

LACE PHARE CBC

DRAFT ASSESSMENT REPORT

Poland-Belarus

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1. PROFILE OF THE CROSS-BORDER REGION¹

1.1. Definition of the cross-border region and map² (see Annex 1)

The length of the border between Poland and Belarus is 407,5 kilometres.

The **Polish part** of the border region is represented by two regions (*Województwo Podlaskie and Lubelskie*) with capitals in Białystok and Lublin respectively and a total population of 3,46 million. The administrative unit equivalent to NUTS III level after the Polish administrative reform of Jan 1, 1999 is a county ("*powiat*") The number of counties directly adjacent to the PL-BEL border is 8³ and their total population amounts to 0,56 million. There is no official definition of a "border region" in Poland. According to the Phare CBC definition of a zone of two counties adjacent to the border, the Polish border region would include a total of about 15 counties and population of about 1,16 million.

The **Belarus part** is represented by two provinces with capitals in Hrodna (Grodno) and Brest, with a total population of 2,7 million. Six districts of these two provinces are directly adjacent to the Polish border³.

1.2. Political/administrative structures

The local and regional authorities are:

In Poland: Regional Council and Executive Committee (regional tier), County Council and Foreman (county tier), Town and Municipality Council with Mayor (local tier). All the authorities are elected by popular vote for four years. The Governor ("*Wojewoda*") is a representative of the central government in his/her region and is responsible mostly for supervising the legality of actions of elected bodies and supervising several 'special administrations', not subject to control exercised by elected representatives.

In Belarus: Provincial, District and Town Councils with Executive Committees constitute the regional/local governments. The regional/local governments in Belarus are practically totally controlled by the State administration. The Belarus system is extremely centralised and thus approach to cross-border co-operation in the border regions is totally dependent on the current policy of the central Government and primarily the President.

1.3. Main socio-economic characteristics

The Polish border region is predominantly rural, with small towns and only two cities with population above 100.000. The capitals of the provinces (Białystok and Lublin) are important regional centres of Eastern Poland, the industry is located mostly there; both cities are also seats of several universities. Due to the rural characteristics of the region, agriculture is an important part of the economy; but only about 10% of the farms are self-sustainable. The main branches of industry are: food processing, chemical, automobile (Daewoo Lublin), aviation industries. The average unemployment is 9,5%. More than 90% of the companies are private, but the biggest job providers are still companies under some control of the State. Several industrial plants have been closed in the recent years, which was partly because of the collapse of trade with the former USSR. This vacuum was filled with broad cross-border trade activity between individual people and small businesses. Border location became then a chance which the region has been successfully trying to make use of. The small border trade has been growing rapidly since the beginning of the 90-ties, providing job alternative to many fired industry workers and farmers of small, non-competitive farms. The Białystok open air market was the biggest such shopping centre in the whole Eastern Poland in the mid 90-ties. However, due to the introduction of limitations of entry to Poland for the citizens of Belarus, since 1998 the volume of the trade has significantly declined.

The spatial characteristics of the Belarus regions is similar to the Polish ones – they are mostly rural, the bigger cities are the capitals of the provinces: Grodno and Brest. The economy of the Belarus border regions is, like the rest of the country, undergoing a deep structural crisis. The main sectors of economy are agriculture and food processing, as well as machine, chemical and construction industries. The natural weakness of the post-communist economy, which was not given any real market therapy, and the political and thus also economic orientation towards Russia make the Belarus businesses (mostly state-owned) unable to compete successfully in a market environment. The main cross-border trade exchange concerns consumer goods imported from Poland by individuals or small companies. Due to the authoritarian rule and lack of rule of law

¹ the main characteristics of both euroregions existing in the cross-border region have been presented separately in respective parts of the Report.

² A map attached at Appendix 1

³ For a list of Polish counties and Belarus districts adjacent to the border see Appendix 2

there is too little stability for foreign business activity in Belarus. The poor infrastructure (including the banking one) and lack of export guarantees do not make the co-operation easier.

In the Belarus border region lives a significant Polish minority, while the Polish part of this cross-border region is one of the most ethnically diverse regions of Poland, with Belarus, Lithuanian and even Tatar minorities.

