

The Strategy for Slovak-Ukrainian Cross Border Cooperation Development 2020

(Focusing on developing cooperation between Presov and Kosice self-governing regions of Slovakia and the region of Zakarpattya, Ukraine)

The Strategy was elaborated within the project of “Slovak-Ukrainian Cultural Centre – establishing and strengthening cooperation between Presov self-governing region and Zakarpattya region” in the frame of Hungary-Slovakia-Romania-Ukraine ENPI Cross-border Cooperation Programme 2007-2013.

The Slovak partners of the abovementioned EU ENPI Programme’s project are the Union of Ruthenians-Ukrainians of the Slovak Republic and the Regional Development Agency of Presov self-governing region; the Ukrainian partners are the NGO Ukrainian-Slovak Centre of Cross-border Cooperation “Carpathians” and the Regional Cultural-Educational Organization Maticza Slovenska in Zakarpattya.

The Strategy was conducted in 2013, based on results of multiple common events involving participating bodies from border regions (government bodies, representatives of local authorities, the public and entrepreneurs), namely: seminars, round tables, research of the border regions’ social groups, working and expert team meetings.

To collect and analyse all the materials and to elaborate The Strategy project, a group of experienced Slovak and Ukrainian specialists in strategy planning, cross border cooperation and regional development was established.

Kosice - Presov – Uzhhorod

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Introduction

The current Slovak-Ukrainian Cross-border Cooperation Strategy before the year 2020 is the result of a project labelled “Slovak-Ukrainian Cultural Centre - establishing and strengthening of Presov self-governing region and Zakarpattya region” supported by the EU and ENPI Hungary-Slovakia-Romania-Ukraine Cross-border Cooperation Programme.¹ The aim of the Strategy proposal is to form the basis for further planning the development of cross-border cooperation between Zakarpattya (ZR) and the regional local governments of Slovakia – i.e. the Presov and Kosice self-governing regions (PSR, KSR). With regard to the fact that ZR, PSR and KSR border is at the same time the state border between the SR and Ukraine, and the EU external border as well, the Strategy proposal is supposed to be the basis for bilateral intergovernmental relations between Slovakia and Ukraine with respect to planning development.

The Strategy proposal is based on the series of strategic planning documents related to cross border cooperation, socio-economic development and the target regions themselves as well as Slovak-Ukrainian border cooperation. The list of these documents and programmes as well as other applied literature is listed at the end of this paper. The list also includes the interstate documents describing the Slovak-Ukrainian cross-border cooperation matters in the border regions (border crossings, border infrastructure, area planning etc.). The cooperation development strategy proposal for involved parties, i.e. both the Slovak border regions (Kosice and Presov self-governing regions) and Zakarpattya region are governed by the following principles of cooperation:

- Achieving social benefits brought about by the cross border cooperation, while taking into account the involved parties’ interests, and cooperation via collaboration among designated institutions;
- Creation of common future Slovak-Ukrainian border area model with mid-term outlook (before 2020) incorporating a long-term outlook;
- Creation of common list of clear strategic development objectives for Slovak-Ukrainian border area and proposing operational tasks with all the respective strategic priority and financial funds details. Implementing common expert development strategy with maximum engagement of all Slovak and Ukrainian actors involved (professional approach).

The methodology of elaboration applied to the Strategy proposal included some *system analysis* elements (especially with the analysis of different cross-border cooperation directions and their impact and interoperation). In some cases a *location approach* was used to compare a single region with other ones both in Slovakia and Ukraine with respect to certain indicators. *Average statistics and normative approaches* were used for identifying conditions of Slovak and Ukrainian target regions because of the existence of numerous differences between particular internal state systems. *Vision approach* was used to summarise involved parties’ quality evaluation of The Strategy’s key elements development, namely strategic objectives and a list of Slovak-Ukrainian border area problems. Five questionnaires

¹ENPI – European Neighbourhood and Partnership Instrument; for more information, see the website *Slovak-Ukrainian Cultural Centre*, http://www.skuaacc.eu/index.php?option=com_content&view=article&id=2:project&catid=1:project&lang=sk&Itemid=0 (access on 19 October 2013).

were elaborated and social research in border districts done applying symmetrical principles and an engagement pyramid of various groups within the parties involved.

Furthermore, the Strategy proposal stems from possible models of the EU and Ukraine mid-term (up to 2020) relations development, providing a strategic framework for further Slovak - Ukrainian bilateral relations as well as the cross border local and regional cooperation development.

The Strategy proposal text consists of two main chapters. The first chapter maps the initial state of Slovak-Ukrainian cross border cooperation, including socio-economic situation of the border regions (ZR, PSR, KSR). Restrictions due to existing contractual contract based Ukrainian and EU relation that provide a strategic framework for cross border intergovernmental (the SR – Ukraine) and regional cooperation are the subject matter of the analysis. Another part of the chapter offers an analysis of perception of existent problems, and possible solutions to make development of cross-border cooperation possible by all parties involved, based on the questionnaire research sought for the strategy proposal elaboration. Finally, the chapter provides SWOT analysis of Slovak-Ukrainian cross-border cooperation strong points and weaknesses.

The second chapter draws on findings of the first chapter, and represents a mid-term Slovak-Ukrainian cooperation development strategy proposal itself, including its models dependent on further EU and Ukraine contractual framework development. The chapter produces a statement of Slovak-Ukrainian cross border cooperation strategic objective, its specific mid-term objectives (up to 2020) and sector priorities, including prior measures and instruments for their achievement. Last part of the chapter offers a summary of financial instruments for further Slovak-Ukrainian cross border cooperation development. Upon the text conclusion, the list of applied literature and appendices are placed.

1. Starting points of Slovak-Ukrainian cross border cooperation

1.1. Socio-economic conditions of the border regions

1.1.1. Eastern Slovakia

Eastern Slovakia region covers the area of 15, 729 km² (32 % of Slovak territory) and in 2013, the population of the region was 1, 611, 407 which accounts for 29.9 % of the Slovak population as a whole. From administrative point of view, the region is divided into Kosice and Presov self-governing regions, which are further subdivided into 24 districts with 40 settlements having a town statute. The level of urbanisation reaches 51%.

Eastern Slovakia belongs to the most socio-economically underdeveloped regions both in Slovakia and Europe. It is situated in the so called North-Southern socio-economic lagging and poverty zone, ranging from Kaliningrad along Polish-Belorussian, Polish-Ukrainian, Slovak-Ukrainian and Hungarian-Ukrainian borders across Balkan up to Mediterranean Sea. Several reasons have caused the condition and can be searched for in international, national and local levels and historical development as well. Entire European Union shows a West-East gradient of regional poverty increase, becoming evident in a minor rate in Slovakia.

Nowadays, GDP contribution of an inhabitant of Eastern Slovakia is 51% compared to EU average of 27. This indicator is the worst even in comparison to other Slovak regions. The last fifteen years have brought positive changes and economic growth across all Slovak regions, making Slovakia converge upon the EU countries average. However, the ratio of growth is influenced by north-eastern gradient, whilst Bratislava region belongs to the most progressively developing EU regions, Eastern Slovakia shows the slowest growth of all Slovak regions. Being compared to many other European regions, Eastern Slovakia growth is nevertheless positive.

Comparison of GDP contribution per inhabitant to EU 28 countries average in %, level NUTS 2

	1996	2000	2004	2007	2008	2009	2010	2011	Growth 15 resp. 10 years
Prague (CZ)	128	139	163	177	175	176	173	171	+43
Middle Moravia (CZ)	65	58	62	64	64	67	66	67	+2
Chemnitz (GE)	81	77	81	83	81	80	84	86	+5
Stuttgart (GE)	n.a.	143	139	141	142	133	145	152	+9
Észak-Magyarország (HU - Miskolc)	36	35	41	39	40	40	40	40	+4
Wien (AT)	n.a.	182	170	161	162	164	165	165	-17
Mazowieckie (PL)	n.a.	74	78	87	89	97	103	107	+33
Podkarpackie (PL)	34	34	35	37	39	41	42	44	+10
Małopolskie (PL)	n.a.	42	43	47	49	52	54	56	+14
Śląskie (PL)	n.a.	52	57	58	61	66	68	70	+18
Bratislava region	104	109	129	160	167	178	179	186	+84
Western Slovakia	48	47	54	66	69	68	69	72	+24
Central Slovakia	41	41	47	54	59	58	61	59	+18
Eastern Slovakia	38	38	42	46	51	49	50	51	+13

Source: Authors calculation based on EUROSTAT statistics.

Seeing Eastern Slovakia as an entity, internal differences must be concerned. On the one hand, urban areas such as Kosice, Presov, Poprad or Humenne possess considerable growth potential, on the other hand there are remote or almost empty territories, predominantly in the border region, without developed infrastructure and job opportunities for young people. Several smaller settlements (e.g. Kechnec, Stara Lubovna, Lipany) represent examples of creating good conditions for investments, resulting in an employment growth and economic efficiency.

Reasons why Eastern Slovakia lags behind vary. The first one reflects the territory character and location influencing the territory development for a long time. Until socialistic industrialisation, Eastern Slovakia used to be predominantly agricultural country without large or important industrial plants. Later the differences disappeared, but time showed that establishing large industrial plants to create employment for entire districts was a big disadvantage after transition to market economy. Moreover, Eastern Slovakia is typical of low density of large urban areas and disintegrated settlement structure created by a large number of small villages.

