BORDERS IN GLOBALIZATION
Euroregion as an Important Mechanism of Cross-border Cooperation Between Ukraine and the European Union

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This paper is an examination of the current European Integration course of the Ukraine within the framework of the Carpathian Euroregion (CE) from the viewpoint of cross-border governance. The main assumption behind that examination is the fact that European integration (with or without European Union (EU) membership) is good for Ukraine. On February 14, 1993 the Ministers of Foreign Affairs of Hungary, Poland and Ukraine ratified a declaration in the city of Drebecen (Hungary), which claimed that the “establishment of the “CE” would greatly contribute to strengthening of friendship and prospering of the countries of the present regions as well as guarantee active applications of the principles of the Helsinki Act (1975), the Charter of Paris for a new Europe (1990) and other instruments. The problem is that according to Mytryaeva, the “Carpathian Euroregion” model developed in theory with the assistance of the experts from the East-West Institute who voiced their concern over numerous local initiatives of transboundary cooperation was neither understood nor supported by the national governments (Mytryaeva 2007, p.126).
Problem Statement and Research Question:

The Soviet legacy in Ukraine remained clearly visible in both the structure of local governing arrangements and people’s expectations of their authorities, as well as their lack of trust in the process of governing. This situation explains the strong existing sentiment that the state, rather than the community, should take care of people’s needs. Ineffective and typically unchanged governance processes triggered apathy and lack of responsibility in the Ukrainian society. Likewise, the concept of autonomous self-government as a form of local democracy lost its support in Ukraine¹. Most importantly, the strongly centralized and oppressive state was not effective in pursuing its policies and delivering public good. Finally, there was no border cooperation policy between communist countries and European liberal democracies; therefore, post-Soviet states represented more a buffer zone for European security rather than ‘ring of friends’. All those factors combined presented a key challenge for the effective delivery of European Union (EU) programs and initiatives.

Cross-Border Cooperation² (CBC) policy of the European Union is a reasonably new policy for Ukraine. According to the European Commission, governance beyond EU borders means establishment and operation of “institutions” (in the sense of rules of the game), which define actors and their responsibilities, both in cooperation towards society’s objectives and in the resolution of any conflicts that may arise. It can be argued that cross-border cooperation might be looked at as a vehicle of Ukraine’s bottom-up integration with the EU within the Euroregion framework which ultimately helps grow public trust in governance in Ukraine. The research question is: What would the Ukrainian border provinces look like in the absence of the CBC policy/projects?

This paper will be structured as following: Section 1 will review historical background of the cross-border governance of the Euroregion within the framework of the CE by looking at its development in the context of history and Ukraine’s integration with western neighbours. Section 2 will look at cross-border governance issues in the framework of the CE, its

¹ As a result, citizens of Ukraine have little knowledge of local self-government, preferring either to passively wait for the resolution of their problems by local authorities with state support, or to solve the problems by themselves with no consideration for the wider community (UNDP, 2008: 29-30).
² One of the key areas of Ukraine’s integration into European structures outlined CBC as a joint action aimed at establishing of economic, social, scientific, technical, environmental, cultural and other relations between local communities and their representative bodies, local executive authorities and relevant authorities of other states within competence as defined by their national legislation. Law of Ukraine for “Cross-Border Cooperation”, official release, Supreme Council of Ukraine, N45, Art.499, 2004. The legal basis of Ukraine-EU dialogue on regional development, regional and cross-border cooperation is based on the Article70 of the PCA and by the chapter ”Cross-border and regional cooperation” of the Association Agenda (AA).
institutional shortcomings and institutional opportunities. Section 3 will analyze to what extent the impact of those existing institutional mechanisms/institutions and other instruments of CBC influence European integration course of Ukraine if influence at all. Within the Euroregion framework Ukraine and EU member states (MS) will also be reaching the general European level. In order to succeed in this it will be necessary to have effective executive structures with a certain legal status at various levels within the Euroregion structure (Mytryaeva 2007, other). However, largely due to the lack of strategic vision for the development of the “Carpathian Euroregion” and other operating Euroregions in Ukraine examples of practical cooperation at the EU level have been very limited. Section 4 will provide review of methodology and two potential methods I can use to analyse CBC within the framework of CE foundation in Ukraine. Finally I conclude about the impact of cross-border cooperation on EU’s neighborhood and consider possible outcomes: level of civil society activity, economic development, corruption levels, local reforms, public opinion (attitude towards EU), etc.