1.4. Degree of cross-border co-operation

Cross-border co-operation exists primarily on a regional level and has been slowly developing since the beginning of the 90-ties. While a quick development of various forms of cross-border co-operation was a typical phenomenon in Poland over the last decade, this process has been much slower at this particular border. Few twin city agreements and other bilateral co-operation agreements between local governments exist. Nevertheless, two euroregions operate in this cross-border region covering the whole length of the border. Generally, due to tense interstate relations between Poland and Belarus in recent years – the atmosphere for co-operation is not very good and every cross-border activity has an immediate political connotation. The EU support for cross-border projects was not available at all till 1998, and since that time its size was very small. Due to the profile and weakness of the region's economy, the financial base for cross-border projects in the region is insufficient. Because of the bad economic situation in their country, the Belarus partners are primarily interested in cross-border projects with some economic impact.

1.5. Barriers to cross-border co-operation

Limitations to free movement of people (visa regime, Schengen threat); insufficient infrastructure (border crossing points, bad quality of roads leading to them); long lasting procedures at crossing the border; lack of resources for cross-border projects, including difficulties in meeting the minimum required own contribution (the situation is bad in Poland, and dramatically bad in Belarus); various competencies and level of independence in making decisions in both countries, especially centralism in Belarus; politically motivated lack of confidence in cross-border relations on the Belarus side (because of political reasons the Belarus province of Brest has joined the Euroregion Bug with a three years delay; at present the administration seems to tolerate the cross-border co-operation with Poland); Lack of strong and reliable partners in Belarus, heavy domination of governmental administration on every activity, lack of genuine NGOs (after expulsion of the Soros Foundation from Belarus) and other possible partners of co-operation.

An issue worth to be mentioned separately is an incompatibility of the EU channels of funding (Phare/TACIS). The paradox of today is that the Belarus partners, being eligible to TACIS program are theoretically eligible to receive some EU support designed especially for cross-border activities through the TACIS CBC program, while the Polish border regions do not have any EU funding earmarked to support cross-border co-operation (in the form of CBC programs) at their disposal (after completion of the small programs of Credo and SPF). The experience shows, that funding that could be available for Polish border regions under general Phare programs is almost never used for cross-border projects.

2. STRUCTURES

2.1. Cross-border structures

The Euroregion Niemen (ERN) established in 1997 encompasses the Northern part of the PL-BEL border⁴. It is a tri-party organisation, involving also border regions from Lithuania. Its total territory is close to 65.000 sq. km and the population exceeds 3,7 million. (Polish part: 20.500 sq. km and 1,19 million inhabitants; Belarus part: 25.000 sq. km and 1,2 million inhabitants)

The ERN has a network of national offices; the Polish office is located in Suwalki (it is a main ERN office), while the Belarus office is located in Grodno.

At present the Polish part of the ERN consists of towns and municipalities which previously belonged to the former provinces of Suwalki and Bialystok, and now constitute parts of the new regions of Podlaskie and Warminsko-Mazurskie (capital: Olsztyn). Following the administrative reform in Poland, the territorial shape of the ERN most probably will be changed this way, that the Polish part will be eventually represented by the whole Podlaskie region. The "two-counties-zone" criteria does not apply so far to this border region, as the border between Poland and Belarus is not to be eligible to PHARE CBC yet.

⁴ a map of the Euroregion Niemen attached at Appendix 3A

The ERN structures are composed of the Council (12 members; 4 representatives per country) with its Presidium (six members), Secretariat, a network of National Offices and 4 thematic working groups. Every Polish municipality is expected to contribute about 1,000 euro per year to the ERN budget.

The **Euroregion Bug (EB)**⁵, was established in 1995 and occupies the Southern part of the PL-BEL border; it is a **tri-party euroregion based on co-operation of regional/local authorities. As the EB involves also the border regions from the Ukraine, it is also referred to in the Assessment Report concerning the Polish-Ukrainian border.** The EB covers the territory of 82,212 sq. km (PL – 29.269, BEL – 32.800) inhabited by 5,26 million people (PL – 2.7; BEL – 1.5 million).

It should be stated clearly that although the euroregional agreement was prepared for a tri-party organisation, for political reasons the Belarus province of Brest has joined the Euroregion Bug after three years in 1998; until that time the EB was a bilateral Polish-Ukrainian euroregion.