Another influential development element arises from melancholy character of the neighbouring countries' border regions. Those ones are the least developed regions of Hungary, Poland and Ukraine so their economic power, potential and cooperation have a very little capacity to be economic development stimuli. The existence of Schengen border as a

considerable barrier, an eccentric, remote location and lack of transport infrastructure (logistic market connection) make Eastern Slovakia non-competitive and lagging behind.

The region's economic structure transformation in process and low domestic or foreign investments flow-in cause problems, too. Eastern Slovakia takes only 19.8% share in Gross Added Value of the SR (the year of 2011). Kosice region is more industrial. Its share in regional economy accounts for 28.5%, the share in Presov region accounts for 21.3%; 26.5% is the Slovak republic's average. This time, wholesale, retail, transport, accommodation and catering services with the share of 22.1% of regional economy represent the most outstanding economic branches in Presov region. Construction industry takes 14.1% share. Compared to the Slovakia's average, the share of administration, social services, defence and education in regional gross added value is above the average, namely 16.4%. Agriculture also takes above-average share of 4.2% (the SR 2.6%). However, Kosice region with better agricultural production conditions accounts for the regional economy share of 2.6%.

Taking into account the economy of Kosice region, it is not only above-average compared to national standard, but also considerably growing ICT sector with a 5.9% of the regional economy in 2011 and being high above the national average. Construction industry accounts for 9.4% of the economy in Košice region, being close to Slovak average of 9.1%. Financial and insurance business takes lower share in economy of both regions (2.3% in Presov region and 2.1% in Kosice region) than is the national average: 3.6%.

Regional economy productivity is also looked upon via two important industrial indicators: incomes for own labour and products, and labour productivity coming out of them. Total incomes in Slovak industry in the year of 2012 constituted the sum of 82 billion €. According to statistics, 36.5% of Zilina region taking 14% share of entire Slovakia industrial income. The sum of 7.6 billion €, and 9.3% share in the SR represented the industrial income in Kosice region in 2012. Presov region produced only 3.3 billion € of industrial income, thus accounting for less than 4% of entire Slovakia income.

As for labour productivity, the situation is even worse. In 2012, the labour productivity of Bratislava region industry was 5.5 times higher than in Presov region, and 2.9 times higher than in Kosice region. Average labour productivity reached 168.3 thousand € per person in the SR industry in 2012. However, in Bratislava region, it reached up to 399.1 thousand €, in Zilina region 194.4 thousand €, in Kosice 135.7 thousand €, but in Presov region only 72.5 thousand €.

The very Zilina region accomplished the most dynamic labour productivity growth in past 5 years, namely 61.3% in total for 5 years. In 2008, the labour productivity level in Kosice and Zilina regions was the same. In spite of the productivity growth in Kosice region by 16% in 5 years, the index of 1.43 represents Zilina and Kosice regions labour productivity these days is still growing evenly. To complete the survey, labour productivity must be stated as increasing by as many as 17.9% in Presov region during past 5 years, so Presov region is approaching the standard of the last but one region, namely Banska Bystrica region (74.0 thousand €).

The growth of labour productivity and employment in Zilina region are consequences of foreign investments. The total volume of direct foreign investments (DFI) in the SR reached the sum of 39.6 billion € as per 31 December 2011. As many as 28.8 billion € of it, i.e. 67.6% was directed to Bratislava region. Kosice region with the volume of 2.6 billion € by DFI took 6.6% proportion, but it is considerably winding down (see the chart below). Presov region with the 0.9% proportion and the volume of 0.4 billion € by DFI in the SR is even worse. Such a low proportion of investments is limiting to the regional economy infrastructure modernisation and is one of the factors for lagging behind.

Region proportion in direct foreign investments condition, in % of the SR

Region	1997	2011
Bratislava	66.8	67.6
Trnava	5.4	7.0
Trencin	4.1	4.7
Nitra	3.1	4.0
Žilina	4.7	6.6
Banska Bystrica	2.9	2.5
Presov	2.1	0.9
Kosice	10.8	6.6

Source: calculation by authors following from NBS data.

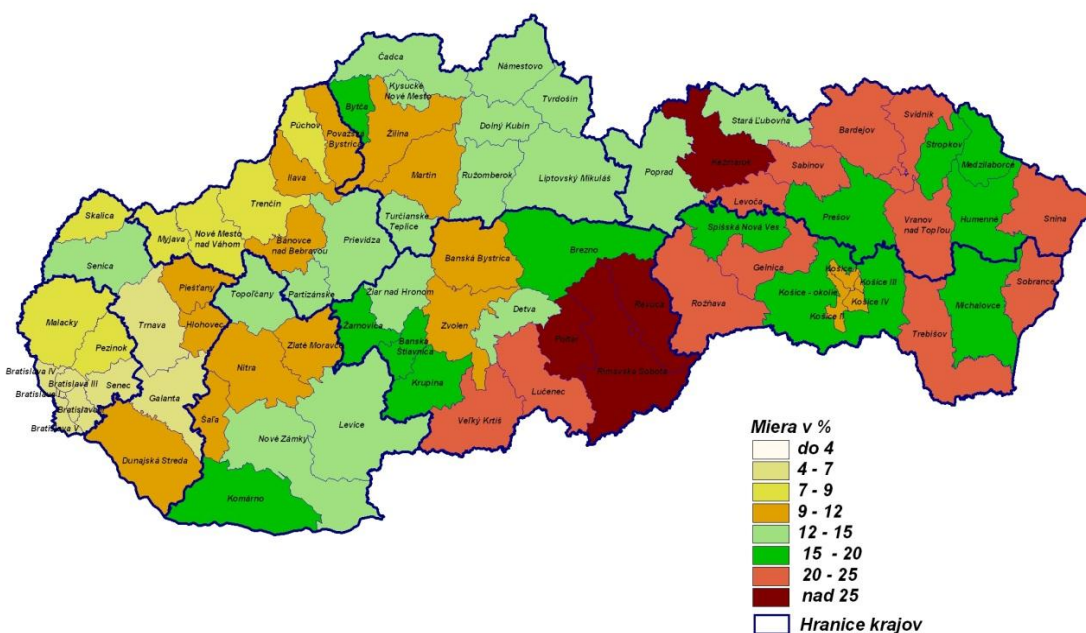
The rates of both employment and unemployment are also considerable indicators of socio-economic development. The rate of employment in the SR is much lower in comparison to the developed EU countries. In 2011, an average employment rate in EU 27 was 64.6 %. Eastern and Central Slovakia's employment rate was 55.4% in 2011. Bratislava region achieved above-average employment rate of 67.0 % in 2011.

The highest unemployment rate has been in Banska Bystrica region, Presov and Kosice. In recent years, unemployment rate has been ranging from 17 % to 22 % on average in these regions. Unemployment rate in Presov region reached 19.35 % in December 2013, the highest of all Slovak regions. Banska Bystrica region reached the rate of 18.26% and Kosice region 17.23%. They are the only three regions exceeding the entire Slovakia average of 13.50% in December 2013.

Unemployment rate varies within single districts at the same time (see the inset). From entire Eastern Slovakia point of view, the worst situation occurred in Kezmarok district with the unemployment rate of 27.81 % in December 2013, in Roznava district (24.83%), Sabinov (23.68%), Vranov nad Toplou (23.25%), Trebisov (22.40%) or Svidnik (21.92%). On the contrary, the best situation occurred in Kosice district with unemployment rate ranging from 10.28% to 11.47%, followed by Poprad (13.90%), Stara Lubovna (14.36%), Spisska Nova

Ves (15.91%). Presov district and the regional seat of Presov as well

Miera evidovanej nezamestnanosti v okresoch SR k 31.12.2013



Ústredie práce, sociálnych vecí a rodiny, Bratislava

Miera evidovanej nezamestnanosti preročítaná na základe výberových zisťovaní ŠÚ SR a priemerného počtu uchádzačov o zamestnanie v roku 2013.
Algoritmus výpočtu stanovilo MPSVR SR

Source: Office of Labour, Family and Social Affairs

Besides high unemployment rate, also a high proportion of long-term unemployed (more than a year) in the total number of unemployed is another negative fact. Long-term unemployed made up more than 53.6% proportion of all registered unemployed in the SR in December 2013. Long-term unemployed proportion in Kosice region is higher than the average in the SR, namely at the level of 60.8%, in Presov region as many as 61.1%. From this point of view, higher attention to marginalised socially excluded population groups must be paid. Their inclusion in society (and mainly in labour market) is the most difficult long-term task especially in the regions of Kosice, Presov and Banská Bystrica where majority of them lives.

Labour market situation also impacts the level of earnings and household incomes. 824 € reflected the average monthly wage in the Slovak Republic in 2013. 1,110 € monthly wage in Bratislava region was the highest one, 636 € in Presov region was the lowest one. It reached 758 € in Kosice region. Regarding the after-tax household financial income², households in Presov region had the lowest income in 2012, namely 327.65 € per person and month, and in Kosice region, it was 333.77 €. On the contrary, Bratislava region household had the highest income of 468.54 €. As for households' outgoings, they represented the sum of 285.31 € per 1 household member a month in Presov region, 289.27 € in Kosice region both being the lowest outgoings of all Slovak regions. In contrast, outgoings of Bratislava region population represented 409.28 €.

The highest proportion of after-tax financial income in Presov region was created by after-tax employment earnings (47.4%), followed by social benefits (29.5%), enterprise revenues (17.1%) and property revenues and other, accounting for 6 % of total household incomes. As for household outgoings, the largest proportion belongs to consumption (91.2%) spending on

² Source: The SR Bureau of Statistics

food and drinks is the greatest (22.5%), spending on housing, water, electricity and gas supply and fuel (19.4%) and spending on transport (7.5%). The lowest money sums were expended on education (0.3%), alcoholic drinks and tobacco (2.7%) and healthcare (3.4 %).

