EXECUTIVE SUMMARY

FINAL REPORT

CROSS-BORDER COOPERATION IN LATIN AMERICA

Contribution to the regional integration process

(Reference nº 2009.CE.16.0.AT.118)

Association of European Border Regions
(AEBR)

October 2010
This study has been made in the framework of the European Parliament’s call to include European Union (EU) Regional Policy into a stronger international context and within the EU cooperation policy with third countries. It describes a road map for cross-border cooperation (CBC) in Latin America in close partnership with the EU and other European partners.

The new focus of the European Commission (DG Regio) on the territorial aspects of the strategic partnership between the EU and Latin America means a strong step forward to achieve better levels of territorial cohesion. But, in Latin America there are geographical, historical, economic, social and political preconditions for regional development and CBC which differ strongly from European situation and experiences. The political will to develop CBC in Europe is strongly linked to the supranational integration process of the EU initiated after the II World War. But it is also linked to national and sub-national processes. On the contrary, due to historical developments, Latin American national governments are the most important political players up to now in Latin America. Regions, provinces, departments and municipalities depend on national governments in political, financial and planning terms. On the other hand, there has not been in Latin America a place-based approach for CBC until now, with functioning structures like those developed in Europe.

Within the last decade it can be stated an increase in the political will to support, develop, and strengthen CBC in Latin America. There is no doubt that Latin American local and regional authorities as well as the economic sector and the NGOs are playing a growing role in many cross-border fields. Regionalisation and CBC are increasingly present in the political agendas of all MERCOSUR countries (particularly in Argentine, Brazil, Paraguay and Uruguay, its original members). But CBC runs mostly informally and not structured enough.

It is the time to debate thoroughly about a clear strategy, specific and common financial resources, and a distribution of tasks and responsibilities between the different levels (supranational, national, regional and local). One-off activities, which in principle are welcomed, depend too much on the commitment of individuals, organisations or institutions (there is a danger that these activities will finish if persons leave). They are not part of a regional development or even an overall cross-border development concept or strategy, and sometimes compete against each other. EU experience shows that permanent cross-border institutions or structures, which could channel the cooperation in a more strategic and permanent way, are very helpful.

One of the findings of this study lies in the evidence that the European experience in cross-border and interregional cooperation is becoming particularly relevant in Latin America. Local stakeholders wish to use this unique set of experiences and take profit of the best (and worst) practise available to develop real CBC amongst most of the countries. This concerns above all the border areas between Argentine, Brazil, Paraguay and Uruguay. In this sense, the following two cross-border areas in South America have been selected for case studies in this report:

- the Triple Border between Brazil, Argentine and Paraguay,
- the bilateral Brazilian-Uruguayan border.
Within the study a SWOT analysis is developed for the selected cross-border areas in South America and an initial report on the situation of CBC in Central America has been drafted. The SWOT analysis addresses shortly their socio-economic situation, territorial divide and common challenges and chances (based on available information). It also describes the internal and external factors that are favourable and unfavourable for CBC.

Huge distances, lack of common border control facilities, weak infrastructures (compared with European standards) as well as fragile economies have a strong impact on the development of sustainable CBC which has to be strengthened in the future. In some cases, it is not about finding financial resources, but about using national funds for cross-border activities (national funds are only devoted to national projects).

Up to now there is no systematic targeted staff training for CBC within regional and local authorities to develop common programmes or strategies, to organise permanent cooperation, and to establish cross-border institutions/structures for cooperation.

As a result of the study, concrete projects, an action plan, and a road map are elaborated including the next steps to strengthen CBC in the selected border areas and how to proceed in other Latin American borders. Taking into account the EU experience and the exchanges with Latin American experts, it can be stated that:

- CBC will create sustainable added value and contribute to Latin American integration becoming the cement of a “Latin American House”. In order to succeed, the existing back-to-back situation in this process of integration must be transformed into a “face to face” relationship, while respecting the national sovereignties. Barriers have to be overcome and prejudices too.

- Decentralised CBC at regional/local level in partnership with national governments and supra-national organisations is the most suitable instrument to pave the way for a new quality of borders as meeting places offering a wide range of opportunities.

- Successful CBC in Latin America should be based on the following key elements:
  - a step by step development (first the tasks, then the structure);
  - the strengthening of regional and local tasks and responsibilities;
  - a strategic/programmatic approach;
  - real joint projects;
  - a permanent working structure per cross-border area (informal, later formal) as the main player (joint decision-making bodies, joint secretariat and staff);
  - own joint financial resources.