From the Polish side the EB used to be composed of five former provinces with capitals in Lublin, Tarnobrzeg, Chelm, Zamosc and Biala Podlaska. After the reform the former Polish part of the EB still belongs to four new regions. Most probably in the coming months a re-formulation of the territorial scope of the Polish EB part will take place; according to the most probable scenario, the Polish EB part will be identical with the new Lubelskie region.

The EB structures are composed of the Council (10 representatives per country) and its Presidium (1 representative per country), National Offices of the Secretariat and 7 thematic working commissions. The Polish Secretariat is located in Chelm and the Belarus one in Brest. No indication on membership fees and budget was available at the time of writing this report, the funding principles remain unclear partly due to the transition period resulting from the administrative changes.

Before the administrative reform in Poland, the characteristic feature of the euroregions situated at the Eastern border of Poland (including ERN and EB) was the involvement of the State administration (through its regional branches) in the euroregional co-operation and structures. With the creation of a regional tier of self-government the practical involvement of Governors is expected to be transformed to a more advisory participation.

These regional structures are supplemented by the Polish-Belarus Co-ordination Committee for Cross-border Co-operation, which has been envisaged by the Polish-Belarus Agreement on Cross-border Co-operation.

2.2. Other structures/authorities/social partners engaged in CBC⁶

Other actors involved are: municipalities, especially those involved in twin-town relationships, regional governments, chambers of commerce, TV and Radio stations, cultural establishments, universities, NGOs (e.g. Borderland Foundation).

2.3. Activities/services

The euroregions play an important role in promoting the idea of cross-border co-operation and bringing the partners from both sides of the border together. Their work is extremely difficult at this particular border, where they have to tackle problems resulting from real lack of confidence and political tensions between the national partners. The ethnic minorities issues, although do not constitute major problems or tensions at present, contribute to the complexity of the situation and call for very cautious approach of euroregions. Their main activities include then monitoring, information exchange, finding of partners, promotion of the idea of cross-border co-operation. The work of the euroregional offices/working groups is done on a principle of networking and collaboration with regional/local governments and other regional/local partners. Scope of practical activities of the euroregional structures might be significantly broader, if not for the very small financial resources that they have at their disposal.

2.4. Awareness of cross-border co-operation issues/knowledge of CBC programs

Until 1998 the **Polish border** region was not eligible to any EU CBC programs, so the awareness of mechanisms of such programs was low. For obvious reasons, of course, programs like Interreg are not known at all. The launching of the CREDO program in 1998, in spite of generally poor evaluation of the program has contributed to gaining information and experience by several actors involved in cross-border co-operation, primarily by the Euroregions. In 1999 the Polish-Belarus frontier could benefit from a small size EU support awarded through

⁵ a map of the Euroregion Bug attached at Appendix 3B

⁶ a list of regional/local institutions attached at Appendix 4

Small Projects Funds. The programs – both CREDO and SPF were administered by Niemen and Bug Euroregions.

Undoubtedly further activities are needed to spread the information about EU programs to local communities. Special attention should be paid to explaining the long term planning, programming and strategy building aspects. At the Polish-Belarus border, due to existing lack of confidence, some spectacular projects with tangible economic results could significantly encourage the Belarus partners and convince them to the cross-border co-operation. Taking into account the expertise gathered by the euroregions, they can be used as “antennas“ in getting through with information and advice to local communities.

However important is the knowledge of EU CBC programs, the basic issue remains eligibility to these programs. At the moment, after completion of the 1999 SPF round the region will not be eligible to PHARE CBC or any other EU cross-border co-operation program except for TACIS CBC.

This situation will be of course changed with the Polish membership in the EU, when the Polish border regions become eligible to Interreg and their counterparts – to some future version of PHARE or TACIS CBC. At the moment, however, there is a lack of special CBC programs that would help the border regions to accumulate experience, which is necessary for these regions to be able to make an efficient use of the European funding in the future. If such transition instruments are not made available in the years preceding the Polish membership in the EU, there is a serious risk that the coming of INTERREG will find the Eastern regions of Poland and their counterparts completely unprepared. The strategic importance of this particular border as a part of the future EU Eastern border makes this issue especially momentous.