It is obvious from the aforesaid that current Eastern Slovakia, i. e. Presov and Kosice regions situation is unfavourable and is still getting worse in comparison to other Slovak regions. In spite of a certain growth, its dynamism is lagging behind the Slovak average. Eastern Slovakia is a sort of Slovakia's socio-economic margin. Concerning the position of two self-government regions situated in Eastern Slovakia – Presov and Kosice regions, Kosice region is better off. Presov region possesses the worst indicators of all Slovakia regions with most of socio-economic statistics, only Banska Bystrica region is worse off in several indicators. Presov region lagging behind other Slovak regions is the most considerable for direct foreign investments, average monthly income and GDP per capita. Problem lies not only in being the most lagging region behind the other regions of Slovakia, but also in the fact its position is deteriorating and the slump is continuing.

1.1.2. Zakarpattya

Zakarpattya is situated in the south-western part of Ukraine. It borders with the EU countries – Slovakia, Hungary, Poland and Romania. Due to its geographical location, it possesses plenty of geo-economic competitive advantages. Zakarpattya is of cardinal strategic importance within Ukraine not only from geopolitical point of view because of Euro-integrating cooperation with neighbouring countries, but also in external economic relations implementation plan, trans European energy carriers transit potential and providing important European border crossings functioning.

Zakarpattya as an administrative-and-territorial unit came to existence on 22 January 1946. Its territory is relatively small, only 12.8 thousand km² resp. 2.1% of Ukraine's territory. Its area is 1.7 times smaller than the area of a medium-sized Ukrainian territory. The number of Zakarpattya population exceeded 1,248.0 thousand in 2013, accounting for 2.6 % of total Ukrainian population. Zakarpattya is divided into 13 districts, 11 urban areas, 5 of which are of regional importance (Uzhhorod, Mukachevo, Berehovo, Chust and Chop) and other county towns (Rachiv, Tjachiv, Irschava, Svaljava, Perechin). Mizhhiria, Volovec a Velikyj Bereznyj are the district centres among 19 small towns. There are 609 settlements in total in the area (towns, small towns, villages), 193 of them are so-called mountain. The length of Zakarpattya territory is 184 km from west to east, and 80 km from north to south. The regional centre of Uzhhorod city is situated 790 km from the Kyiv capital city and it is in an immediate vicinity of the border with Slovakia.

Zakarpattya is specific for *area zoning* which means that its single parts correspond to the natural economic zones: lowland, mountain-foot, alpine. They differ in surface or other geographical features and also natural potential. Natural-and-geographical and climatic factors of particular zones influence economic activity, mainly economic and entrepreneurial conditions, labour productivity and quality, and standard of living of its population at the same time.

Zakarpattya's socio-economic situation is extremely complicated in *rural areas* being considered to be alpine in terms of Ukraine legislation. Their proportion of total rural settlements number represents 37.1 % and 30 % of rural population lives in the area. Majority of the alpine settlements endure hardships of conditions and stimuli for residents' self-development as a result of simultaneous retarding activity of economic, social, ecological,

budgetary and other factors complex. It implies that exploiting only own natural production potential, even though rich, limits satisfactory development. Hence, it inevitably calls for implementation of effective state programmes. Alpine villages and small towns are substantial for Zakarpattya socio-economic development because of the following *main factors*:

- Nowadays, rural areas have denoted a natural population growth increment unlike cities marking population decrease for past 5 years (with exception of the city of Mukachevo).
- Rural areas are vital for Zakarpattya regional economic priorities in such branches as timber industry, agricultural production, including viniculture, fruit and vegetables growing revival, and tourism and recreation.
- This time the structure of Zakarpattya agriculture is based on private agricultural farms (not cooperatives, not agricultural companies, not farmers companies etc.) taking 90% of gross output. This kind of structure is non-competitive and ineffective being compared to other border regions of Slovakia, Hungary, Romania. Derelict vast agricultural lands in Zakarpattya are the proof of that fact.
- The conception of Zakarpattya sustainable development and valid Zakarpattya Regional Development Strategy to 2015 produce an ecological-and-economic model of a regional development. Tourist-and-recreation and spa potential of Zakarpattya is concentrated in the very alpine settlements, resp. adjacent regions.

Zakarpattya *demographic situation* is specific for the biggest rural area residents' proportion (62.8%) of the total number of residents in all other Ukraine regions. Nevertheless, rural area residents twice exceed the number of urban area residents in all alpine districts. E. g. in Tjachiv district (172,000 residents), the most densely populated in Ukraine, its only district town of Tjachiv is inhabited by 12,000 residents. Zakarpattya region settlements are typical for considerable differences in location of towns, small towns and villages: as for settlement population number, there prevail large and medium-size villages beside small towns (from 7,000 to 3,500 residents.) Only two urban areas – Uzhhorod and Mukachevo – rank among cities of 80,000 to 120,000 residents. The number of Zakarpattya residents remained almost unchanged for the past 5 years (from 1,242,600 to 1,244, 895 residents). It is also reflected in population density: approximately 97 people per km². A positive feature of the region is a birth rate and natural growth increment in comparison to other Ukrainian regions. The monitoring of Zakarpattya rural population demographic development tendencies displays young people up to the age of 35 taking the largest proportion of those unemployed. Young people have to migrate to other urban areas or even abroad because of poor labour market. Working migration causes a plenty of social problems despite migrants' income increase. The region is occupied by more than 100 nations and nationalities: Ukrainians (80.5%); Hungarians (12.1%); Russians (25 %); Romanians (2.6%); Romanies (1.1%); Slovaks (0.5%) and other ethnics and minorities' representatives.

Zakarpattya *natural sources potential* possesses a series of distinguishing features:

- Small agricultural areas: 0.37 ha per capita in total, 0.16 ha of it makes arable soil, that is much lower than Ukrainian average: 0.87 ha resp. 0.67 ha. About half of the agricultural soil is situated at mountain-foot and alpine natural-and-economic zones, consequently being influenced by the natural-and-climate conditions and the location unfavourable to agriculture.

- Mountains with high-productive forests and low-productive meadows cover 2/3 of the Zakarpattia territory. The percentage of forest cover (51%) is the highest one among the Ukrainian regions.
- The total Zakarpattia natural protected territory takes 12.5% proportion of the region's territory, much surpassing the Ukrainian average of 4%. Further protected natural areas extension in order to preserve a biological diversity and a tourist-and-recreation potential must be taken into consideration.
- Zakarpattia differs from other Ukrainian areas by dense hydrologic network including more than 9,400 rivers and streams. At the same time, high amount of precipitation (in the mountains – up to 1,500 mm and more per year) causes frequent floods, sometimes with disastrous consequences.
- Zakarpattia houses more than 210 explored deposits of more than 30 raw materials kinds of industrial importance: non-ferrous metals and ores as well as non-metals (zeolite, mineral salt, alunite, dolomite, bentonite and others), building materials (marble, basalt, andesite, ceramsite, perlite, kaolin and others).

Zakarpattia tourist-and-recreation potential:

- There are discovered and explored 360 mineral water springs in the region, 62 of them are utilised in Svaljava, Mizhhiria, Mukacheve, Chust, Rachiv and Uzhhorod districts.
- Some types of Zakarpattia region's mineral water are of different chemical composition and curative effects. Zakarpattia sources of mineral water represent 18.8% of 207 Ukrainian mineral water sources in total. 30 explored mineral water types consist of 27 % of acid carbonic chloride sodium, 22 % of carbonic acid chloride-hydro-carbonate chloride-sodium, 18 % of carbonic hydro-carbonate sodium, 15 % of carbonic hydro-carbonate sodium-calcium-magnesium, 6 % each of sulphide, and silicate. A lot of springs are unique; corresponding with Jesentuky, Borzhomi or Arzni types and are equivalent to well-known types of Czech, Polish or French mineral water. 21 types of mineral water comply with Ukraine's state standard of "Drinkable mineral water".
- The territory is occupied with plenty of spa resorts, recreation resorts, touristic facilities built in the picturesque Carpathian mountain spots. They are all situated in the vicinity of about 300 mineral springs. Poljana Kvasova, Holubine, Sojmy, Kelechin, Kvasy, Shajan and others are the best-known curative types of mineral water sources.
- Nowadays more than 50 registered and licensed travel companies are in operation in the Zakarpattia territory (35 of them are situated in the city of Uzhhorod and in Uzhhorod district, 7 in the town of Mukachevo, others in Rachiv, Irshava, Perechin, V. Bereznyj and Chust districts) providing tourism services for visitors from various parts of Ukraine and foreign countries as well.
- The Carpathian streams are suitable for kayaking and canoeing, and for swimming, too. The area offers convenient conditions for winter tourism and skiing. The period suitable for winter sports and relaxation lasts 4-5 months – from late November to mid- March.

Other general socio-economic situation characteristics of Zakarpattia region are as follows:

- Relatively low level of region industrial and economic development compared to other regions, gross domestic product of 0.5% within Ukraine.
- Jobs territorial allocation is far from optimum, natural and labour sources are used irrationally and ineffectively.

