active actors in the promotion of cross-border economic ties, which is marked by the Pécs Expo and Osijek Expo, organised every year, which serve as invaluable occasions for the entrepreneurs of the wider area to find new partners and to launch new partnerships.

In 1997, it was the Chamber of Industry and Commerce of Pécs and Baranya that elaborated the first interregional development programme for the cross-border region, aiming to designate the role of Pécs as an important hub at the intersection of the Carpathian Basin and the Balkans. This concept was underpinned by the definition of Pan-European transport corridors in Helsinki in the course of the same year as two of the ten major corridors were supposed to cross the area. Beside the historical waterway of the Danube (corridor VII.) the corridors V. Branch C (Ploče - Sarajevo - Osijek – Budapest) and X. (Salzburg - Ljubljana - Zagreb - Beograd - Thessaloniki) were planned to be upgraded, which would result in a better connectedness and a wider range of opportunities for the region. As a result, the cities of Pécs (HU), Osijek (HR), Tuzla (BiH) and Novi Sad (RS), together with their hinterlands, have been foreseen to perform a gate function for Europe from the point of view of the Balkans. The conceptualised idea of the gate role provided a joint identity for the larger area and served as a basis for the foundation of the Duna-Dráva-Száva Euroregional Cooperation in 1998.<sup>2</sup> The Euroregion included the Hungarian counties of Baranya, Somogy and partly Tolna together with other local and regional actors from Croatia and Bosnia-Herzegovina. The initiative aimed at the harmonisation of economic development programs in the region, such as the establishment of technology parks, entrepreneurial zones, research centres and transport infrastructure, among others, to attract potential investors. Though the

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<sup>2</sup> Bali L. (2009): A horvát-magyar határon átnyúló kapcsolatok politikai földrajzi sajátosságai az egyes területi szinteken. Doctoral dissertation, University of Pécs, Doctoral School of Earth Sciences

organization itself still exists, its activity has considerably relapsed during the last few years. The relative inefficiency of the euroregion is widely seen as the result of the lack of own competences as state-level decision making remains largely centralized.<sup>3</sup>