Section 1: History of CE Euroregion

Euroregions\(^3\) normally defined as organisations of border (transboundary) interregional (intermunicipal) cooperation aimed at establishing good neighbourly relations as well as addressing common problems singled out by the constitutional documents regulating the territories of three and more states. The Ukrainian bordering territories enter into the four Euroregions at the same time: the “Carpathian Euroregion” which unites the territories of four EU member states, Transcarpathia, Lvivska, Ivano-Frankivska and Chernivetska regions of Ukraine is the biggest. Transcarpathia made its first successful steps by using the Euroregions as an integration instrument. Mytryaeva (2007) envisions Euroregions as an instrument of external policy of sovereign countries, which aspire to establish and maintain good neighbourly relations on a regional (municipal) level. According to her observation, due to the activity within the framework of the Euroregions, territories of the Eastern Carpathians, at the watershed of the Tisza river (area where the “CE” is in operation) were not turned into a conflict zone. At present the Carpathian region is one of the most stable regions in Europe.

The CE was founded as a mechanism of cross-border regional cooperation between five post-communist countries Poland, Slovakia, the Ukraine, Hungary and Romania which in 1993 signed an agreement on the formation of the international association “Carpathian Euroregion”. The CE was the only Euroregion in Europe which included the bordering territories of the five post-

\(^3\) Council of Europe, 1980. Article 2.1 of the 1980 ‘Madrid Convention’ defines transfrontier co-operation as: … any concerted action designed to reinforce and foster neighbourly relations between territorial communities or authorities within the jurisdiction of two or more Contracting Parties and the conclusion of any agreement and arrangement necessary for this purpose. www.coe.int/.
communist states characterized by different economic development with heterogeneous ethnic, religious and cultural structures (Mytryaeva, 2007: 126). During the twentieth century, this area was governed by six different states (the Austro-Hungarian Empire, Czechoslovakia, Poland, Hungary, the Soviet Union and the Ukraine) with complicated and occasionally shifting borderlines. In the five states various nationalities lived together and that heterogeneous area was also characterized by a mixture of more than six main religions (Orthodoxy, Greek Orthodoxy, Roman Catholicism, Calvinism, Protestantism, Judaism and Roma) (Tanaka, 2006: 65). All above mentioned features characterized that area as ‘a mosaic zone of ethnicities, cultures and religions’ and ‘a microcosm of new Europe’ (Research Center of the Slovak Foreign Policy Association, 2001a: 6–11).

After the fall of communism, the citizens and institutions of the Ukrainian border areas found themselves confronted with difficult processes of re-scaling and re-territorializing. In addition, the processes of globalization and enlargement processes of the European Union (EU) raised the awareness about cross-border cooperation and governance as central elements for reaching the integration criteria set up for these new democracies by the Copenhagen Council (conclusions of the Presidency, part 10. Ukraine, the Copenhagen Council, 21-22 June, 1993). According to later adopted Lisbon Treaty of 2009, mostly territorial cooperation developed the responsive capacity of the EU to various rising issues by offering the financial support for the creation of joint trans-national, regional and cross-border institutions, which were able to support the unification goals (Lisbon Treaty).