3. PROGRAM RELATED ACTIVITIES

3.1. Strategy development

The development strategies of local and regional governments are only partly completed; especially in Poland, after the administrative reform of Jan 1, 1999 very few of the newly created units (regions, counties) have already prepared their strategies. Normally the cross-border co-operation should be a part of such a strategy. It is hard to say about any strategy work being done in the Belarus regions.

With regard to strategies of euroregions, important steps have been made in both euroregions. The elaboration of a comprehensive development strategy has started in Euroregion Niemen in 1998. The work is done by the Technical University of Bialystok team with funding coming from the Polish Committee for Scientific Research. The Euroregion Bug has already prepared a comprehensive Development Strategy, which was elaborated within a project initiated by the Lublin universities and financially supported by the Polish Committee for Scientific Research.

3.2. Programming, especially PHARE CBC related

The ERN has been involved in some programming activities related to its participation in implementation of the Baltic tranche of the PHARE CBC in mid 90-ties, but it did not cover the border between Poland and Belarus.

The PHARE CBC program for the Polish-Belarus border is not envisaged by the EC regulation from Dec 18, 1998, so no programming preparation was done so far.

3.3. Management of program implementation

3.3.1. Small Project Funds

Both euroregions: Niemen and Bug have been administering one round of the SPF's in 1999. The budget was 120.000 euro per euroregion. Altogether 13 (ERN) and 9 (EB) projects were awarded grant support ranging from 2,500 to 31,000 euro. Of course, as both euroregions are tri-party organizations, some projects were done without the involvement of the Belarus partners, but with participation of the Lithuanian or Ukrainian partners only. The Euroregions were responsible for launching calls for proposals, adjusting some requirements to its specific situations, establishing Steering Committees, choosing the projects, signing contracts with beneficiaries and supervising implementation of the projects, providing financial management and oversight. All this was co-ordinated and supervised by the PHARE CBC Implementing Authority in Warsaw.

3.3.2. Other aspects of program management

The administration of Phare SPF program included the whole range of management tasks. This included also day-to-day contacts with the applicants, providing them with information and advice and then the contacts with the selected beneficiaries, providing them with advice and support in implementation and financial reporting of the projects.

Both euroregions have been also involved in the main round of the CREDO Program in 1998. The EB was a Credo Secretariat for the border between Poland and Belarus, while the ERN was responsible for the Polish-Lithuanian border. Compared to the SPF, the involvement of Euroregions in CREDO program was limited to providing technical support for the program's implementation, preparing the work of the Regional Border Committee; launching calls for proposals, gathering the proposals, performing formal conformity check and submitting projects to program's PMU for further evaluation. The Regional Border Committees were presenting to the European Commission via PMU their recommendations. In Credo the Euroregions were neither involved in final selection process nor participated in supervising implementation of approved projects.

3.4. Project development and implementation

Altogether about 20 small and micro projects have been implemented with the Phare support (1998-99) in the PL-BEL border region. The beneficiaries of these projects have gone through all the phases of project planning, implementation and reporting. The same is true of the euroregions themselves, who have prepared and implemented some own projects, mostly dedicated to promotion and strengthening of euroregional structures. This process has revealed some lack of experience among regional partners and difficulties in gathering the funds to match Phare support, but at the same time it proved to be a good learning experience. The SPF model, being genuinely decentralised have proved to be much more efficient than the highly centralised CREDO system.

4. SPECIFIC/SECTORAL ACTIONS

4.1. Economic development

business days; building of databases for entrepreneurs; business forums, fairs and exhibitions; trade missions

4.2. Tourism

Maps, promotional activities (publications, www pages), co-ordination of tourist information systems;

4.3. Training, Education and Labour markets

internet presentations of schools; Seminars;

4.4. Environment

environmental conferences on water/sewage systems;

4.5. Socio-cultural

cultural events for young people; training for leaders of socio-cultural projects; folk culture events; cultural diversity events; sports competitions;

4.6. Transport

Few initiatives were directly undertaken by local partners, mostly because of the division of competencies which requires decisive and funding involvement of the governmental administration. The local border communities were in several cases successfully involved in lobbying efforts for opening new local border crossing points. The same concerned building of roads leading to those border crossing points. The euroregions were undertaking some lobbying efforts aimed at establishing new border crossing points..

4.7. Other infrastructures

4.8. Other