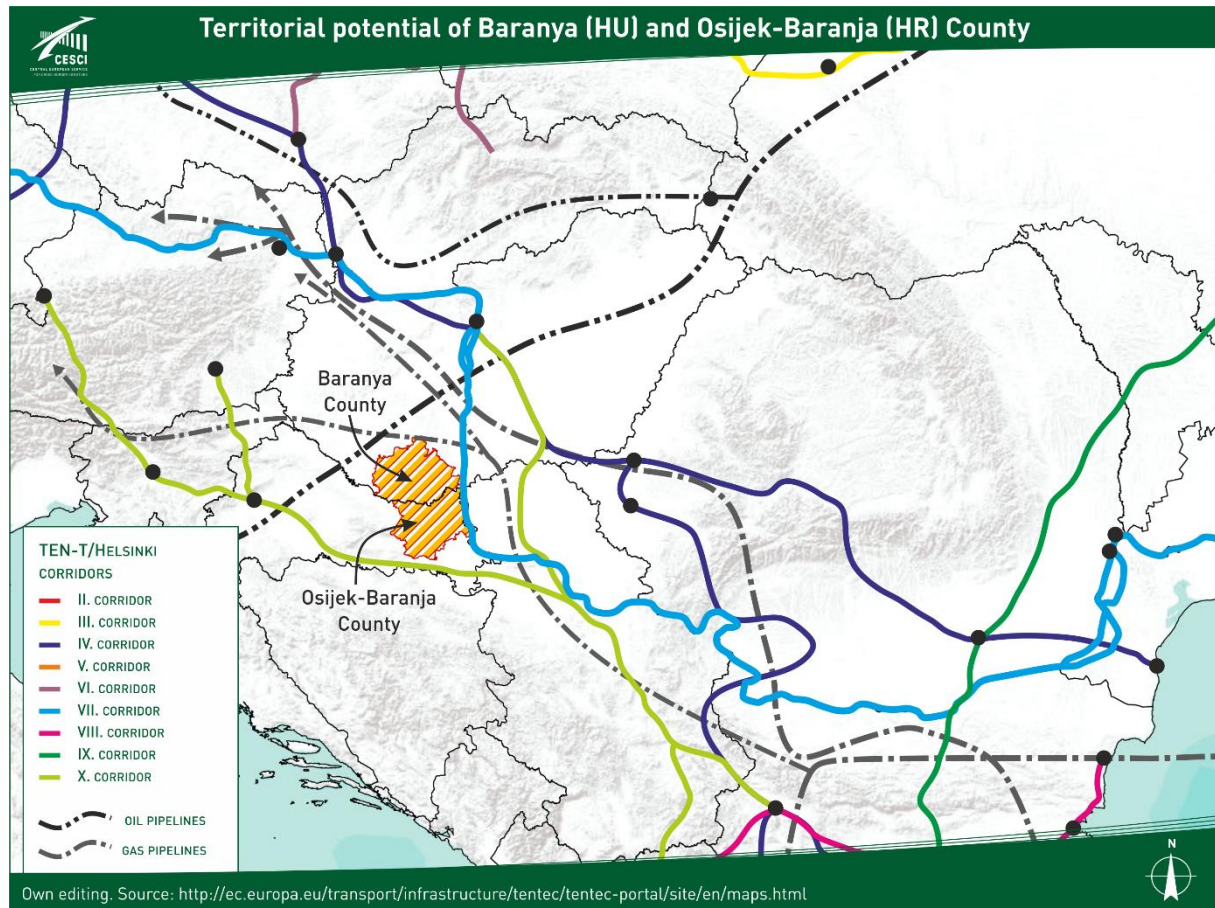


Figure 4: The position of the cross-border area in the wider European space

The three-year research project titled 'The relationship between regional development and cross-border co-operation in the area of the Danube-Drava-Sava Euroregion', conducted between 2003 and 2005, provides us with a more sophisticated insight on the situation of cross-border cooperation on the Hungary-Croatia border at the time of the EU accession of Hungary.<sup>4</sup> The programme investigated and examined the border area of the Danube-Drava-Sava Euroregion from the perspective of spatial development potentials, needs, and demands in the context of the available and the future EU co-financed spatial development programmes. The key result of the research is the identification and analysis of the project based co-operations, which serve as concrete spatial development actions in these lagging micro-regions. During the three years, the results and deficiencies of the PHARE Programme, the Pre-Accession Funds, and the Interreg Community Initiative were analysed, and the

<sup>3</sup> [http://public.baranya.hu/bizottsag/2013\\_11\\_14/mell\\_Pannon\\_ETT.pdf](http://public.baranya.hu/bizottsag/2013_11_14/mell_Pannon_ETT.pdf)

<sup>4</sup> <http://nyilvanos.otka-palyazat.hu/index.php?menuid=930&num=43280&keyword=euroor%C3%A9gi%C3%B3>

implementation of the first National Development Plan also underwent a critical evaluation. At the same time, the authors also contributed with an elaboration of the second NDP and provided significant inputs to the content of this document. The research identified that from the perspectives of geography, economics, as well as spatial planning, the hitherto applied spatial development policy and instrument-system was not sufficient and efficient for the accurate and prompt handling of the problems of the borderland areas, and their measures were not able to meet the needs of socio-economic development on the different sides of the border. It has also been proved that there were several sectors and areas that could had been developed in a more effective manner, but the potential remained underused or unexploited due to the lack of resources and the deficiencies of the spatial development policy.

For a more complex image it is also worth to note that EU support was not available for Croatia until 2003. The Hungarian-Croatian cross-border co-operation officially started in 2002, when local actors along the border initiated the creation of the Hungary-Croatia Pilot Small Projects Fund within the framework of the Hungarian National PHARE Programme. The Fund was then launched in the following year. The main objective of these so-called INTERREG PHARE Programmes was to support the cooperation of non-profit bodies across the border to prepare potential candidates for future INTERREG funding opportunities. However, the Pilot Small Projects Fund only allowed for co-operation-type projects with funding only on the Hungarian side.<sup>5</sup> No surprise then that the cooperation, based on such limited financial resources and having an institutional background suffered from the lack of competences (as mentioned above) achieved only a low efficiency. Nevertheless, the decade-long period since the end of the research project saw significant changes in the field of development policy. In the period of 2004-2006, the cross-border co-operation between Hungary and Croatia formed a trilateral co-operation conducted with Slovenia in the Neighbourhood Programme which meant a significant development as it incorporated external (CARDS/PHARE for Croatia) and internal (ERDF) EU financial sources in the same Programme. A major step forward for the Croatian partner organizations was that in this case the funds were opened to them as well, making them project participants in their own right.

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<sup>5</sup> <http://www.hu-hr-ipa.com/en/overview>

## 4. Cross-border cooperation today

In terms of the above described evolution one can see that by today the role of the European Union became highly prominent in cross-border activities. Beside financial support, the EU has also had a great impact on the institutional system of the Member States and pushed them towards a more intensive cooperation in the field territorial development, among others. The establishment of the system of Regional Development Agencies in Hungary and Croatia as part of the preparation for the EU accession has also proved to be an important step toward a more integrative and inclusive planning of urban and rural areas, and these institutions have played an important role in the cross-border cooperation activities as well.

The most important financial instrument throughout the last years was the Hungary-Croatia IPA Cross-border Co-operation Programme 2007-2013, approved by the European Commission on 13<sup>th</sup> March 2008. The Programme allocated 52 433 025 € of Community funding for the programme area that consisted of the counties Zala, Somogy, and Baranya on the Hungarian side and Međimurje, Koprivnica-Križevci, Virovitica-Podravina, and Osijek-Baranja on the Croatian side. In addition to these border counties four other Croatian counties, namely Varaždin, Bjelovar-Bilogora, Požega-Slavonia, and Vukovar-Srijem, were enabled to participate in the Programme as so-called 'adjacent regions' and could use the maximum of 20% of the amount of the EU contribution available. Hence, the programme area covered in total 31 028 km<sup>2</sup>.



Figure 5: Programme area of Hungary-Croatia IPA CBC 2007-2013

The Programme offered a wide range of opportunities for potential beneficiaries in the frame of two priorities: Sustainable Environment and Tourism as well as Co-operative Economy Intercommunity Human Resource Development. 60% of the total budget was allocated to the first one and 30% to the second one, whilst the rest was foreseen to serve technical assistance. Various activities could be eligible for financing, such as infrastructure developments serving the protection of nature and natural values; elaboration of joint programmes, studies, strategies for the improvement of environmental protection; construction and designation of new cycling routes; development of tourism attractions and of related infrastructural facilities; creating and promoting pathways to integration and re-entry into employment for disadvantaged people; development of infrastructural and equipment capacities in the field of research; preparation of joint feasibility studies, development of common curricula and of joint training facilities; people to people activities like organising festivals, performances, theatrical tours, concerts, exhibitions, art workshops, charity events, cross-border amateur sport championships and tournaments, and activities to reduce the language barrier.