- Centralised state investments to the region's development were 5 times lower in the past 10 years than before, thus translating into production and social infrastructure downgrade, lagging in productive labour development and decrease in population's standard of living.
- State subsistence for small and medium sized enterprises, including local authority and local government effort, is insufficient in all regards (microloans, education and retraining, information-and-consultancy services, creating institution network of entrepreneurship support).
- Plenty of Zakarpattya local and regional development positive changes have been introduced over the past 10 – 15 years via the border districts of the neighbouring countries of Slovakia, Hungary, Romania, and Poland cross-border cooperation. The period of 2007-2013 was especially important because at that time, a lot of development projects within the ENPI Hungary–Slovakia–Romania–Ukraine and Poland–Ukraine–Belorussia Programme were implemented, including the projects of infrastructure development, transfer of European good practices, improving of border infrastructure and social contacts activation. Zakarpattya cross-border cooperation project fruitfulness influenced Ukraine integration strategy in a positive way.
- Normative-and-legislative platform of Ukrainian-Slovak cross-border cooperation has been created, especially by means of: Convention on Carpathian Ukraine and Presov self-governing region of the SR on 15 March 2005, and General Agreement between Zakarpattya State Administration and Kosice self-governing region on trade-and-economic, science-and-technological and cultural cooperation on 24 October 2006.

Generally, it can be concluded that Zakarpattya before 2013, was influenced by a set of historical, political, nature-and-geographical, economic and management factors, regardless advantageous geographical and geo-economic allocation, natural sources and human potential richness, belong to the regions with low level of production labour, industrial and innovative development. A peculiar and stable attribute to the region (especially to the rural regions) is the residents working migration, including working migration abroad, too. Zakarpattya is considerably lagging behind in social and production infrastructure development, and in population's financial incomes as well, compared to the neighbouring countries' border regions. What makes Zakarpattya competitiveness considerably lower in comparison to the neighbouring countries regions possessing similar natural sources, is the inefficiency and absence of reforms in the past 8-10 years of too centralised state assistance system of regional development and small and medium enterprises, and ineffective system of regional development management.

Fundamental data on border region

Characteristics	Presov region	Kosice region	Eastern Slovakia	Slovakia	Zakarpattya	Ukraine
Area (km²)	8,973	6,755	15,728	49,035	12,777	603,628
Population	818,916	794,756	1,613,672	5,415,949	1,256,903	45,426,249
Population density (number of residents per km²)	91.1	117.6	102.5	110.5	97.0	75.5
Number of Districts	13	11	24	79	13	490
Number of Urban areas	23	17	40	138	30	1,344
Number of Villages	665	440	1,105	2,890	579	28,457
Balance of movement	-1.35	-0.58	-0.97	0.44	-0.10	0.07
Natural growth increment	3.23	1.5	2.38	0.51	2.9	-3.5

Unemployment rate	19.35	17.23	18.32	13.5	10.5	8.8
Average monthly income in €	636	758	-	824	209	279

Source: The SR Bureau of Statistics and Ukraine State Statistics Bureau, data are as of 31December 2013

1.2. Restrictions and Opportunities on European and bilateral levels

1.2.2. Restrictions imposed by contractual relations between Ukraine and EU

Fundamental institutional conditions of Slovakia and Ukraine cross-border, including rules of the border mode functioning for persons, goods, services and capital movement across the common border, are categorically dependent on contractual relations between the EU and Ukraine. Bilateral Slovak and Ukrainian relations in the matters of institutionally defined terms of cross-border cooperation (at intergovernmental and also regional levels)³ is determined at transnational level, i.e. the EU and Ukraine relations as well as relevant EU and Ukraine policies. Unless the EU and Ukraine relations level changes, no cardinal changes of institutional terms for Slovakia and Ukraine cross-border cooperation development on bilateral and regional levels can occur.

Common policies and the EU legislation (*acquis communautaire*), regulating the operation of internal area of four fundamental internal *borderless* union freedoms, are obligatory for all the EU member states, including the SR. In accordance with primary EU law (fundamental contracts on the EU)⁴ the EU member states assigned own national powers to create policies on operation and deepening of united integrated area of four fundamental freedoms to common institutions, including external relations with non-member EU states in the matters impacting internal Union area.

The abovementioned facts result in the following creation of institutional terms restrictions for Slovak-and-Ukrainian cross-border cooperation at bilateral level:

The SR government is not competent to adjudicate independently upon Ukraine's border mode operation;

- Ukrainian and Slovak governments are not allowed to agree on cross-border cooperation conditions on bilateral level, even alternatively better corresponding to frontier regions needs and the cooperation development but in contradiction to EU common legislation and policies and proper EU and Ukrainian frame contract.

³ A bilateral intergovernmental agreement, signed on 5 December 2000 and effective as of 29 January 2001, governs the SR and Ukraine cross-border cooperation. For the Agreement text, see – Agreement on Cross-border Cooperation between the SR government and Ukraine Cabinet of Ministers. Ministry of the SR Foreign Affairs Notification 172/2001 Z.z. (Statutes).

⁴ See – the consolidated text of The Contract on European Union and The Contract on EU Operation. In: EU Official Reports C 83, vol. 53, 30 March 2010 (so called Lisbon Treaty – signed on 13 December 2007; having been in force since 1 December 2009 and having replaced the former Nice Treaty from 26 February 2001). Among all EU member states, merely 5 current EU member states (Bulgaria, Cyprus, Ireland, Romania and Great Britain) are excluded from free persons' movement agreement because of their – failure to sign the Schengen Treaty. The Schengen Treaty (signed in 1985) abolished customs control in the internal European Communities (EC), later EU (since 1993) member state borders and determined common rules for free persons movement inside the EU, outer border protection and signatory countries migration policy. The 1997 Amsterdam Treaty on EU (coming in force in 1999) incorporated The Schengen Treaty into the primary EU legislation.

In addition, if the SR government as an EU member state government intends to achieve improvement of Slovak-Ukrainian cross-border cooperation conditions, the legislation in place obliges them to observe the EU policies, influencing the EU and Ukraine border character, in their effort to change proper EU and Ukraine contracts for creating more favourable cross-border cooperation conditions for Slovak entities and Ukrainian partners. It is in force alike that the Ukrainian government in the case of its effort to achieve the terms of Slovak-Ukrainian cross-border cooperation improvement, is obliged to change the EU-Ukraine contracted border mode in order to facilitate the persons, goods, services and capital movement between Ukraine and the EU, and thus between Ukraine and the SR. The abovementioned institutional restrictions for the SR and Ukraine governments' action in the matters of bilateral cross-border cooperation development resulted in the two following fundamental facts:

- Bilateral Slovak-Ukrainian cross-border cooperation frame depends on a transnational frame, i.e. the EU and Ukraine relations being superior to bilateral Ukraine and the SR relations, and determining their content, cross-border cooperation conditions including;
- the extent of bilateral SR and Ukrainian cross-border cooperation impediments elimination and concurrently, the extent of more favourable institutional opportunities to develop depend on the extent of Ukraine's engagement in the united integrated area of free persons, goods, services and capital movement within the EU. Exactly stated, it depends on the degree of Ukraine's integration-in the EU.
- Optimal and the most favourable Slovak-Ukrainian cross-border cooperation model is the one of Ukraine's fully-fledged EU membership, resulting in elimination of the impediments of Slovak-Ukrainian cross-border cooperation.

The key significance for the current and even future Slovakia and Ukraine border mode and concurrently for Slovak-Ukrainian cross-border cooperation model before Ukraine's achieving the EU membership is borne by the following EU common policies: *common trade policy* arising from the EU common policies package regulating joint internal trade, including specifications for quality of goods and services, rules of economic competition, public procurement, state subsidies, establishing of businesses and the like (determines the conditions of Slovak and Ukrainian bilateral trade, including the rules of common border customs regulations); *common policy on justice and internal affairs* (refers to the EU and third countries relations in the field of justice, public security bodies, adherence to human rights, migration policy regulating the terms of Schengen area admission for third countries residents and their employing in the EU territory as well, and fight against illegal migration and outer border protecting), and last but not least EU *common foreign and security policy* (CFSP).

Common Community Law is the fundament of the EU common policies, containing besides prime agreements (primary legislation), all secondary legal acts adopted by the EU institutions (Council of EU, European Parliament, European Commission), including The EU Court Decisions, but also defines the EU common policies *objectives*. Predominantly, the EU common policies objectives apply to *internal* cooperation among the EU member states, i.e. further creation of proper legislation and measures regulating the EU internal area sectors operation, and concurrently, predetermine the *external* EU and third countries relations. In these relations – in sector and political spheres regulated by common legislation and common policies - the EU tries meeting the *legislatively set* common policies regulating the EU

internal area operation.⁵ Consequently, the EU requires third countries intending to access the EU internal area, resp. particular sectors field admission to approximate proper EU legislation.

Therefore, a general regulation with the EU and third countries contractual practice is in force: the degree of approximation with the EU regulations predetermines the extent of third country admission to the EU internal area or its particular sector fields. The EU rejects negotiations on any changes of own internal regulations with the countries intending to access the EU internal area of four freedoms accession as the regulations, in accordance with EU legislation, can be created only by the EU member states. The EU is competent to negotiate with third countries as far as their EU internal area accession is concerned, merely for the extent of their own legislation approximation to EU legislation, and terms and time required for the approximation. Approximation to the EU legislation is a material fact of not only *accession agreements* with third countries, i.e. it does not merely refer to the Union extension policy.

