

# **LACE PHARE CBC**

## **DRAFT ASSESSMENT REPORT**

**Poland - Slovakia**

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## **1. PROFILE OF THE CROSS-BORDER REGION<sup>1</sup>**

### **1.1. Definition of the cross-border region and map<sup>2</sup> (see Annex 1)**

The border between Poland and the Slovak Republic ranges in principle along the main Carpathian Mountains ridge at the distance of 517,7 kilometres.

The **Polish part** is represented by three regions (*Województwo Łódzkie, Małopolskie and Podkarpackie*) with capitals in Katowice, Kraków and Rzeszów respectively and a total population of 10,2 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-SK border is 11<sup>3</sup> and their total population amounts to 1,32 million. There is no official definition of a "border region". Following the decisions on Phare CBC territorial eligibility criteria for hard projects, a zone of two counties adjacent to the border will be eligible. According to this definition the Polish border region would then include a total of about 20 counties and population of about 2,7 million.

The **Slovak part** is represented by two provinces ("*kraj*") with capitals in Zilina and Presov. The number of districts directly adjacent to the border is 13 and their population is 0,71 million. If, like in Poland, a zone of two districts adjacent to the border will be chosen, the number of districts and population of the Slovak border region would be doubled.

### **1.2. Political/administrative structures**

The local and regional authorities are:

**In Poland:** The Regional Council and Executive Committee (regional tier), The County Council and Foreman (county tier), the 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 (police, environmental inspections etc).

**In Slovakia:** Municipality Councils with their Mayors are the only local/regional governments elected by popular vote. The remaining units (District – "*okres*" and Province – "*kraj*") belong to the state administration only.

The Slovak system is much more centralised than the Polish one and thus approach to crossborder co-operation in the border regions is to much greater extent dependent on the political orientation of the central government, which in the nineties was a source of obstacles and problems.

### **1.3. Main socio-economic characteristics**

The region varies significantly in terms of economic potential. Generally the Western parts are better developed both in Poland and in Slovakia (Bielsko-Biala, Zilina) with higher GDP, more industry and foreign investment (e.g. Fiat Auto Poland is headquartered in Bielsko-Biala). The central part of the PL-SK border is occupied by Tatra Mountains – the highest part of the Carpathian Mountains. Although the tourism plays an important role all along the PL-SK border, the central part of the border is an especially popular tourist destination and tourism is undoubtedly a leading branch of economy there. The Eastern part of the PL-SK border region is more rural, less densely populated; while the Polish part in terms of industry is quite well developed, the Eastern Slovakia with its heavy and chemical industries is going through a deep structural crisis, with unemployment ranging above 20%. The major branches of industry in Poland are chemical (glass, rubber, plastic, oil), automobile (cars, buses, car parts), computer industries. The SMEs constitute the largest part of the market. The situation of agriculture, which continues to be a source of income for the large part of rural communities, is difficult; in many sub-regions the traditional farming gives way to farm based tourism. Cross-border commuting practically does not exist. There is an enormous interest in small scale local cross-border trade, which builds upon price differences and generally better supply of consumer goods in Poland. This phenomenon is difficult to estimate in numbers but is an important source of income and thus jobs for retail sale companies in many small towns in Polish border region. In Slovakia the private sector has not been developing as quickly as in Poland during the last decade; therefore the private SME sector is not that strong on the Slovak side of the border; this is especially true of the Eastern Slovakia, which with its heavy industry and high unemployment belongs to the poorest parts of the country.

### **1.4. Degree of crossborder co-operation**

Cross-border co-operation exists on various levels and has been rapidly developing since the beginning of the 90-ties. Twin city agreements and other bilateral co-operation agreements between local/regional governments are quite

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<sup>1</sup> the main characteristics of both existing euroregions have been presented separately in respective parts of the report.

<sup>2</sup> A map attached at Appendix 1

<sup>3</sup> For a list of Polish counties and Slovak districts see Appendix 2

popular. Two euroregions exist in this cross-border region and the third one is to be established soon. Generally, due to traditionally good contacts between the people of both nations as well as similarities of culture and language, plus lack of any significant history based tensions – the atmosphere for co-operation is very good. The EU support for crossborder projects was not available at all till 1997, and since that time its size was much below the regions' potential and needs.

### **1.5. Barriers to cross-border co-operation**

Mountains as a natural barrier for communication; insufficient infrastructure (border crossing points, roads to them); lack of resources for cross-border projects, including difficulties in meeting the minimum required own contribution; various competencies and level of independence in making decisions in both countries, especially centralism in Slovakia; until recently one of the main problems was a politically motivated opposition coming from the Government of Slovakia, which opposed any independent crossborder co-operation and euroregions in particular. Hopefully with the election of 1998 this seems to be the past.