The Programme had a non-profit character and thus it was open to non-profit organisations only, such as county and local governments and their institutions, county or regional

development/ management organisations, development agencies, non-governmental non-profit organisations (NGOs), water and environmental management authorities, management organisations of national parks and environmental protection areas, public road management authorities, tourist boards, universities, colleges and their non-profit organisations, educational and teaching organisations and their non-profit organisations, and labour centres.<sup>6</sup>

Three Calls for Proposals of the Hungary-Croatia IPA Cross-border Co-operation Programme 2007-2013 were launched from 2009 to 2012, followed by the relevant Joint Monitoring Committee (JMC) decisions on the lists of projects to be supported. The lists comprised 140 projects with 24 million euros allocated to Hungarian and 23 million to Croatian partners. In all three calls, the counties of Baranya in Hungary and Osijek-Baranja in Croatia would receive the highest amounts in absolute numbers. However, on a per capita basis compared to the total population, the weight of these two counties is not as much outstanding.

*Table 1: EU contribution per county within the framework of the Hungary-Croatia IPA Cross-border Co-operation Programme 2007-2013*

County	Population	Area (km <sup>2</sup> )	EU contribution 1. call (€)	EU contribution 2. call (€)	EU contribution 3. call (€)	EU contribution per capita 1. call (€)	EU contribution per capita 2. call (€)	EU contribution per capita 3. call (€)
Zala	285 154	3 784	858 463,9	1 810 030,9	2 834 247	3,0	6,3	9,9
Somogy	315 850	6 036	65 095,5	915 844,8	755 837	0,2	2,9	2,4
Baranya	388 907	4 430	3 440 454,8	4 438 813,3	6 959 592,5	8,8	11,4	17,9
Međimurje	113 804	729	2 389 599,6	1 760 608,6	581 996,8	21,0	15,5	5,1
Koprivnica-Križevci	115 584	1 748	567 013,5	417 518,6	1 773 823	4,9	3,6	15,3
Virovitica-Podravina	84 836	2 024	306 264,7	705 987	1 557 968	3,6	8,3	18,4
Osijek-Baranja	305 032	4 155	2 608 938,8	3 838 926,9	6 140 764,7	8,6	12,6	20,1

*Source of data: Hungary-Croatia IPA Cross-border Co-operation Programme 2007-2013: Rivers Connecting Cross-border Region towards Croatian Accession to the European Union<sup>7</sup>*

By all means, the programme provided an invaluable contribution to the deepening and further development of already existing partnerships together with laying the ground for new networks. Since its EU accession on 1<sup>st</sup> July 2013, Croatia has been able to benefit from the European Territorial Cooperation (ETC) programmes with the full Member States status. Apart from some specific rules and procedures related to the former IPA, the majority of experiences of the 2007 – 2013 Programme are relevant to its successor programme, the

<sup>6</sup> <http://www.hu-hr-ipa.com/uploads/editors/HU-HR%20IPA%20CBC%20Projects%20booklet%202013.pdf>

<sup>7</sup> <http://www.hu-hr-ipa.com/uploads/editors/HU-HR%20IPA%20CBC%20Projects%20booklet%202013.pdf>



Hungary-Croatia Cross-border Co-operation Programme 2014-2020, and, with respect to its objectives and content, it will hopefully show strong continuity with its predecessor.

Another important issue related to the integration of Croatia within the European community is law harmonisation, which is supposed to enable a more inclusive and efficient alignment of national development policies to contribute to the integrated regional planning of the border region, among others. Law harmonisation is in fact still an ongoing process in Croatia, the completion of which is a highly awaited moment from a wide range of actors and fields. Cross-border cooperation is no exception in this respect as institutional cooperation is likely to be among the greatest beneficiaries of a more consistent legal framework of the neighbouring states.

Institutional forms of cross-border cooperation have shown an apparent evolution in recent years. The establishment of the new legal form EGTC (European Grouping of Territorial Cooperation), introduced by the Regulation (EC) No 1082/2006 of the European Parliament and of the Council on 5<sup>th</sup> July 2006, was widely seen as a revolutionary solution for a basic problem of institutionalised regional and local cross-border cooperation initiatives, namely the lack of competences and legal embeddedness. As local and regional level initiatives largely depend on their successes in applying for funding for the purposes of joint project planning and implementation, a stable institutional background is of crucial importance. The form of EGTC appears to be able to fulfil the need for this indispensable stability. The efficiency and stability is even higher as EGTC membership embraces a more or less permanent network of partners on both sides of the border that work together on some specific fields on a regular basis. It comes as no surprise that with the increasing number of EGTCs throughout Europe and certainly in Hungary, the City of Pécs decided to establish an EGTC to strengthen Hungarian-Croatian ties. Although the already mentioned Pannon EGTC only has few experiences with Hungarian-Croatian cooperation (mainly due to the fact that the adoption of the EGTC regulation has not been carried out in Croatia yet), a large number of potential partners have already expressed their interest toward this initiative.