With exception of agreements with third countries on cooperation in the field of Common and Foreign Policy, all other EU agreements with third countries impacting the single four freedoms area operation, including first and foremost Free Trade Agreements (FTA) – in the case they exceed the frame of international trade regulations defined by World Trade Organisation (WTO) – contain the condition of approximation of legislation for the contractual partners intending to access A Single European Market or its optional sectors, selected goods and services included. The EU has concluded such FTA agreements exceeding the WTO regulations frame in selected sectors of A Single Market with Chile, South Korea, Mexico, South Africa and Turkey (The Agreement on Customs Union). The most ambitious agreements by European Economic Area Agreement (EEA) concluded between the EU and Iceland, Liechtenstein, and Norway.⁶ To comprehend this fundamental characteristics of the EU and third countries contractual practice is crucial for comprehending the opportunities for further EU extension policy development, including contractual relations with Ukraine by means of Association Convention, and thus for further Slovak-Ukrainian cross-border cooperation development.

1.2.3. Opportunities offered by The Association Agreement

A current EU and Ukraine relations contractual frame comprises 80 contractual documents: 20 of them represent bilateral agreements and 60 multilateral international ones.⁷ The

⁵ See – The Agreements on European Union Operation (2010): c. d., p. 144-147 (Title V. International Agreements).

⁶ In spite of not being the EU countries, EEA countries - Norway, Iceland and Liechtenstein – are integral parts of the Union single market (with mere sector exception on fishing in the case of Iceland and Norway). The EEA countries are obliged to approximate national legislation to the EU one in the fields referring to a single EU market operation, but are excluded of their creation decision process. Despite EEA countries not being the EU members, they have the right of advisory vote in the EU legislation process - their representatives are allowed to take part in the sessions of the EU Council working groups, creating Union new sector legislation, as O-members. Switzerland provides another specific example of not having concluded a single complex EEA type agreement, but having 120 bilateral agreements enabling Switzerland the access to selected Union single market sectors and some EU common policies, including Schengen. For valuable survey and analysis of legal framework and the EU and third countries contractual relations practice, see – Eeckhout, P.: *External Relations of the European Union. Legal and Constitutional Foundations*. Oxford EC Law Library: Lavoisier SAS, 2004.

⁷ Condition towards 31 December 2013; see - *European Commission: Treaties Office Database. List of treaties by country: Ukraine*.

Partnership and Cooperation Agreement (PCA) signed in 1994 (in force since 1998)⁸ is the first EU and Ukraine bilateral agreement and at the same time, a fundamental EU and Ukraine frame agreement. PCA was in a certain way “an agreement on a future integration agreement”, it neither enabled Ukraine the access to a single European market, nor its particular sector policies. However, the PCA brought significant actions:

- it institutionalized a regular and structural political and expert EU and Ukraine dialogue, including terms and possibilities of the future Ukraine access to the Union integrated area;
- the EU assumed to deepen cooperation with Ukraine provided that Ukraine applies democratic principles in practice, adheres to human rights and satisfies conditions for WTO membership;
- Ukraine became obliged to approximate its legislation to the EU one gradually in the fields referring to a single area of free persons, goods, services and capital movement functioning within the EU;
- PCA incorporated the legal frame for the EU providing Ukraine with technical assistance while transforming into a democratic country with a market economy.

All other bilateral EU and Ukraine agreements concluded in the period of 1994-2010, including agreements on the trade with nuclear materials, textile and steel products, on cooperation in environmental protection, peace nuclear technologies utilisation and the like⁹ are consequences of meeting PCA requirements since its entry into force in 1998. Turning changes in the EU and Ukraine relations occurred after 2004. Ukraine reformatory pursuit supported by EU politically and technically within European Neighbourhood Policy led to three significant milestones of Ukrainian integration process in the years of 2007 and 2008;

- In 2007, the EU and Ukrainian negotiations about so called Enhanced Cooperation Agreement (ECA) commenced with the intention to replace the former PCA and fully comply with ENP ambitions (European Neighbourhood Policy), i.e. to achieve complete approximation of Ukrainian legislation to that of the Union on the one hand, and to enable Ukraine to access to the EU single four freedoms area on the other hand;
- In 2007, Ukraine and the EU signed two key agreements in the field of free persons movement liberalisation: a cooperation agreement on the fight against illegal migration and persons readmission, and an agreement on the Schengen visa issuing liberalisation for Ukraine residents;¹⁰
- In 2008, Ukraine became WTO member, consequently being allowed to start the negotiations on the EU trade liberalisation as a parallel component of ECA sector section

<http://ec.europa.eu/world/agreements/searchByCountryAndContinent.do?countryId=3856&countryName=Ukraine> (access on 14 September 2013).

⁸Partnership and Cooperation Agreement between the European Communities and Their Member States, and Ukraine. In: *European Commission: Treaties Office Database. List of treaties by country: Ukraine*, <http://ec.europa.eu/world/agreements/prepareCreateTreatiesWorkspace/treatiesGeneralData.do?step=0&redirect=true&treatyId=217> (access on 15 September 2013). PCA was signed upon the validity of 10 years period (i.e. from its ratification in 1998 to 2008). After elapsing 10 years, its validity prolongs for further year automatically supposing that none of the contractual parties terminates the contract.

⁹So far the last bilateral EU and Ukraine agreement was signed on 22 November 2010. It is the case of PCA Protocol enabling Ukraine to engage in EU sector programme activities. See - *European Commission: Treaties Office Database. List of treaties by country: Ukraine*, c.d.

¹⁰*European Commission: Treaties Office Database. List of treaties by country: Ukraine*, c. d.

negotiations (in this year both the parties agreed on a future agreement title change into “Association Agreement”).¹¹

Three abovementioned matters of fact represent turning milestones of Ukraine’s European integration process since the former achieved statehood in 1992. They meant crucial steps to Ukrainian access to the EU integrated four freedoms area, and to the gradual getting rid of Slovak-Ukrainian border “splitting function“, due to being an EU outer border. The EU offer for Ukraine and other five Eastern European countries by means of Eastern Partnership in 2008 (further in the text – EP) became another milestone in the process of Ukraine-to-EU integration. European Commission propounded an EP programme proposal to approve before European Parliament and The Council on 3 December 2008.¹² The EU’s new offer for EP countries comprises the following key items:

- Gradual achievement of visa-free mode between the EU and EP countries;
- Creation of free trade zone by means of concluding the Deep and Comprehensive Free Trade Area (DCFTA) agreements on trade liberalisation;
- Strengthening of sector reforms in EP countries in accordance with European *acquis communautaire* (Common Policy and Legislation);
- Developing New Generation Action Plans to interconnect the EP countries reformatory process and their EU integration;
- Signing new Association Agreements (AA), including DCFTA in order to replace PCA agreements;
- EP countries opportunity to access the EU sector community programmes and via them to complete the integration to EU in proper sectors;
- Specify the EU financial subsidy targets dependent on EP countries progress in the reforms implementation;
- Precise adherence of the EU differentiated approach to the partner countries based on evaluating their progress and effort to implement reforms.¹³

The main part of the EU offer within EP includes the opportunity for partner countries to conclude associate agreements, containing agreements on Free Trade Area (AA/DCFTA). Merging sector reforms and a single market opening within one comprehensive agreement makes AA/DCFTA an exceptional type of *integration* agreement in the EU standing contractual practice comparable to EEA (Norway, Iceland, Lichtenstein) agreement type. In the case of the Agreements concluding, the EP countries will become parts of the EU single market, including the countries markets with EEA Agreements, Customs Union Agreement (Turkey) and likewise Switzerland selected market sectors with bilateral sector agreements. Concurrently, the DCFTA Association Agreements require high degree of partner countries legislation approximation to the EU economic and trade legislation, representing 85% proportion of entire EU legislation. According to declarations by European Commission representatives responsible for Agreements negotiations, AAs offered to EP countries are identical to EEA Agreements from approximation of legislation and access to the EU single market point of view.¹⁴ In different words, signing and ratification the AAs and of course their

¹¹Ukraine became 152nd WTO member on 16 May 2008 on the WTO General Council decision on 5 February 2008 stating that Ukraine satisfied WTO membership terms. See *Member Information. Ukraine and the WTO*, http://www.wto.org/english/thewto_e/countries_e/ukraine_e.htm (access on 15 September 2013).

¹²*Eastern Partnership. Communication from the Commission to the European Parliament and the Council*. Commission of the European Communities, Brussels, 3Dec2008, COM (2008) 823 final.

¹³Therein, p. 1.

¹⁴Talks hold by the author with European Commission representatives being members of EU negotiation team when negotiating of AA and DCFTA with Ukraine. The talks were held in Brussels in December 2012. For more

implementation in practice by EP countries will mean the EP countries integration to the EU de facto, i.e. they will mean complete access of EP countries to the EU integrated area of free goods, services, persons and capital movement within the EU area.