Organisational structure of the Carpathian Euroregion:

The CE is a cross-border regional cooperation among 18 border autonomous units at the similar level (region, province, county) belonging to the five East European countries (Makowski, 1993; Rebisz, 2003, pp. 35–43 in Tanaka, 2006: p.67). According to the agreement, Interregional Association Carpathian Euroregion goals are to organize and coordinate the activities that promote cooperation in the fields of economy, ecology, culture, science and education with assistances in elaborating concrete projects, and to promote various contacts at different levels and good neighbourly relations (http://celdn.euroregionkarpaty.com.ua/index.php/uk.html?start=4, accessed June 2015). The CE is composed of the four parts: the Council with Presidium and Chairman, Secretary General, National Offices (Agencies) and Working Commissions. The supreme body of the CE is the Council, which is consisted of three representatives from each member country. The Council meets every six months. It discusses and unanimously accepts common projects and makes decisions on important topics relevant to the cooperation (appointment, budget and
organizational changes). The Chairman is elected every two years to manage the session, representing the Council to the outside. The Secretary General (Executive Director) as well is elected every two years, has an authority to present bill drafts to the Council, and conducts daily cooperation activities. The CE has a network of national offices, each of which has a responsibility to maintain regular contacts with the Council, dealing with all the cooperation initiatives and taking charge of one Working Commission’s works. The Working Commissions have five fields of activity: regional development, environmental protection and tourism, social infrastructure development, trade exchange development and auditing (Rebisz, 2003 in Tanaka, 2006). Every national party contributes an equivalent of 35,000 USD a year to the CE budget (Helinski, 1999 in Tanaka, 2006: 67-68).

Section 2: Cross-border governance within CE. Literature review.

The international association the “Carpathian Euroregion” well-defined as a consultative and coordinating body directed at the expansion of transboundary cooperation of its member states and between different stakeholders at local, regional, cross border, national and supranational levels. The bordering states on the EU Eastern border were actively involved in various transboundary projects (under the TACIS CBC, ENI, etc.) of bilateral and multilateral nature. In 2004 the EU Task Force which comprised of the representatives of Ukraine, Central European neighbours and EU experts started ENP cooperation projects among “Poland-Ukraine-Belarus”; “Hungary-Slovakia-Ukraine”; and “Romania-Ukraine”. However, according to Mytryaeva, for example, Lvivska region was cooperating more or less actively with Polish regions mostly on a bilateral level. Therefore, she came to a conclusion that Euroregions did not live up to the set expectations, directed at transboundary cooperation, due to established structures which were functioning on a community project basis (Mytryaeva 2007: 122-136).

Moreover, Ukraine was decently involved in a number of projects’ applications comparing to Poland and Hungary. Being the EU members Poland and Hungary applied for thirty-forty projects on a yearly basis, when Ukraine applied for two or three only. Kravchenko argued that euroregions did not use their full potential as organizational forms of CBC whose task was to facilitate obtaining funds for cross-border co-financing projects from structural funds and other international financial institutions (Kravchenko, 2012: 98). However, he pointed out that cross-border industrial zones represented a main component of institutional innovation and investment model of economic development not only of border areas but in the region as a whole.

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6 According to the Project of the European Convention on transboundary cooperation among the geographical communities and authorities, No 106 of the Council of Europe.
Hungarian researcher Ludvig (2003) listed out the number of the negative factors of the Carpathian Euroregion development: (1) differences in the context of the CE; (2) the size of the participating areas; (3) the CE’s structural institutional problems; (4) financial matters; (5) ambiguity of the division of labour between the district/local government and the central government; (6) historical inheritances and (7) problems related to the introduction of Schengen Acquis Communautaire. Likewise, the Polish agency of the CE (CE Secretariat) recognized that the CE faced three types of crises: (1) a crisis of self-recognition, which refers to a lack of knowledge, information and consciousness; (2) a crisis of representation, in which neither the low-level local self-governing bodies nor non-profit organizations (NGOs) nor private enterprises were able to send their representatives to both the Council of the CE and the national organization of the CE. The third crisis related to participation where local residents were completely uninterested in the CE’s issues (Stworzyszenie na rzecz Euroregionu Karpackiego Euro-Karpaty, 2002: 11–17).