As a brief summary for the history of cross-border interaction on the Hungary-Croatia border one can see that economic and social ties over the border showed a more or less straightforward and continuous evolution throughout the recent decades. Though the nature of the interactions as well as the main topics of cooperation seemed to have varied on a large scale, we can appreciate this as a distinct kind of flexibility that meant that actions were always in accordance with the actual needs. Such historical and past experiences may serve as a rather ideal basis for present cooperation that is supposed to result in a successful and efficient common work across the border.

## 5. The principal actors of cross-border cooperation in Baranya/Baranja

As noted in the previous chapter, interactions and common work connecting the two sides of the border were only rarely based on cross-border institutional structures. They were rather the outcome of the occasional or even long-term partnership of public and private bodies on the both sides of the border with identical or at least similar capacities, competences and activities. As a result, cross-border cooperation activities show a great variety as for their principal fields of cooperation and the relevant actors in the Pécs-Osijek relations. It is mainly public institutions and bodies that have the most important role, although the private sphere has also become more and more interested in cross-border interactions.

In the following we intend to present a range of actors that have been active during the last decades in the development of important and flourishing partnerships, which are supposed to have brought some invaluable and enriching outcomes. Besides briefly presenting the achievements of the joint work of these actors in line with their interests to take part in such partnerships, we also wish to focus at the technical conditions such as the staff involved in the management of joint projects. Though the list of the actors is complex it should not be considered as comprehensive.

### 5.1 The Municipality of Pécs

Since the very beginning of the formal cooperation, namely the signing of the town-twinning agreement in 1973, the Municipality of Pécs has played a key role in the activities of the region with cross-border relevance. In this respect the main body from the part of the city hall is the Office for External Relations. From 2006 the office is the official contact point of the city's external relations and its main daily activity consists mostly of protocol issues. Earlier, the Committee on External Affairs was the main body in this field, operating with five associates. More recently, the structure underwent a rationalization that resulted in a smaller but more efficient working organ. The office has now two full-time associates who deal with decision support, the prior preparation of actual tasks for debate as well as the implementation of the decisions, together with the management of the day-to-day business. Decisions concerning external relations are usually made by the Cabinet of the Mayor, although questions of larger significance must be discussed and supported by the municipal council.

Concerning the financial background, a separate amount from the municipality budget is dedicated to external relations on a yearly basis, which is then distributed between the partnership actions of the city. Though Croatian ties enjoy neither an own budget nor a

regular and fixed amount, the majority of this dedicated budget usually goes to supporting Croatian relations.

Due to the relative scarcity of financial resources, the city can only actively support a limited number of events and projects. Therefore, they tend to focus mainly on initiatives that tend to involve a large number of participants, such as public sport events, cultural festivals and partnership meetings. Beside this, the office is an important node in the information exchange between other actors, such as minority self-governments, educational institutions (the University or the Miroslav Krleža Croatian School among others), cultural institutions (e.g. Croatian Theatre of Pécs), and other economic and social actors. Moreover, the office is keen to provide technical assistance to entrepreneurs and organisations who wish to develop new connections across the border.

All in all, it is largely manifest that the formerly decisive role of the city saw a decrease in recent years. This withdrawal is, on the one hand, the result of decreasing financial means that do not enable the city anymore to spend significant amounts on such expenses. On the other hand, along with the widening scale of opportunities the city does not consider itself necessarily as the accurate body for cross-border relations. As we shall see, recent changes such as EU accession created favourable conditions for public, non-profit and private bodies, which enabled them to be involved intensively in regional cooperation, and this resulted in new ways of common work.

## **5.2 The Urban Development Company of the City**

The Urban Development Company of the City of Pécs (PVF Zrt) was established in October 2010. The Company is the legal successor of the organization that was the responsible body for the Pécs-2010 European Capital of Culture investment projects, together with other development projects of the city.

Nowadays the Company, in full ownership of the Municipality of the City of Pécs, is charged with the management of development projects concerning the city and its wider area, financed by the European Union, the Hungarian government, or the city itself. Projects include the development of transport infrastructure (mainly intermodal and cycling), energy systems, or even public utilities, together with other related investments. The Company is also responsible for the promotion of entrepreneurship in and around the city.<sup>8</sup>

As of December 2014, the company has a staff of 16 employees, composed of architects, urban designers, marketing professionals and economists, and its activity is based on an annual budget of around 1 million €. However, the scale of the company's performance is better reflected by the fact, that approximately 300 million euros of EU funding have been

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<sup>8</sup> <http://www.centralmarkets.eu/index.php/partnership/pecs-urban-development-cplc-hu>

invoked by the company and its predecessor organizations since 2006. The efficiency of the company is largely based on an advantageous institutional and personal continuity on the one hand and on the direct connections to all other companies of the Municipality and a daily connection to the Mayor's office and other stakeholders on the other hand.

As the seat of the region and the most significant city of the larger area, including the Croatian side, the urban development of the city does not stop at the state borders. Therefore the Company is regularly involved in projects with cross-border relevance. A recent project was the 'Development of Pécs - Osijek - Antunovac - Ivanovac biking route', implemented in cooperation with the Municipality of Antunovac (HR), the Association for nature and environment protection Green Osijek (HR) and the Geoscience Regional Development Research Institute Nonprofit Ltd. (HU). The project supported the development and construction of a shorter (capillary) bicycle route on the Croatian side which connects the villages of Ivanovac and Antunovac with the existing bicycle route in the Town of Osijek. Several bicycle routes running from Pécs to the Croatian border have also been upgraded.<sup>9</sup> However, in general terms, cross-border cooperation projects managed by the Company consist overwhelmingly (about 80%) of soft infrastructure investments, whereas in the case of urban development projects hard infrastructure is rather dominant.