On the contrary to AAs offered to Central European former communist countries by the EU in early 90s of the last century, AA/DCFTA within EP comprises even approximation to the Schengen and energetics acquis in order to achieve the visa mode abandoning and gradual EP countries integrating to the currently created EU single energetic market. In different words, EP enables the partner countries to make progress in their integration to the Union single area via concluding bilateral agreements in two sector policies: visa dialogue and energetics. The EU approach is exceptional because in the EP partner countries relations, it merges two contractual practice models in the case of the external partners having an opportunity to gain the access to the EU internal area or its parts: a comprehensive agreement model (the model of access agreement based on “all-or-nothing” principle, or EEA agreement model based on “almost all-or-nothing” principle), and bilateral sector agreement (the model of sector contractual relations with Switzerland), i.e. – integration within a particular sector based on approximating particular sector legislation. In different words, provided that Ukraine satisfies Visa Dialogue and Energetic Community programmes, it is possible for Ukraine to achieve abandoning a visa mode with the EU, and become a part of EU energetic market even before implementing the entire comprehensive EU legislation comprised in AA with the EU. From Slovak-and-Ukrainian cross-border cooperation point of view, it is important for Ukraine to advance in Visa Dialogue and to achieve its ultimate aim, i.e. the abandoning visa requirement for the Ukrainian residents travelling to the EU, Slovakia included. The achievement of this aim will mean Ukraine’s integration to the EU internal area in the field of free persons’ movement. The implementation of entire comprehensive legislation comprised in the AA will mean Ukraine integration to the EU internal area in the field of free goods, services and capital movement. The abandoning of visa mode and Ukraine economic integration to the EU will reflect in significant change of the Slovakia-Ukraine border as the EU outer border. Border-crossing and customs controls will remain indeed, but the border character will change crucially in its transit capacity and Ukraine residents’ access to the EU area, including business enterprises. Visa-free travelling and tariff and non-tariff measures free trade will contribute to cross-border regions’ economy development revitalisation on both the sides of Slovakia and Ukraine border. The Association Agreement implementation will contribute to approximation of legislative, administrative and business environments between the SR and Ukraine, and last but not least it will contribute to the regional economy development revitalisation of both the border sides. These expectations legitimately follow from the experiences of V4 countries AA impact on their Germany and Austria frontier regions’ economy development for past 20 years.

Association Agreements of Poland, the Czech Republic, Hungary and Slovakia to the EU from last century early 90s, including the trade with EU liberalisation, caused a dynamic development of the regions on Germany-Poland-the Czech Republic border, on Austria and the Czech republic, and Hungary and Slovakia borders in the past two decades. The research of the EU 15 enlargement impact, including on-AA trade liberalisation incidence, on the former outer border regions before the EU 15 enlargement to EU 25 in 2004 unequivocally proves to bring the biggest benefits of V4 countries integration to the EU from regional development point of view for the former EU 15 and V4 border regions, and Germany’s and Austria’s regions on the other border side alike. Comparing to other V4 countries regions, the regions situated on the borders with Germany and Austria performed much higher

economically, their growth dynamics in the past 20 years surpassed that in the regions situated inland V4 countries. Concurrently, the research proves that regions' EU outer border location is a factor contributing to their economic marginalisation and lagging.¹⁵ The implementation of the EU and Ukraine Association Agreement will develop comparable conditions for the economy development and the EU and Ukraine cross-border cooperation, including the SR border.

1.3. Perception of the Actors at Regional Level: Problems and Solutions

Sociological poll on both sides of the border (Zakarpattya, Kosice and Presov self-government regions) was held for the needs of strategy proposal elaboration in 2012-2013. For better engagement of different concerned parties, the survey was aimed at 7 Ukrainian side target groups and 6 Slovak side target groups:

1. Regional and local authorities' representatives (municipal councils, regional governments, local councils) as well as local governmental associations.
2. Representatives of the state authorities.¹⁶
3. Representatives of different civic organisations.
4. Representatives of budget organisations – education, health protection and social benefits, culture and others.
5. Representatives of universities, science and expert public
6. Representatives of small and medium undertakings.
7. Youth and students, pupils of higher years.

The number of respondents within the mentioned target groups corresponds both to the cross-border symmetry and pyramidal engagement principles on both sides of the border.¹⁷ The sociological survey findings processing was performed within every single target group and

¹⁵See – Niebuhr, A.: *The Impact of the EU Enlargement on European Border Regions*. Hamburg Institute of International Economics: HWWA Discussion Paper 330/2005. For analysis of the CR, SR and Hungary AA impact on border regions development, see – Bröcker, J., Schneider, M.: How does Economic Development in Eastern Europe Affect Austria's Regions? A Multiregional General Equilibrium Framework. In: *Journal of Regional Science*, 42, 2, May 2002, p. 257/285. The same is independently from Europe experiences proved by researches taking up the impact of Free Trade Agreement among the USA, Canada and Mexico from 1986 (NAFTA - North American Free Trade Area) on the USA-Canada and USA-Mexico borders development. See e. g. - McCallum, J.: National Borders Matter: Canada-US Regional Trade Patterns. In *American Economic Review* 85, 3, 1995, p. 615–623.

¹⁶ In sociological research on the Slovak side, we did not include the target group of "representatives of state authorities" because the regional government of the SR sufficiently competent in the development of cross-border cooperation with Ukrainian partners. The agreed rules of the study were that the respondents are only representatives of institutions or individuals who have an address or employment in the PSR, KSR and ZR. The consequence of this restriction was that the research on the Slovak side is not included respondents from the central state authorities, located outside PSR and KSR. On the Ukrainian side, we had to keep the target group "representatives of state authorities," because the regional authorities of ZR play a key role in the development of cross-border cooperation with the SR.

¹⁷There were 404 processed questionnaires in total, 337 of them were completed by Zakarpattya region respondents and 67 respondents from PSR and KSR. The amount of completed and processed questionnaires according to the target groups (TG) were as follows: TG 1 (23 ZR – 15 PSR and KSR), TG 2 (17 - 0), TG 3 (48 - 12), TG 4 (57 - 9), TG 5 (63 - 7), TG 6 (53 – 9), TG 7 (76 - 15).

also in Slovakia's border area and Ukraine's border area separately; and within every single target group in the common Ukrainian-Slovak border area sub region. There was applied a similar methodological procedure aimed at searching for not only differences but also similarities in the Ukrainians' and the Slovaks' (from different target groups) perception of the border area sub region development issues and key strategy elements – impediments of cross-border cooperation, its development and strategic objectives vision. Corresponding to it, 5 questionnaires, providing the respondents with possibilities to add some information, were developed:

Questionnaire No. 1 – To rank 15 most important issues, impediments and barriers preventing, limiting or disabling Ukrainian-Slovak cross-border cooperation.

Questionnaire No. 2 – possibility to choose answers to 4 questions about the strategy core and its significance for a respondent.

Questionnaire No. 3 – possibility to choose a future Ukrainian-Slovakia regions cross-border cooperation vision by 2020 from 4 introduced proposals.

Questionnaire No. 4 – possibility to choose a mission phrasing of Ukraine-Slovakia cross-border cooperation by 2020 from among 4 introduced proposals.

Questionnaire No. 5 – possibility to choose priority objectives from among 9 introduced proposals.

The questionnaires themselves offered some possibilities of both anonymous and non-anonymous responds. In order to involve larger groups of “pyramidal engagement”, there was an option to distribute questionnaires via e-mail, to place them on non-governmental organisations web sites and their electronic filling-in and to send them to experts group for Strategy elaborating. The number of asked respondents corresponded also to the principle of so called “pyramidal engagement” where target groups 1, 2 represent the pyramid top (the survey detailed methodology, its content and survey findings are stated in the appendix). The survey took 2-3 months. After every border areas the survey findings processing, it was important to coordinate them with the objectives of their involvement in the common elaborated strategy.

From the point of Zakarpattya involved parties asked respondents view, the order of 10 Slovak-Ukrainian cross-border cooperation most serious problems, impediments and barriers from 15 suggested options is as follows: (in the brackets: the rank determined by Slovak respondents):

- 1 (2) Schengen area as a very strong impediment of cross-border cooperation in all forms.
- 2 (1) Visa, consular, customs and other border crossing related barriers.
- 3 (8) Ukraine's legislation differences from the EU standards, making barriers for various cross-border cooperation fields (especially in economy and trade).
- 4 (3) Time of queuing at border crossings.
- 5 (10) Existing considerable imbalance of legislation and sources for cross-border cooperation (to Ukraine's disadvantage).
- 6 (12) Low operation effectiveness of such cross-border-cooperation institution as Carpathian Euro region.
- 7 (15) Imperfection of visa arranging at The SR General Consulate in Uzhhorod

8 (13) Significant disproportion of Slovakia and Ukraine regional territorial self-government organisation (including competence level, cross-border cooperation events and projects financing, responsibility for their realization).

9 (6) Incomplete socio-economic area covering, extend and duration of system reforms implementation in both Slovakia and Ukraine what affects entire comprehensive cross-border cooperation negatively.

10 (9) Existing disproportions referring to competences and financial provision for cross-border cooperation of Slovakia and Ukraine municipal councils and local boards what affects municipal cooperation negatively.

Other problems of Slovak-Ukrainian cross-border cooperation mentioned in Ukraine were similar to and ranked among the top ten: imbalance of state policies and approaches referring to regional development; non-corresponding state statistics system; lack of cross-border cooperation consolidated strategies and Slovak-Ukrainian border area territory plan; disproportion in the EU structural funds deriving to implement the territories' infrastructure development projects. Several additional cross-border cooperation problems have no significant effect on the total questionnaire problems evaluation on Ukraine's side. Zakarpattya region involved parties representatives indicated entire complex of problems in the developed chart top five, related to Schengen border and visa arranging. Another group of problems arose as a direct consequence of Ukraine's considerable lagging in system reforms implementation, compared to Slovakia (approximately 8-10 years), to-EU integration including.

The collection of Slovakia and Ukrainian respondents replies related to the cross-border cooperation problems order only corroborates the conclusion (see the numbers in the brackets). Schengen area and border crossing barriers and queuing are equally placed to 1(2), 2(1) as well as 4(3) in the problems chart by the Slovaks and the Ukrainians alike. It's clearly obvious that Slovak respondents are not interested in consular problems by no means: 7(15). Slovak respondents on the contrary to Ukrainian ones put state policies and approaches towards regional development (>15(5)), poor Slovak and Ukrainian border area territory plan elaboration (>15(4)) and disproportions in approach towards the EU structural funds deriving as well (>15(6)). In fact, Ukrainian respondents are only slow to realise and to notice in practise how serious the problems are while these problems are the key ones for Slovakia regions development.