When it comes to governance issues, according to Tanaka (2006) firstly, the CE must be examined by analyzing the region’s characteristics not only as a border regime or a builder of bridges among countries but also as an evolutionary form of governance. Secondly, the perspective of public space encouraged to consider the degree to which the everyday economic space and the public space have been formed and to examine the institutions that can produce bottom-up initiatives in the border region as well as relationships with the EU and its policies (Tanaka, 2006). Kramsch and Hooper (2004) when examining cross-border governance in Europe concluded that cross-border areas in Europe were faced with the following four ‘dilemmas of multi-governance’: (1) Euroregions used as a convenient administrative policy for local elites to get into funding sources from Brussels; (2) Ties among economic actors not developed ‘automatically’ in the borderlands; rather, by contrast, extensive economic relationship at the national and global levels outdid those of the cross-border areas; (3) Public awareness of cross-border initiatives was decreasing among locals of the Euroregion; (4) It remained difficult to establish an effective democratic system of trans-boundary institutions (Kramsch and Hooper 2004: 3).

Kojimoto clarified the evolutionary process of cross-border governance from intergovernmentalism to multi-level-governance (MLG) and from MLG to geo-governance (Kojimoto, 2005a; 2005b). In turn, those trans-border and trans-level actions altered the identity of the regional actors and precipitated the formalization and Europeanization of the cross-border regions themselves. Takahashi (2006) emphasized that although the boundary of the Euroregion was determined by the EU, the motivations and solutions of Euroregion participants varied
depending on issues, resulting in the amorphous form of governance. However, in disregarding the bottom-up initiatives of the region, the institutionalization of the Euroregion caused a problem. Van Kersbergen and Van Waarden (2004) noted, that in recent decades shifts in governance occurred not just in the private, semi-private and public spheres, but at (and in-between) the local, regional, national, transnational and global levels (Van Kersbergen and Van Waarden, 2004). According to them, the mentioned changes took place in the forms and mechanisms of governance, the location of governance, governing capacities and styles of governance. However, a public space that included multiple layers and multiple issues was not actively developed along the eastern border region of the new European Union.

Analysis of recent research in the Ukrainian scholarly literature on cross-border cooperation showed that problems of development of interregional and transborder cooperation received substantial attention in the work of domestic scholars: A. Amosha, P. Belenky, O. Harasyuk, A. Filippenko, A. Chmyr, and few others. Organizational-economic mechanism of functioning of cross-border cooperation of regions were studied by O.B. Ririashvili. N. Mikula proposed the theory of cross-border cooperation. Cross-border region considered to be a territorial system, which included the aspects of the region, its subsystems, and processes and stages of its formation and development. Makogon analyzed forms and directions of inter-regional cross-border cooperation. The concept and specificity of agricultural business in the Ukrainian part of the Carpathian Euroregion were researched by O. Bentsak.

Data collection
The additional research method for this paper is a documentary analysis, namely written documents and (legal) texts. The documents used are primary documentary sources where the content analysis of the documents will be used. Ukrainian legislation: The Constitution of Ukraine has the highest legal force. Laws and other normative legal acts are adopted on the basis of the Constitution of Ukraine and shall conform to it; Laws and legal acts of Ukrainian Parliament (Verkhovna Rada). By-laws. The laws are supplemented by so-called normative acts, which embrace regulations, instructions, decrees and orders. These documents are issued by the Cabinet of Ministers of Ukraine (the highest executive authority), ministries, public bodies and committees and local government bodies. Normative acts contain the mechanisms for law implementation. The Cabinet of Ministers of Ukraine issues Regulations (legal acts containing normative nature) and Decrees (legal acts touching operational and on-going issues which do not comprise normative nature); Presidential Decrees are treated separately. Under the general provisions of the Constitution of Ukraine, the President is entitled to issue Decrees on all matters referred to his jurisdiction (so called “constitutional powers”).
Section 3 analyzes to what extent the impact of those existing institutional mechanisms/institutions and other instruments of CBC within the framework of the Euroregion could have influenced European integration course of Ukraine if influenced at all. The EU programs of the neighbourhood gained a separate status and a budget in 2007-2009 within the Eastern Partnership policy framework. Before 2007 the regions of Ukraine: Volynska, Lvivska, Transcarpathia, Ivano-Frankivska, Chernivetska and Odeska were subject to the TACIS programme (TACIS CBC). In 2007 the European Neighbourhood Policy (ENP) started to replace former cross-border cooperation programs in order to intensify cross-border cooperation between EU border regions and their neighbouring regions and improve resource allocation to allow local communities to advance forward in a more effective manner. An important element of coordination between Ukraine and EU in regional policy was also involvement of Ukraine's regions on regular basis to the activities of European regional associations, in particular the Assembly of the European Regions, Council of European municipalities and regions, Conference of European Regional Legislative Assemblies, Association of European Border Regions, Conferences of Peripheral Maritime Regions, Conference of President of Regions with legislative power, European Association of elected representatives from Mountain Areas and EUROCITIES.