### **5.3 The Baranya County Municipality**

Not only Pécs municipality, but also the Baranya County Municipality plays an important role in cross-border institutional relations. For a long time, the County Municipality has been active in the field of regional development, and this was also true in cross-border terms. Beside acting as a member of the monitoring committee and being engaged in the prearrangement of the operational programmes, the County also appeared as an applicant for calls or as project participant. Moreover, the County was involved in the establishment of the Pannon EGTC from the very beginning, having been playing an important role in the coordination of the consultative, legal, and administrative tasks laying the ground for the grouping.

The tasks of county municipalities in Hungary were almost entirely limited to the maintenance of public institutions. However, with the 1<sup>st</sup> of January 2012 they became part of the institutional network of regional planning. As a result of the structural reform, counties became charged with a series of new tasks in the fields of regional development as well as in urban and rural planning, together with the related coordination duties. Counties also took over the management of Regional Development Agencies, principal mid-level intermediate bodies of regional planning and development beforehand. These agencies had already developed their own networks and partnerships thus with the incorporation of the agencies

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<sup>9</sup> <http://www.hu-hr-ipa.com/en/funded-project/121>

within the institutional structure of the counties these ties have unambiguously contributed to the strengthening position and growing interest of the county level in cross-border cooperation projects.

In the case of Baranya County, the management of such external (predominantly Croatian) relations belongs currently to a staff consisting of about ten employees, who work on a daily basis on regional planning issues. An additional associate at the Department of Legal Affairs is also involved as contact person in international relations.

Traditionally, the County has had a fruitful cooperation with the Croatian counties (županije) of Osijek-Baranja, Virovitica-Podravina, and the more distant Zadar. No surprise that the most intensive cooperation takes place with the neighbouring Croatian county of Osijek-Baranja, which is evident through more or less regular meetings such as joint workshops in the fields of police and judicial cooperation, catastrophe prevention, flood control and environmental protection. The common work in these fields have already proved as successful and resulted in the implementation of a range of common projects in the fields of the exploitation of geothermal energy and the complex rehabilitation of the Drava Valley, among others. However, factors such as the poor cross-border physical infrastructure (e.g. lack of bridges, motorway, border stations) has a serious barrier effect and exceeds the competences of the county level. Nevertheless, the full integration of Croatia into the Schengen Area is widely awaited and considered as an opportunity for the further rapprochement of the border areas.

#### **5.4 The Miroslav Krleža Croatian School**

The Miroslav Krleža Croatian School has an important role in the fields of cultural and educational cooperation. Managed by the National Self-Government for Minority Croats in Hungary, the school is a complex facility providing a comprehensive study program from kindergarten to secondary school level in Croatian language, being one of the only two such institutions in Hungary. Moreover, the school benefits from a firm cooperation with the Institute of Slavic Studies at the University of Pécs in which the school hosts teacher trainees on their teaching practice and a significant number of these students then join the staff.<sup>10</sup>

The school has already been a multiple actor of cross-border project activities, mainly in the field of educational and cultural cooperation. The school acted as a lead partner in two cross-border projects in the course of the last few years. The project called *Cooperation Network of Secondary Schools* targeted to enlarge the existing cooperation network of the region's secondary schools and to raise the efficiency of the joint work in specific fields such as language teaching, informatics and electronics, trade and catering as well as artistic education. Along with the Miroslav Krleža Croatian School eight institutions were involved in

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<sup>10</sup> <http://www.krleza.sulinet.hu/iskolismerttet-.html>

the project, four from Pécs and four from Osijek. Another important project was the “Miroslav Krleža” Croatian-Hungarian Educational Centre complex development project, with a total budget of 1 650 000 euros, 1 300 000 of which financed from PHARE support. The project itself was based on a twinning of the Miroslav Krleža Croatian School and the Hungarian Educational and Cultural Centre in Osijek, with the overall objectives to reach an increased cohesion within the Hungarian-Croatian cross-border region, and to prepare the border region for the challenges of the knowledge-based society by developing human resources. More specific purposes were to spread knowledge of the culture and traditions of the neighbouring nationalities (Hungarian, Croatian) in the region, especially among the young generation of the cross-border region for a common European life, on the one hand, and to improve the transfer of professional know-how between the Hungarian and Croatian educational institutions in the border region, on the other hand. In this respect the participants implemented a series of common investments and activities, such as the elaboration of an action plan aiming to define the actions leading to an increased knowledge of Hungarian and Croatian culture and traditions and to increase professional exchange among students of the educational institutions of the border region; the tendering of twinning and works-procurement parts of the project (including the quality assurance of tender dossier); and last but not least the construction and inauguration of the dormitory, assembly hall, and new education rooms of the Miroslav Krleža Croatian-Hungarian Educational Centre, pursuant to the already available construction plan and permits, including procurement of equipment.<sup>11</sup>

The projects are usually managed by the staff of the Miroslav Krleža School.