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## **2. STRUCTURES**

### **2.1. Cross-border structures**

The **Carpathian Euroregion (CE)** established in 1993 encompasses the Eastern part of the PL-SK border<sup>4</sup>. It is a multinational organisation, involving also border regions from Hungary, Romania and the Ukraine. The total territory exceeds 150 thousand sq. km (PL – 17,926; SK - 15,746) and the population exceeds 15 million. (PL 2.1; SK – 1.55 million)

The CE has a network of national offices; the Polish office is located in Krosno, while the Slovak office is now being organised in Presov, after relocation from the original seat in Bardejov. Due to the political obstacles mentioned in the above paragraph, the Slovak regions had for the first 6 years an Associate Member status only; this was changed on November 25,1999 when they have applied for and were granted the full right membership in the CE.

The CE extends the definition described in point 1.1 by incorporating also a Kosice province (Slovakia), which does not have a direct border with Poland. Besides, the Northern part of the CE Polish Part (Podkarpackie region) does not meet the “two counties’ zone” criteria and most probably will only be eligible to the PHARE CBC Small Project Funds administered by the CE.

The CE structures are composed of the Council (15 members; 3 representatives per country), network of National Offices with the central Secretariat (at present in Hungary) and 5 thematic working commissions. The offices have normally from 1 to 3 employees; every National Party contributes an equivalent of 35,000 USD a year to the CE budget.

The **Euroregion Tatry (ET)**<sup>5</sup>, established in 1994 and located in the central part of the PL-SK border, is a typical bilateral euroregion encompassing 20 municipalities from Poland and 71 towns and villages from Slovakia. The ET covers the territory of 8164 sq. km (PL – 1952, SK – 6212) inhabited by 0,468 million people (PL – 0,245, SK – 0,223)

The ET structures are composed of the Annual Congress, Council (6 representatives per country), National Secretariats and 4 thematic working commissions. The Polish Secretariat is located in Nowy Targ and the Slovak one in Kezmarok.

The funding comes from membership fees paid by municipalities and calculated on a basis of number of inhabitants.

There are advanced plans to create a third **Euroregion – Beskidy** in the Western part of the PL-SK border, the formal creation will most probably happen in 2000.

At the moment, however, the Polish-Slovak border remains the only land border of Poland, which is not covered by euroregions at its whole length (two Polish counties between ET and CE and the border region situated West of ET do not belong to any euroregion at the moment).

These regional structures are supplemented by the Polish-Slovak Intergovernmental Committee for Cross-border Co-operation, which has several sub-committees including a Sub-Committee for co-operation of local/regional governments. Other crossborder structures worth mentioning are the cross-border Carpathian Foundation and Association of Carpathian Region Universities.

### **2.2. Other structures/authorities/social partners engaged in CBC**

Other actors involved are: municipalities, especially those involved in twin-town relationships, regional development agencies, chambers of commerce, some schools, cultural establishments, universities (e.g. Association of Carpathian Region Universities, ACRU), NGOs (e.g.. Carpathian Foundation, Foundation CEEW).

### **2.3. Activities/services**

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<sup>4</sup> a map of the Carpathian Euroregion attached at Appendix 3A

<sup>5</sup> a map of the Euroregion Tatry attached at Appendix 3B

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. They constitute an institutional framework and a permanent forum for exchange of information and preparation of joint undertakings. Their main activities include then monitoring, information exchange, finding of partners for institutions interested in cross-border co-operation, promotion of the idea of cross-border co-operation. The euroregions undertake also initiatives aimed at promoting their regions to the outside markets, especially in tourism. 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 1997 the 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 still not known at all. The launching of the CREDO program in 1997, 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-Slovak frontier could benefit from a small size EU support awarded through Small Projects Funds. The programs – both CREDO and SPF were successfully administered by Carpathian and Tatra Euroregions. Undoubtedly further activities are needed to spread the information about EU programs to regional/local communities. A special attention should be paid to explaining the long term planning, programming and strategy building aspects. Taking into account the expertise gathered by the euroregions, they can be used as “antennas” in getting through with information and advice to regional/local communities.

### **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 none of the newly created units (regions, counties) have prepared their strategies yet. Normally the cross-border co-operation is a part of such a strategy.

With regard to strategies of euroregions, first steps have been made in both euroregions. The Carpathian Euroregion has prepared, with expert support from the Euregio Maas-Rijn a Framework Development Concept. Due to the vast territory of this euroregion the planned next steps include elaboration of crossborder action programs on bilateral basis between respective national parts of the Euroregion.

The Euroregion Tatra has prepared a preliminary version of its Development Strategy and the works are to be continued.