Depending on the nature of specific projects the EaP initiative allocated funds to various beneficiaries: for Comprehensive Institution-Building (CIBP) projects – those are public administrations of partner states, EU member states (MS), and EU institutions involved in training and other institutional reform programs by using specific instruments (e.g. twinning, Technical Assistance and Information Exchange instrument (TAIEX), EU advisory missions). For Pilot Regional Development (PRDP) projects – those are public administrations of partner states, local authorities, Small and Medium Enterprises (SMEs) and Non-Governmental Organisations (NGOs) (funding was foreseen in the amount of 75 mln euros). It started in 2012 from 2012/2013 ENPI budget in the amount of 62 mln euros. A number of preparatory steps took place: EU missions were organised to all five EaP countries in April – May 2011, to inform stakeholders about the concept of PRDPs, and a seminar was organised in Brussels in June with representatives from partner countries and EU Delegations to launch the programme.

5 During the years of 2004-2006 about 20 mln euros were allocated to the Ukrainian partners involved in the projects directed at the strengthening of transboundary and transnational cooperation between the EU and Ukraine within the framework of the programmes mentioned above. Slovakia, Poland and Hungary were financed under INTERREG, while Romania by PHARE.

It was the task of the regional and local partners on both sides of the border to analyze their common needs and to identify priorities and actions that were most relevant to their local situation. European Neighbourhood Partnership Instrument (ENPI) which was the financial instrument employed for European Neighbourhood policy (ENP) and addressed to ENP partner countries, including Russia. It offered co-funding for promoting good governance and equitable social and economic development process. In the perspective of reinforcing cooperation with countries bordering the European Union, the European Neighbourhood and Partnership Instrument (ENPI) included a component specifically targeted at cross-border cooperation (CBC). The management of CBC programmes was assigned to a local or national authority jointly selected by all participating countries. CBC used an approach largely built on 'Structural Funds' principles such as multiannual programming, partnership and co-financing, adapted to take into account the specificities of the EC's external relations rules and regulation. One major innovation of the ENPI CBC in the fact that the programmes involving regions on both sides of the EU’s border shared one single budget, common management structures, a common legal framework and implementation rules giving the programmes a fully balanced partnership between the participating countries.

The ENPI also supported cross-border and trans-regional cooperation as well as gradual economic integration of recipient countries with the EU beneficiary countries. In 2011-2012 ENPI (European Neighborhood and Partnership Instrument) – Cross-border Cooperation Program with a budget of 500,000 EUR implemented a project with a focus on training.

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7 The Commission Communication on Wider Europe (2003) sets out the goal of the ENP “to avoid drawing new dividing lines in Europe and to promote stability and prosperity within and beyond the new borders of the Union”. The Communication proposes that the EU should aim to develop zone of prosperity and a friendly neighbourhood – “a ring of friends” – with whom the EU enjoys close, peaceful and cooperative relations.