## 5.5 The University of Pécs

The University of Pécs is likely the most important actor in the field of education in cross-border terms. As mentioned earlier the University is the largest higher educational institution in the region with around 24 000 students from which the rate of foreign students is above 10%, and their number has shown a continuous and dynamic increase in recent years. Nevertheless, Croatian students make up only a relatively low proportion of this multinational community. In contrast to this slight share, a series of cross-border ties on project level have already been forged by the university with Croatian partners. Focusing only on the recent past one can see that within the framework of the 2007-2013 Hungary-Croatia IPA Cross-border Co-operation Programme, the University of Pécs has successfully participated in 19 different projects, with a total value of approximately 5,77 million €, moreover, in 15 of these projects the University acted as lead partner (total value: 4,2 million €). All but three of the 19 projects

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<sup>11</sup> <http://ec.europa.eu/enlargement/pdf/fiche-projet/hungary/other/2003/2003-005-004.03-croatian-hungarian-educational-centre-complex-development-project.pdf>

were implemented in cooperation with the Josip Juraj Strossmayer University of Osijek, the major higher educational institution on the Croatian side of the region. The projects covered a wide range of activities and interventions such as general health condition surveying, energy efficiency training and analysis, research infrastructure development, geothermal resource assessment, common educational programmes and editions, networking, integration of cross-border resources, monument conservation as well as joint struggle against the negative effects of brain-drain, among others.<sup>12 13</sup> These same projects also succeeded to involve a large number of public and private bodies as well as enterprises, therefore it is clear that the University of Pécs is one of the major hubs for cross-border interactions, and not only within the region but far beyond.

The signing of framework agreements has always been a mainstream way to develop inter-university relations. However, nowadays these agreements are increasingly confined to definite aims and objectives, as universities have limited opportunities on their own. Launching a joint project is hardly possible without taking commitments, mainly in financial terms, to which universities usually need governmental or municipal guarantees. This is also the case for the University of Pécs, which means that the management of any projects must go through all the official channels of the university's hierarchical structure. Basically, there is no own institutional background within the organizational structure of the university for the project follow-up, but it is carried out through the cooperation of different entities. The research institutes usually manage research cooperation projects themselves in case of projects with a budget of no more than 200 million HUF (approximately 667 000 €). Above this limit, projects are subordinated automatically to the Rector's Office. The Tenders Directorate at the Rector's Office is the principal coordination unit for all tenders. The staff is responsible for the planning and the prearrangement of the projects. They work in firm cooperation with the Finance Directorate at the Directorate-General for Economic Affairs. The Finance Directorate then enters into the work process at the implementation phase, and their subsequent tasks focus predominantly on legal and financial questions along with the management of public procurement procedures. The project management team at the Tenders Directorate consists of about 13-15 project managers and assistants, coming from different fields of expertise, mainly from law (innovation law, knowledge transfer, etc.) but also from medicine, whilst the Finance Directorate is basically made up of economists. This latter team has a crew of about 8-10 members, though their duties are not restricted at all to the management of tenders but they also deal with daily administrative work. The working language in international projects is always English, except for some cooperation activities in the fields of humanities, related to Croatian culture and literature. However, administrative tasks are always performed in English.

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<sup>12</sup> <http://www.hu-hr-ipa.com/uploads/editors/HU-HR%20IPA%20CBC%20Projects%20booklet%202013.pdf>

<sup>13</sup> [http://www.hu-hr-ipa.com/uploads/editors/2014\\_12\\_12\\_final\\_screen\\_huhr\\_brochure.pdf](http://www.hu-hr-ipa.com/uploads/editors/2014_12_12_final_screen_huhr_brochure.pdf)

Along with the City of Pécs and Baranya County, the University has also been involved in the foundation of the Pannon EGTC and is an active member of the EGTC's organisational framework. However, until EGTC regulation is not adopted in Croatia, the University cannot benefit from the advantages offered by the grouping.

## 5.6 The August Šenoa Croatian Club

The August Šenoa Croatian Club, located in the city centre of Pécs, has also been one of the most important institutions for the Croatians in Hungary since its foundation in 1982. The main responsibilities of the club consists of organizing cultural events for the numerous Croatian community living in and around Pécs, as well as the support and coordination of Croatian ethnic cultural, traditional, artistic and academic life in the region, with a focus on Pécs and Baranya County.

In accordance with the motto of the Hungary-Croatia IPA CBC program '*A cross-border region where rivers connect, not divide*' the club has also been involved in more cross-border projects, such as the *Networking the Multimedia Cultural Center in Support of Cross-Border Cooperation* in the framework of which the club collaborated with the Franjo Marković Library from Križevci, a small Croatian town about 160 kilometres from Pécs. The two cities in the border area have had a well-established co-operation for many years which the project built upon to reinforce the cultural exchange between the two communities.<sup>14</sup> The project was planned to facilitate the exchange of bilingual informational materials in the cross-border area and promote the publication of scientific, literary and artistic works and other editions, organization of concerts, theatrical performances and other exhibitions and events, together with their authors. The main activity of the project focused on the establishment of a Multimedia Centre with back-up activities including setting up a cultural cluster, translation of literary works from both cultures and the organisation of several cultural events including exhibitions, music and literary evenings, among others.<sup>15</sup> The project lasted from December 2011 until the mid-year of 2013 and had a total budget of about 109 202 €. <sup>16</sup>

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Of course, this above presented list of actors involved in cross-border interactions is not comprehensive at all. Here we only wanted to point at the multitude of those institutions that are interested in the removal of physical and administrative barriers to be able to carry out common projects with their partners as well as to benefit from a region with highly intensive economic and social ties.