#### **3.2. Programming, especially PHARE CBC related**

The preparation of the basic Joint Co-operation Programming Document, which is a pre-condition for PHARE CBC implementation, is under way and should be completed by the end of the year 1999. This job has been assigned to the Regional Development Centre in Krakow and is co-ordinated by the Sub-Committee of Regional and Local Governments of the Polish-Slovak Intergovernmental Committee on cross-border co-operation.

The PHARE CBC program for the Polish-Slovak border will hopefully be launched in 2000 thanks to the regulation of the EC from Dec 18, 1998.

### **3.3. MANAGEMENT OF PROGRAM IMPLEMENTATION**

#### **3.3.1. Small Project Funds**

Two euroregions: Carpathian and Tatra have been administering one round of the SPF's in 1999. The budget was 120.000 euro per euroregion; the euroregions have decided to lower the maximum Phare contribution to a project to 5.000 (ET) and 8.000 euro (CE). Altogether 19 (CE) and 24 (ET) projects were awarded grant support ranging from 3,400 to 8,000 euro. 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 done in co-ordination and under supervision of 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 CREDO Program in 1998. The Polish-Slovak border was also eligible to the Credo pilot round in 1997, but it was implemented by regional development agencies and the euroregions were not involved in administering this program until the above mentioned main round of 1998. The ET was a Credo Secretariat for the border between Poland and Slovakia, while the CE was responsible for

the Polish-Ukrainian 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 call 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 40 small or better said micro projects have been implemented with the Phare support (1997-99) in the PL-SK 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 of promotional nature. This process has revealed some lack of experience among regional/local partners, but at the same time it was an excellent example of success of a "learning-by-doing" method, which is far more effective than pure theoretical teaching and training.

The SPF model, being genuinely decentralised have proved to be much more efficient than the highly centralised CREDO system, which was build on a principle of equally centralised approach to all eligible borders, regardless of the fact, whether they had had relevant experience/structures (like euroregions) or not.

## **4. SPECIFIC/SECTORAL ACTIONS**

### 4.1. Economic development

Business forums, fairs and exhibitions; trade missions; studies on potential of economic cross-border co-operation; studies on preservation of traditional crafts

### 4.2. Tourism

Maps, promotional activities (publications, www pages), co-ordination of tourist information systems; concepts for cross-border tourist trails; bicycle routes (pilot or sample projects)

### 4.3. Training, Education and Labour markets

Seminars; joint training for the mountain rescue teams; school exchanges; basic co-operation of universities

### 4.4. Environment

International Biosphere Reserve "East Carpathians" (UNESCO MaB program); exchange of experience in environmental education programs;

### 4.5. Socio-cultural

Many cultural events organised; folk culture events; sports competitions (table tennis, hockey etc); euroregional Christmas carols' concerts; theatre festivals

### 4.6. Transport

Few initiatives were directly undertaken by regional/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 border crossing points. The same concerned building of roads leading to those border crossing points. The euroregions were opposing administrative limitations (fees, charges) to movement of people between Poland and Slovakia and were undertaking some lobbying efforts aimed at establishing new border crossing points..

### 4.7. Other infrastructures

### 4.8. Other

## ACTION PLAN

1. Training Workshop
  - 1.1. Priority topics: programming of crossborder co-operation, division of tasks between partners involved (local community involved, regional government, central government, euroregion etc); tools to trigger the support of the local community (role of media)
  - 1.2. Main participants: leaders/experts of the regional and county governments; media
2. Counselling/ advice
  - 2.1. Priority topics: preparation of concrete projects - know-how transfer; establishment of new organisations (Euroregion Beskidy) building on the experience of others.
  - 2.2. Main recipients of advice: leaders/experts of the regional and county governments; initiators of creation of the Beskidy Euroregion
3. Study visits: no specified wishes were expressed; one of the good ideas seems to be study visits to the Polish-German border regions aimed at studying their Interreg-Phare CBC experience.
4. Other support required
  - 4.1. A help in organising a seminar – presentation of Phare-Phare and/or Phare-TACIS euroregions in Brussels would be valuable. The arguments in favour are the success of such presentation of PL-D regions in 1998 and the fact, that the awareness of activities and potential of those euroregions does not seem to be widespread in the EU administration. It would be especially important to present the experience of co-operation across the future outer border of the EU.
5. Annex: list of regional/local practitioners<sup>6</sup>
6. Feedback for horizontal activities of LACE-Phare CBC

One of the sources of problems is insufficient awareness how to transform the generally recognised need for cross-border co-operation to practical actions. Therefore the local language edition of Info Sheets could be quite useful, targeting the local, county and regional governments as well as media. The publications should provide inspiration for practical activities, explaining at the same time the required programming preparation and division of tasks between the relevant partners (local community involved, regional government, central government, euroregion etc).

November 30, 1999

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<sup>6</sup> a list of institutions available at Appendix 4