8 The ENPI is a more flexible and policy driven mechanism, as the allocation of funds depends on a country’s needs and absorption capacity and its level of implementation of agreed reforms. As from 2014 the ENPI replaced by the European Neighbourhood Instrument (ENI), which will provide increased support to 16 partner countries to the East and South of the EU’s borders.

9 Cross Border Cooperation (CBC) is a key priority of the ENPI. Its CBC strategy has four key objectives: to promote economic and social development in border areas, address common challenges, ensure efficient and secure borders and promote people-to-people cooperation, http://ec.europa.eu/europeaid/where/neighbourhood/regional-cooperation/enpi-cross-border/index_en.htm.

activities which enabled job placement for the disadvantaged population in Beregovo (Ukraine) and Miskolc. The overall objective of the action was to contribute to the intensification and deepening of cooperation between institutions in Zakarpatska, Ukraine and Miskolc in Hungary. As a result unemployed people (especially Roma, women and disabled) gained new skills in order to successfully apply for job in Miskolc and Zakarpatska region and that initiative strengthened regional and institutional cooperation among Miskolc and Beregovo.

**Example of Ukraine-Slovakia in the context of the Carpathian Euroregion.** Slovakia transformation, transition and integration experiences - the main value added of Slovakia to the EaP and the CE. In the wake of the European integration Slovakia launched National Conventions for European Integration in Moldova and Ukraine and the Centre of Transfer of the Slovak Experiences from the Accession Process at my Ministry of Foreign Affairs in Bratislava. Using standard tools and additional financial capacity the International Visegrad Fund (IVF)\(^{11}\) started with flagship projects aimed at the promotion of Slovak Democratisation and Transformation experience, development of the regional cooperation and support of civil society.

The EaP CBC also set up a network of civil society organisations in the EU and the partner countries. European Community (EC) assistance in this area provided administrative and financial support for cooperation across the region and sub-regions between civil society organizations. The Conference of Regional and Local Authorities in the EaP (CORLEAP)\(^{12}\) was established by the Committee of the Regions in 2011 to bring a regional and local dimension into the EU's Eastern Partnership. CORLEAP brought together 36 regional and local elected representatives from the EU and the EU's Eastern Partnership countries. (EU Neighbourhood Info). CoR President and CORLEAP co-chair Ramón Luis Valcárcel Siso stressed that an important factor enabling multi-level governance to function effectively was greater political and fiscal autonomy for regional and local authorities. The three EaP priorities - public administration, fiscal decentralisation and regional cooperation were addressed in a report submitted at the CORLEAP meeting in Lithuania in November 2013. CORLEAP members stress that decentralisation and territorial cooperation are key for a successful implementation of the Association Agreements and for economic, political and social development. According to

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\(^{11}\) Source: Ministry of Foreign and European Affairs of the Slovak Republic. Info about Visegrad is available here: [http://visegradfund.org/home/](http://visegradfund.org/home/).

\(^{12}\) The Conference of Regional and Local Authorities for the Eastern Partnership, also known as "CORLEAP", is the political forum of local and regional authorities from the European Union and the Eastern Partnership countries. CORLEAP is the only EU platform that offers an opportunity to discuss the contribution by cities and regions in the development of the Eastern Partnership.
Michel Lebrun, a CoR President and CORLEAP co-chair “decentralisation reforms and more cross-border cooperation” can lead “to greater legitimacy of policies on the local level and provide concrete solutions to problems for people living on both sides of a frontier”.

The well-known EaP Instruments of the Institution-building which also supported the authority’s administrative capacity to implement CBC policies at both local and national level. TAIEX, Twinning\textsuperscript{13}, SIGMA and recent comprehensive institution-building programmes (CIB). The EaP clearly created new multilateral institutions in EU policy towards the East (Delcour, 2011). However in parallel it drew the line for a reinforcement of bilateral cooperation at various levels, i.e., of the contractual relations with the neighbours through the negotiation of the AA, DCFTA, visa liberalisation, cooperation in the field of energy, the support to social and economic policies and finally assistance aimed at strengthening institutional capacities in order to meet the requirements of the AA, the DCFTA and other. Without it neither the EU nor its partners provide their ability to deliver and implement policies and to bring change.