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<sup>14</sup> <http://www.hu-hr-ipa.com/uploads/editors/HU-HR%20IPA%20CBC%20Projects%20booklet%202013.pdf>

<sup>15</sup> <http://www.hu-hr-ipa.com/en/funded-project/102>

<sup>16</sup> <http://senoa.hu/hu/dokumentum/15/a-folyok-osszekotnek>



Certainly, as this multitude shows, along with the introduction of the specific cross-border activities of the public and private bodies, different actors have different interests and opportunities both in institutional and in financial terms. Whereas some public bodies, such as the counties in Hungary have increasing capacities and competences, others like the Urban Development Company of the City of Pécs have limited autonomy concerning cross-border activities as the company is able to take part in only a limited scope of projects. On the other hand, this same company seem to have a dreamlike financial background, compared even to other public (or publicly owned) bodies, and this is certainly the case when considering the opportunities of non-profit organisations and SMEs.

However, in spite of all the differences the actors of cross-border activities often tend to struggle with fairly identical difficulties. One of the basic issues is that none of these organisations deal with border related projects on a full-time basis but such tasks mean rather additional activities for the staff members beside their daily activities. As mentioned before, interactions across borders became largely project-based throughout the last two decades. Therefore, work demand is highly variable with activities that hardly enable these bodies to hire any full-time workforce charged exclusively with the management of cross-border projects. On the other hand, the strong fluctuation in the amount of incoming work may occasionally result in shortages in workforce and capacity, hindering participation in further projects. On a long-term basis this characteristic feature pose a major challenge.

## 6. The future of cross-border cooperation in Baranya/Baranja

Looking at the past traditions and experiences of cross-border cooperation together with the large number of implemented projects and high intensity of joint work characterising recent transborder interactions, one can suppose that such activities are likely having a bright future in the Baranya/Baranja region. Even if this will be the case, many challenges are still ahead that will hopefully be tackled in the upcoming years.

As mentioned at several points in the text, the recently established Pannon EGTC is widely seen as the most significant instrument of institutionalised cross-border cooperation for the future. The EGTC was established on 31 August, 2010 and after a preliminary planning phase of one and a half year it was registered by the Budapest Metropolitan Court on 28<sup>th</sup> March 2012. Initially, the EGTC intended to involve partners from Croatia and Slovenia, but Croatian members were not allowed to enter before the EU accession of their country on 1<sup>st</sup> July 2013 because the EGTC regulation was not adopted by the Croatian domestic legislation. As a result, the EGTC is yet half-done and territorially unbalanced. The seat is located in Pécs and the membership is largely concentrated around the city. Moreover, the only two non-municipal members, the Duna-Dráva National Park and the University of Pécs are both seated in Pécs.<sup>17</sup> In contrast, the most important Slovenian member municipality, Lendava is located about 200 kilometres west of Pécs, thus an intensive daily cooperation is hardly possible. The future entry of the city of Osijek along with that of a large number of other municipalities from Croatia will likely make the EGTC better-balanced in territorial terms and Osijek can relieve Pécs through taking over some responsibilities.

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<sup>17</sup> [http://www.pvfzrt.hu/userfiles/dokumentumok/pannonegtc\\_kiadvany\\_A5.pdf](http://www.pvfzrt.hu/userfiles/dokumentumok/pannonegtc_kiadvany_A5.pdf)



Figure 6: Members of the Pannon EGTC

Beside institutional framework, financial background is another important factor behind successful cooperation programmes. From this point of view the INTERREG/ETC Fund of the European Union is of major importance. The successor of the 2007 – 2013 Hungary – Croatia IPA CBC Programme, the Hungary-Croatia Cross-border Co-operation Programme 2014-2020 was officially submitted to the European Commission on 24 March 2015, after the respective approvals in Hungary and in the Republic of Croatia. The new programme does not intend to contribute to large-scale interventions but to support selected cooperative strategic actions and pilot projects in priority fields, such as enhancing economic cooperation, poor accessibility or the business environment; enhancement and preservation of environmental and natural assets or preventing the risk of loss related to them; fostering the lack of networks among local and regional administrations and improvement of communication between educational and training institutions and key actors of local economy.<sup>18</sup>

<sup>18</sup> [http://www.huhr-cbc.com/uploads/editors/HUHR%20CP\\_submitted%20to%20Eur\\_Comm,%2024\\_3\\_2015.pdf](http://www.huhr-cbc.com/uploads/editors/HUHR%20CP_submitted%20to%20Eur_Comm,%2024_3_2015.pdf)

The total amount of funding available in the framework of the Cooperation Programme is € 67 264 637, with € 60 824 406 of ERDF allocation. This budget is allocated to five priority axes:

*Table 2: Priority axes of Hungary-Croatia Cross-border Co-operation Programme 2014-2020*

Priority	Budget	Rate of the total budget
PA 1: Economic Development – Enhancing the competitiveness of SMEs	€ 9 960 300	17,42%
PA 2: Sustainable Use of Natural and Cultural Assets – Preserving and Protecting the Environment and Promoting Resource Efficiency	€ 27 203 413	47.58%
PA 3: Cooperation – Enhancing Institutional Capacity and an Efficient Public Administration	€ 8 576 241	15%
PA 4: Education – Investing in Education, Training, including Vocational Training for Skills and Lifelong Learning by Developing Education and Training Infrastructure	€ 5 717 494	10%
PA 5: Technical Assistance	€ 5 717 494	10%

These above presented priority axes are foreseen to be part of a comprehensive strategy identifying the appropriate course of action, which focuses strongly on the enhancement of economic competitiveness of SMEs, in that way boosting the economic development of depressed rural areas.