Significant differences between Ukrainian and Slovak respondents did not occur as far as other 4 questionnaires replies are concerned: most of respondents finds the Strategy to be "*a Slovakia-Ukraine border region socio-economic development means*", involving "*regional governments and local boards in close cooperation with non-governmental organisations and private sector*" in its elaborating and implementing, consequently achieving "*the equalisation of regional development disequilibrium, and the Strategy becoming an important factor of increasing the standard and quality of residents' living and border area competitiveness.*"

When choosing a formulation of Future Vision and Mission concepts, most respondents supported the option of the introduced phrasings complex merging. Especially expert study provided the following findings:

Future Vision (for the year of 2020): Ukrainian-Slovak border regions cooperation (ZR, PSR and KSR) is an important factor of an integrated, sustainable and secure development and high Carpathian territory competitiveness in general and Ukrainian-Slovak border region in particular, and effectively supports the increasing of the standard and quality of residents'

living on both sides of the border, and accelerates Ukraine's integration movement to the EU in the conditions of 21st century globalisation challenges.

Mission: Ukrainian-Slovak cross-border regions cooperation mission lies in developing favourable management, source, information and communication conditions for integrated and sustainable development of Zakarpattya region, Presov self-government region and Kosice self-government region via strengthening of cooperation in the fields of economy, education, culture, nature and environment protection, human contacts, based on mutually advantageous interests headed towards gradual eliminating of barriers and impediments on the border.

1.4. SWOT analysis

Following from the Strategy objectives (priorities) definition, for final assessment of Slovak and Ukrainian respondents proposals via questionnaires, the common Working group processed SWOT analysis (using a selected strategic planning methodology), based on the findings of Slovakia-Ukraine cross-border cooperation in macro border region current situation.

Strengths	Weaknesses
• Stable good political and economic relations between the SR – UA, including large contractual platform • Existing long-term regional and local level cooperation supported by bilateral agreement basis • Common historic heritage and culture, multi-ethnic composition and multi-language skills of both border sides residents – low language barrier • Qualified cheap labour force with a large proportion of economically active people of border regions population as a stimulus for investments • Tradition of industrial production historically linked to raw material basis in the neighbouring countries (Ukraine) • Existence of cluster groups in industry and tourism • Specialised agricultural production (fruits, wine), especially increasing market share in wine production • Growing potential for eco agriculture and quality production development • Existing structure of entrepreneurship supportive institutions and development of business relations • Occurrence of scientific institutions as centres of education and research in a wide range of	• Small number of border crossings with Ukraine, mainly in the North of the common border • Border as a barrier to cooperation (infrastructure and management as well) • Visa mode for Ukraine residents when travelling to the EU • Absence of national and regional cross-border cooperation support instruments (mainly financial) • Insufficient awareness of possibilities for involved institutions cross-border cooperation. Insufficient awareness and publicizing of cross-border cooperation • Low coordination of cross-border cooperation activities • Insufficient cross-border competences and areas development • Insufficient social engagement in the matters of civic society development • Low industrial branches competitiveness, low production value added, and high industrial energetic demand – incomplete restructuring of traditional branches • Persisting technological and knowledge lagging, low research intensity and MSP innovations and cooperation with centres for research and science • Uneven industrial basis allocation within the border region • Low cross-border trade intensity

social, natural and technical branches, offering plenty of opportunities for cross-border cooperation development • Attractive natural and culture-historical region variety (opportunities to utilise them for tourism and cross-border cooperation development) • Rich biodiversity and relatively preserved natural environment, including several outstanding natural parks and protected natural areas • High environmental and living standards and existing regulation systems of natural sources protection • Developed cooperation in operating the three-parties Ukraine-Slovakia-Poland biosphere reserve of "The East Carpathians ", being of European unique kind • Built centres of tourism and spa • Occurrence of international airports in the border region	• Technical infrastructure and facilities lagging behind, mainly in rural areas • Insufficient flood control protection of settlements • Bad-quality and insufficient transport infrastructure • Unsatisfactory accessibility of cross-border settlements and activities located out of main transporting corridors • Low degree of cooperation and coordination of transporting ways • Absent or of bad quality cross-border transport infrastructure • Poor region economy subjects cooperation • High unemployment, inflexible labour market system and absent strategies of cross-border labour markets development (e.g. monitoring, institutions cooperation) • Deficiently developed e-services and information and communication technologies utilisation lagging behind when developing awareness of cross-border cooperation opportunities • Insufficiently developed infrastructure for science, research and innovations infrastructure linked with brain leak, low productivity and efficiency of science and research in the region • Inadequate utilisation of existing historic, cultural and natural benefits of the region in tourism • A lot of historic and cultural sights in bad technical conditions. Very low financial sources level to develop culture • Unsatisfactory cross-border marketing and advertising of the border area as a tourist destination • Lack of offers for attractive tourism products (including the ones cross-border) and considerable tourism seasonality • Migration negative disequilibrium, displacement and decreasing age structure of rural areas in the region marginal parts • A part of population poverty and its increasing marginalisation, especially in the rural areas • Areas of deteriorated accessibility to social and health facilities
Opportunities	Threats
• Gradual Ukraine integration to the EU and convergence in all fields, based on Association Agreement implementation • Further cross-border cooperation development based on common planning and institutional	• Persisting outflow of qualified labour force from the region, and border area young people leaving • Deepening marginalisation of some parts of border regions territory on both the border sides • Instability and poor arrangement of legislation

development • Built industrial zones and parks, but with idle capacity – an attractive area for investors • Improving the quality of life in the region, possibly leading to the reduction of migration from rural areas • Strengthening the cooperation in the development of civil society • Searching for possibilities to open other border crossings with Ukraine • Developing small and medium undertakings in tourism and services • Developing research-and-scientific base and its link to practice • Creation of effective cluster groups in services, industry, science and research • State and the EU support of cross-border cooperation development • External sources to support entrepreneurship, innovations, science, research and development and cross-border cooperation • More effective utilization of natural sources • Possibility to use more alternative and renewable sources of energy accessible in the border region • Improvement of regional and local strategic planning, focused on cross-border cooperation possibilities • Support of national and international export, increase of attractiveness and local products consumption • Utilisation of cross-border cooperation for business activities development and know-how transfer to the region, and other possibilities to engage in international cooperation • Natural and culture-historic region attractiveness, creation of further fields of economic growth via assistance and investment stimuli concentration, and infrastructure development in less developed PSR areas (Svidnik, Stropkov, Medzilaborce) • Completing and linking main traffic corridors • Continuous accommodating with IT within national policies on both the border sides • Common solving of environmental problems and disasters • Creation of common products and marketing of the cross-border region as a single	influencing business environment and foreign investments inflow and cross-border cooperation development • The SR and Ukraine legislative environments differences, including competences of regional authorities responsible for cross-border cooperation • Decreasing interest in the cross-border cooperation due to the lack of financial sources for its implementation • Growing competition in national and international markets, resulting in investments outflow to other more attractive regions' economies • Dependence on strategic raw materials import (especially the ones energetic) • Standstill of technical infrastructure development and renovation • Population aging and unsatisfactory maintenance of technical infrastructure nets • Insufficient technical and social equipment of existing border crossings related to their low capacity of legal migration • Negative economic crisis impacts on entrepreneurship and employment development • Continuous standstill of development and innovation activities in enterprises research, and poor support of science and research • Absence of development coordination bodies on the regional level, and their common communication in cross-border cooperation development • Degradation of natural sources as a consequence of urbanisation processes, tourists centres and economic activities development • Further degradation of historic monuments, historic municipal zones, preserves and landscape condition • Considerable differences in financing ecological programmes and environment protection programmes on both the border sides • Tendency to increase anthropogenic influence on both the border sides • The risk of floods in the Bodrog river basin territory in consequence of not completing hydro-technical flood control works in Zakarpattya territory
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destination. • Strengthening and utilisation of regional identity, traditions and history for advertising the region and creating services and tourist products for European market (traditional handicrafts and production as a basis of local entrepreneurship development) • Similarities of structure and problems of national minorities culture development provision	
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2. Development Strategy: scenarios, objectives, priority sectors and proposed measures

2.1. Scenarios of strategy framework development

To estimate the period of expected favourable impact of Association Agreement between Ukraine and the EU on Slovakia-Ukraine cross-border cooperation, it must be differentiated signing the AA, its ratification, its coming into force and its implementation. Political provisions of AA between Ukraine and the EU were signed on 27 March 2014, while other provisions, including DCFTA, were signed on 27 June 2014. However, only complete AA implementation, i. e. adoption of the EU complex legislation and finishing the temporary periods of its adoption and implementation in practice, will mean Ukraine's integration to EU four freedoms internal area.

Association Agreement proceeds from symmetrical logics: the EU internal area will be opened for Ukraine in proportion to its progress in approximation of Ukraine legislation. And the AA impacts on cross-border cooperation development will become evident gradually and proportionally as well. Following from the current EU contractual practice, and V 4 countries experiences in AAs implementation, it can be briefly estimated that Ukraine will need at least 10 years to approximate its legislation to the EU one completely (approximately 85 % of the existent EU legislation), and meet the terms of Association Agreement. The length of the temporary implementation period will first of all depend on Ukraine political will to realize uneasy reforms required by the EU legislation, and on its administrative capacity to manage the approximation, but as a result on the length of the EU member states agreement process ratification, being supposed not to take more than 3 years since its signing.¹⁸ By all means, the EU and Ukraine Association Agreement fully-fledged favourable impact on Slovak-Ukrainian cross-border cooperation is possible to expect not until the year of 2020.