**Short-term and mid-term action plan (along the borders of Argentine, Brazil, Paraguay and Uruguay)**

The main objective is to enhance CBC in this area by securing the transit from individual cross-border activities to a more strategic and programmatic approach (sustainability).
A consistent training programme is needed to enhance regional and local capacities, to involve all partners from both sides of the border and to achieve a more strategic approach to CBC.

In the first phase it is recommended to initiate a parallel process, because targeted training and the elaboration of cross-border strategies/programmes takes time. In the meantime, concrete cross-border projects and other actions coming out from the SWOT analysis can be drafted and implemented. Otherwise nothing will happen in this phase and as a result there would be a strong frustration of actors and citizens on the ground coming with high expectations.

In the extended Triple Border area (AR/BR/PR) and along the Brazilian-Uruguayan border a cross-border organisation/association (composed by regional and local authorities) has to be established for each area to avoid duplication of structures. It will be responsible for managing and coordinating all cross-border activities (political responsibility). In each member province or department, one full time person has to be responsible exclusively for CBC. At national level one department (and one person) should take the overall responsibility for territorial cooperation with the main focus on CBC. National funds earmarked for border and cross-border activities have to be provided on a multi-annual basis.

The role of the EU is to encourage and facilitate the whole process through intensifying political contacts and allocating some financial resources to enable the implementation of the recommendations.

**Road map for the development of cross-border cooperation in Latin America**

CBC in Latin America should be implemented at local, regional, and national level (Multi-level Governance and Subsidiarity) with the support of supra-national organisations (MERCOSUR, CAN, UNASUR) as well as by the participation of the economic sector and non-public actors of civil society (Principle of Partnership). The sub-national level (bottom-up approach) still needs to grow in relevance within the whole development cycle of this regional integration process.

To achieve this goal, genuine cross-border programmes, projects and structures will strengthen social and economic cohesion without touching sovereignty rights. This study proposes three sets of objectives:

- **short-term objectives**: concrete projects, need of decentralised cooperation, establishment of partnerships, informal structures for CBC in general;
- **mid-term objectives**: to increase local/regional/national capacities for sustainable CBC, to elaborate joint strategies/programmes and projects, as well as strengthening cross-border institutions; and
- **long-term objectives**: with a view to the regional integration process throughout Latin America.
In parallel, it is necessary to strengthen from the beginning:

- The political process to define a territorial vision to enhance Latin American social and economic integration and regional development by CBC.
- Local capacities through a training programme on CBC for civil servants, politicians and other stakeholders.

**Concrete projects**

The development of such a road map described above is a very difficult process. To start a fruitful European-Latin America collaboration to promote CBC it is recommendable to assist in the implementation of a set of selected projects:

**Cross border route of Jesuit missions**
Based on existing national promotion of a route of Jesuit missions by organisations in Paraguay and Argentina, the objective of the project is to build up a cross-border and later a transnational touristic route (corresponding to its historical background), including its management structure, in order to develop and define touristic products and potentials with a strong marketing worldwide.

**Bi-national Joint Management Commission of the river Parana – COMIP (AR/PR)**
The main objective of COMIP is to extend the up to now existing more technical cooperation to control the river Parana, into a more political and strategic cooperation, involving the communities and other stakeholders along the river Parana in practical CBC.

**Twin cities**
They play a very important role in the development of CBC along the Brazilian-Uruguayan border. At present they are gateways connecting larger cities/metropolis apart, and places for small activities contributing to the development of the local economy. Despite still existing border problems (e.g. illegal activities), the socio-cultural ties and economic activities can be used as a starting point to implement CBC in a more sustainable way.

**Transnational project Río de la Plata (River Plate)**
The triangle of River Plate (AR/BR/UR) should become a pilot area for a wider cross-border and transnational project, building up the Metropolitan La Plata Region surrounded by a network of intermediate cities, regional centres and rural communities working together through a fruitful urban-rural partnership. Key measures (improved accessibility, green transports and promotion of creativity and economic interests) could also be implemented in this area, being a very good example for other areas in Latin America.

**The Faixa de Fronteira in Brazil**
The different initiatives undertaken by the Brazilian Federal Government and the States should be underlined and supported by any means. Particularly relevant are the studies developed by the RETIS Group at the Federal University of Rio de Janeiro on the Brazilian Border Strip. RETIS and the AEBR have agreed to exchange views with the Brazilian Government and the European Commission in order to extend these studies with the participation of neighbouring countries in the whole process.