Seemingly, the Croatia-Hungary cross-border cooperation is largely confined to the relations between the two cities. However, it would be advantageous for the future if cross-border cooperation was less centralized and more inclusive, both for its territorial and thematic scope. Unfortunately, actors of smaller scale such as local municipalities, SMEs and minor NGOs are generally challenged by the scarcity of financial resources which significantly worsen their position when aiming at involving project partners from a different country. The majority of EU funds is based on ex-post financing, which means that participants are dependent on their own resources to be able to launch the joint work, and any difficulty occurring in the course of the project may have a negative effect on their financial situation. Generally speaking about the situation of small-scale actors we can suggest that the more valuable the project is the less affordable such risks are. Obviously, one can always find ambitious actors taking the risk of aspiring projects, but many initiators are forced to reconsider their ideas and must end up in opting for rather modest goals. Of course in a short term each project, certainly if implemented in the framework of a cross-border cooperation, is valuable on its own but long-term development goals are not necessarily served by the number of projects but rather by their added value and the synergies it offers for other economic and social actors and sectors.

Indeed, the scarcity in financial resources and more generally the weakness of entrepreneurialism are problems that go beyond cross-border interaction and are

significantly widespread throughout the countries of Central and Eastern Europe. Therefore, the solution to these same problems is also not necessarily a task likely to be handled by cross-border cooperation and be solved on the regional scale. Nevertheless, both institutional bodies and financial tools created for the assistance of cross-border cooperation should take such difficulties into account and should plan their interventions in a spirit of openness with respect to the overcoming of these obstacles.

## 7. Summary

Through the investigation of the ties between the cities of Pécs and Osijek we have seen that the meaningfulness of cross-border cooperation is far more complex than what one could normally expect nowadays, in a time of upturn in cross-border regionalisation and institutionalisation. While in many cases actions at and over the borders often tend to be limited to symbolic acts and cross-border cooperation is considered as a pure marketing instrument in the pursuit of investors and funding, the Croatia-Hungary border is an outstanding example for a border area that has succeeded to develop a long-lasting tradition of inter-state, interregional, and interethnic cooperation.

The cross-border region, unlike other more notable regions such as the Ister-Granum on the Hungary-Slovakia border, has not yet created its own institutional framework and capacities for the management of interregional projects and the stimulation of interactions across the borders, a wide range of actors have already been involved in cross-border tasks. Project management activities are undertaken by the actors themselves and some of them, such as the universities of Pécs and Osijek, the two city municipalities or even the public bodies for regional and urban development have already managed to implement a series of projects based on their own. In the absence of a stable euroregional background hardly anyone deals with cross-border projects and activities on a full-time basis, which is on the one hand largely unfavourable but on the other hand this also means that managing cross-border projects makes up an integral part of the daily work of a remarkable number of associates throughout the area.

Some asymmetries are manifested in accordance with the differences in economic, social, and political weight between the two sides of the border. No surprise that due to its greater domestic hinterland, its more advantageous location and richness, Pécs has always had a dominant role in the wider region, and has been an important central place even for the inhabitants of the south bank of the Drava. With the emergence of the borders in the 20<sup>th</sup> century this attractiveness showed a decrease but did not cease to take effect. No surprise therefore that the city claimed a leading role in cross-border interactions throughout the last couple of decades. For a rather complete image it is also important to note that having suffered a lot under warfare the city of Osijek and the Croatian side have shown a significant convergence in the course of the recent years; thus cooperation shows nowadays a rather balanced image.

It is also important that unlike in the case of the Hungary-Slovakia or Hungary-Romania borders, the interactions at the Croatia-Hungary border do not mostly take place between ethnic Hungarians living on the both sides of the border but between ethnic Hungarians and ethnic Croats, with the active involvement of the Croat minority in Hungary and the

Hungarian minority in Croatia as well. In contrast, in spite of the entry of Croatia into the European Union in 2013, the country is not yet a member of the Schengen Area, therefore we cannot speak about the free movement of the area's population over the border. However, the significance of the border as a physical obstacle is not meaningful from the point of view of local actors at all, as they have always considered the other side as a familiar place often making part of their mental map.

Regarding the already implemented projects and the existing cooperation networks along with the widening institutional and financial opportunities cross-border ties are likely to play an even more important role at least in the near future in the Baranya/Baranja region. The new tools and opportunities are supposed to enable a more intensive joint work. More accessible and targeted support may contribute to the increasing synergy of the investment in both physical and human infrastructure whilst the most promising institutional body, the Pannon EGTC, is planned to involve the widest possible range of local and regional actors in cross-border interaction. All in all, such an aspiring and inclusive environment based on a several decade long tradition of both institutionalised and spontaneous cooperation is indeed a best practice example representing how the removal of borders as barriers should unfold.

# **Crossing the borders**

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