**Section 4:** Methodology; methods: a. SWAP analysis; or b. Synthetic Control method.

4.a Due to Causal Inference Problem idea is to construct a **synthetic Ukrainian border province** as a convex combination of other provinces (based on a series of qualitative information) by using a **Synthetic Control Method**.

Example of West Germany: What would West German GDP look like in the absence of reunification?

Abadie et al. 2014 (AJPS)

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\textsuperscript{13} According to the Working Plan of the Administrative Office of the Twinning Program there are 61 Twinning projects for a period of 2013 in Ukraine.
How did West German GDP look like compared to rest of OECD?

Compare to Synthetic Control:

West German GDP in the absence of reunification
Synthetic Control Method applied to Ukraine: How would the Ukrainian territorial part of the CE looked like in the absence of the EU programs?

4 b example. SWOT analysis and examples of both Carpathian Euroregion and Russia-Latvia cooperation (similarities identified):
According to Russia-Latvia Swot Analysis and Planning for Cross-Border Co-operation in Northern Europe made by Institute of International Sociology of Gorizia (ISIG) for the Council of Europe and the Swot analysis of the Carpathian Euroregion prepared in 2010, the long tradition of intense cross-border human contacts can be maintained and further developed. The SWOT analysis method based on identifying the dimensions and internal indicators of a cross-border area, as well as external ones referred to central governments or Europe, in order to subsequently measure the indicators, making it possible to evaluate them as positive or negative, according to the intensity of their presence. Through complex data processing, SWOT analysis made it possible to define the conditions of cross-border cooperation in a specific area and, at the same time, helped to highlight any potential for cooperation by working on the existing elements so as to emphasise strengths (S) and opportunities (O), while limiting the negative effects of weaknesses (W) and threats (T). SWOT analysis may be used in any decision-making situation when a desired end-state (objective) is defined. SWOT analysis may also be used in pre-crisis planning and preventive crisis management.

Institutional obstacles to cross-border cooperation: state centralisation; lack of adequate structures for cross-border cooperation; conflicting competence on either side of the border; restrictive legal regulations on cross-border relations; lack of credibility; low mutual knowledge and trust; insufficient financial resources.

different political-ideological orientation: weak reaction to opportunities for cross-border cooperation.

Main economic obstacles to cross-border cooperation: uneven development levels; weak or absent response to opportunities for cross-border cooperation; considerable distance from the national and Western European economic centres; worn-out self-supporting local development resources; lack of financial resources for the necessary public expenditures.

Socio-cultural obstacles to cross-border cooperation: presence of national/regional negative stereotypes; language barriers; weak or absent response to opportunities for cross-border cooperation; low exploitation of the possibilities offered by transit circulation, weak accessibility; underdevelopment of tourism, small number of experts and professionals speaking foreign languages.

**Strengths in both examples:**

Institutional factors for effective cross-border cooperation: Signatory of the European Outline Convention on Transfrontier Co-operation (Madrid, 21 May 1980); Signatory of the 1995 Additional Protocol to the Madrid Convention; Signatory of the 1998 Second Protocol to the Madrid Convention; internationally recognised borders; good institutional and legal framework
(based on EU requirements); the euroregion is a potential EU Objective area (nature conservation, environmental protection, rural development, ethnic groups in backward situation, educational infrastructure to be developed); administrative factors for effective cross-border cooperation; official definition of cross-border areas; local authorities’ co-operation with foreign partners.

Economic factors for effective cross-border cooperation: Presence of positive “filter” borders in both countries; participation in Interreg/Phare projects; efficient and well connected road, rail and waterway networks; favourable natural endowments: fertile soil, fresh air, clean environment; ecological conditions which are on the whole favourable for agricultural production, considerable nature conservation areas; good touristic endowments for thermal, hunting and cultural tourism; a considerable number of cheap relatively well qualified labour force; ambitions at the recognition and application of the operational mechanisms of market economy; growing interest towards the opportunities offered by the European Union, the proximity of the eastern markets is advantageous.

Linguistic, cultural and historical factors for effective cross-border cooperation; common historical background and absence of stereotypes; common language or widespread knowledge of the neighbouring country’s language, at least on one side of the border; ratification of the 1995 Framework Convention for the Protection of Ethnic Minorities; tradition of cooperation; good transboundary transport routes (geomorphology, passes, types of transport)

Opportunities: establishment and development of direct contacts between municipalities, local authorities, non-governmental organisations and citizens of both countries should be promoted. The border infrastructure and crossing points have to be modernised and their capacity strengthened. The border guards of both countries should interact on a permanent basis and exchange information and experience. Opportunities for developing tourism facilities to promote cross-border exchanges. In view of the similarity of the problems faced by the authorities at the regional and municipal levels, it should be possible to introduce joint programmes and projects in the fields of personnel training, spatial planning and spatial development planning. More active utilisation of the opportunities offered by international arrangements, in particular the “Pskov-Livonia” Euroregion and the Carpathian Euroregion.

**Common risks and threats:** illegal trafficking and organised crime in the cross-border region. More effective border checkpoints should be established that would facilitate cross-border transport and trade relations between the countries. This should also help to prevent traffic jams,
corruption on the border and smuggling. There is a strong migration tendency in the border area, which may affect not only its demographic structure but also and above all its occupational skills structure. Central government bureaucracy hinders local agencies and authorities from launching their own cross-border projects and programmes. Participation in the Schengen Area can make bilateral Russian-Latvian cross-border co-operation less flexible and more dependent not only on national governments, but also on various international arrangements; the falling behind of the Carpathian Euroregion from the centre regions of the member countries intensifies, the peripheral situation increases, marginalisation, segregation, the possibilities of the self-governments in the member regions are becoming limited; intensification of isolation due to the deterioration of accessibility; the deterioration of the state of the public roads and the further loss of the role of railways continue; the modernisation of the network of long-distance roads on the area of the Carpathian Euroregion is cancelled; the acknowledgement of the Carpathian Euroregion remains unfavourable and no significant foreign capital arrives to the region; the advantages offered by the professional, scientific and integration centres are not exploited, the function of being an international bridge will be lost; the member counties are at different stages of the integration process. A new type of “Iron Curtain” is formed between Eastern and Western Europe.

References for SWOT Analysis” included in the bibliography below.

**Conclusion**

My paper aimed to identify programs, mechanisms and benefits of cross-border cooperation and community-building in the form of Carpathian Euroregion in Ukraine and answer the question to what extent the impact of existing institutional mechanisms and instruments of CBC influence European integration course of Ukraine. Largely due to the lack of strategic vision for the development of the “Carpathian Euroregion” examples of practical cooperation at the EU level have been very limited14. Argument about cooperation with civil society as a mechanism which helps gain trust in governance could be expanded towards European integration course of Ukraine. With regards to decentralisation question, on the one hand, there is widespread public support and political will within the present government in Ukraine for the decentralisation reform. Many important stakeholders view its implementation as an urgent priority to move Ukraine towards integration with the European community. On the other hand, while there

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14 MFA of Ukraine present at its website very limited examples of practical cooperation: Presentation of Dnipropetrovsk region in Brussels in April 2012; Presentation of Vinnytsia region in Brussels on 15 September 2011; Crimea Investment Forum in Brussels’ EC allocates 12 mln for Joint Initiative on Crimea in May 2011 as presented at MFA website, Ukraine.
appears to be political will at high levels of governance, including President Poroshenko, many political actors have yet to accept the reform due to issues related to political competition at the national level. To conclude, the role of the bordering territories of the “Carpathian Euroregion” in international cooperation is of great significance from both political and territorial point of view and in relation to European integration course of the Ukrainian state.

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