There exist three basic scenarios of Ukraine integration process to the EU continuation in the mid-term period of the nearest 10-15 years in the meaning of their impact on creating better institutional conditions of Slovak-Ukrainian cross-border cooperation development. These

¹⁸PCA Agreement ratification process between the EU and former Soviet Union countries, including Russia and Ukraine, lasted up to 4 years (signed in 1994, come in force in 1998) due to Denmark and some other EU member states, conditioning their approval of PCA with Russia and other Eastern European countries signing, by peaceful solution of 1st Chechnya war (1994-1996).

scenarios are labelled in terms of work as follows: 1) positive scenario, 2) neutral scenario, and 3) negative scenario.

2.1.1. Positive scenario

Optimal version of a positive scenario requires a successful Association Agreement ratification by 28 EU member states, including the ratification by European Parliament and Ukrainian Parliament (within two years at the latest – i.e. the end of 2016) and its successful implementation by Ukraine (within 10 years at minimum, i.e. in the period by 2026). However, each abovementioned stage (ratification and implementation) is under the risk of prolonging the term to complete the positive scenario.

Association Agreement signing was originally expected during Eastern Partnership Summit in Vilnius in November 2013. But short before the Summit, Ukrainian government decided to suspend the Agreement signing, consequently causing public protests and political crisis arising in Ukraine. The protests grew into the revolution leading to Janukovych's regime's demise and creation of a new government in February 2014. The new Ukrainian government proclaimed integration to the EU to be its foreign policy priority, and signed the Association Agreement political part on 27 March 2014. Other AA parts, including DCFTA, were signed on 27 June 2014 even after Ukraine's presidential election was won by Petro Poroshenko in May 2014, proclaiming integration to Europe also to be his political programme priority. But Ukraine internal development was interfered unprecedentedly by Russia, having occupied Crimea in March 2014 and having supported separatist powers in Ukraine South-eastern regions. The EU, the USA and some other countries imposed sanctions against Russia as a response to its Ukraine territory integrity interference. Thus Ukraine crisis has grown into an international crisis.

From Association Agreement implementation point of view, an optimal scenario requires, as circumstances allow, to solve Russia-Ukraine crisis as early as possible, and to standardise EU and Russia relations consequently creating some favourable conditions of Ukraine political and economic consolidation. The crisis continuation in whatever form will hinder Agreement implementation by Ukraine, and will prolong the implementation period. Political and economic consolidation of Ukraine, when fighting with the separatists supported by Russia in the South-East of the country, or in conditions of de facto state of war with Russia, firstly, is hard to achieve, and secondly, the solution of the crisis and the conflict with Russia will bind Ukraine budget and administrative capacities necessary for the Agreement implementation, and thus will prolong its implementation period.

By all means, even less positive image of the scenario supposes Ukraine-EU Association Agreement ratification and implementation - although later – but resulting in postponing positive effects of Association Agreement on the border regions economy development revitalisation and Slovak-Ukrainian cross-border cooperation development beyond the year of 2030.

2.1.2. Neutral scenario

Neutral scenario assumes no fundamental changes of Ukraine's integration to the EU in mid-term period of approximately 10 years, consequently neither creating more favourable conditions for Slovak-Ukrainian cross-border cooperation. It means that the existent status quo of an institutional frame for cross-border cooperation will continue, and the Ukraine-EU Association Agreement will not be completed in the mentioned mid-term period. It might

happen due to some reasons occurring on Ukrainian or the EU sides, or as a result of Russia's interfering with Ukrainian home affairs, resp. due to Russian-Ukrainian conflict escalation, impacting firstly the postponement of political and economic reforms, secondly thwarting Ukrainian political and economic consolidation, and concurrently deepening EU and Russian confrontation causing the ascend of a new form of "Cold War" in Europe. Ukraine's reforms with respect to international environment will be thus aggravated because of the EU and Russia tension. Fail or political blocking of the ratification process by one or more EU member states can't be disregarded. Furthermore, EU will face a new wave of economic or currency recession, preventing EU from opening to third countries, including enlargement and opening the EU single market via AA/DCFTA type agreements. Scenario might become true even supposing Ukraine fails to meet the terms and conditions of the Association Agreement due to lack of political will to implement demanding reforms, or due to insufficient administrative capacity, i.e. the Association Agreement regulations will require much longer to be implemented than expected 10 years. Providing a neutral scenario unfolds, Slovak-Ukrainian cross-border cooperation international strategic frame will remain unchanged in mid-term period, concurrently not losing potential for positive change in the future.

2.1.3. Negative scenario

Negative scenario assumes that Ukraine's integration process to the EU will stop. The scenario might happen supposing that 1) Ukraine fails approximation process and will not have the capacity to implement the Association Agreement either for domestic policy, or foreign policy reasons; 2) as a result, Ukraine will decide to give priority of integration with Euro-Asia Union with Russia, Belorussia and Kazakhstan to integration with the EU. Even though political prerequisite for the scenario does not currently exist, it is impossible to exclude it in the mid-term period of development. Negative scenario might become real predominantly as a consequence of Ukraine's Association Agreement regulations implementation failure, assuming that the price of the reforms required by AA/DCFTA will be too high due to possibility of political or group economic interests prevailing, and Ukraine ceases to implement the Agreement. Another possibility of Ukraine's failure might be the consequence of escalation of the conflict with Russia, resp. incapability to achieve political consolidation prerequisite to launching some complex political and economic agreements inevitable for European integration.

It is impossible neither now, nor in a mid-term period to merge Ukraine's integration to the EU with its integration to Euro-Asia union lead by Russia. Merely it would be practical in theoretical case of the EU and Euro-Asia Union arrangement of concluding a free trade agreement. However, such a scenario is very unlikely at least for the following reasons: 1) After Crimea occupation, the EU and Russia relations standardisation is hardly probable unless Ukraine itself recognizes Crimea as a part of Russia; 2) Belorussia and Kazakhstan are not the WTO members, which means the EU has no option to conclude any free trade agreement with whatever international association involving countries which are not WTO members; 3) Russian Federation a priori refuses to accept the legislation referring to energetics (and to some other sector policies), leading e.g. to Russia resignation of Energetics Charter in 2009, and the like. Unless the EU possesses free trade agreement with Euro-Asia Union, Ukraine has no option to decide for both alternatives, but it has to choose only one of the alternatives. Negative scenario means possible aggravation of Slovak-Ukrainian cross-border cooperation development prospects, even compared to the current conditions, resp. the development by neutral scenario. It will strengthen a separating, not connecting role of Slovak-Ukrainian common border.

2.2. Strategic objective, mid-term goals, and regulations proposals

2.2.1. Strategic objective for Slovak-Ukrainian cross-border cooperation

Slovak-Ukrainian border region possesses a potential to launch socio-economic growth and both sides border regions development. Increasing the cross-border cooperation effectiveness is one of key development factors. Slovak-Ukrainian border area must not be perceived as comprising two different regions, but as being one single region divided into two different parts obliged to learn to cooperate at all necessary levels. Effectively managed cross-border cooperation in clearly defined conditions and determined competences is one of key border region development factors. It needs to be based in rooted traditions and partnerships of institutions and individuals developing mutual relationship, but concurrently it must support the arising of new and innovative initiatives, partnerships and cooperation forms.

A strategic objective of Slovak-Ukrainian cross-border cooperation development within mid-term period by 2020 is to contribute to the achievement of territorially compact, intelligent and sustainable development of the border region, and higher standard of living of its residents.

The Strategic objective is supposed to be achieved by:

- Increasing innovation and competitiveness of the border region, developing its prosperity, and its intelligent specialisation,
- Improving its external and internal accessibility for cross-border and out-border flow of people, goods and services,
- Strengthening its social and cultural cohesion,
- Higher protecting the environment, the natural beauties, values and cultural heritage of the border region,
- Internationalising, i.e. engaging the region in European and global processes as well.

2.2.2. Mid-term goals, and proposed measures

Specific mid-term goals of Slovak-Ukrainian cross-border cooperation by 2020:

1. Intensification of the border region's socio-economic development
2. Improving the border management on both Slovak and Ukrainian sides – joint action and good practices transfer.
3. Modernisation of the border areas infrastructure.
4. Cross-border cooperation multi-sector development for the purpose of sustainable border area regions development.
5. Supporting Ukraine-to-EU integration process and the reforms approximating it to the EU integrated internal area standards.
6. Strengthening Slovak-Ukrainian cooperation cross-border management.

Objective 1: Intensification of the border region's socio-economic development

The border area's socio-economic development is the very first step for the development and increase of the region residents' quality of life. This objective can be met merely via systematic and coordinated support of selected activities leading to the border region socio-economic growth and development. The intensification of the border area socio-economic

development is possible, firstly, by means of creating some favourable conditions for small and medium enterprises, secondly by improving mutual information about economic cross-border cooperation possibilities, and finally, by developing infrastructure and services for entrepreneurs. The cross-border cooperation needs to comprise the support of the activities (projects and initiatives) aiming at increasing the border residents' quality of life by economic growth and employment opportunities, and strengthening cross-border nets and platforms for development of trade and investments. The following priority measures significant for meeting this objective need to take a high consideration:

Measure 1: Creating better conditions for the border region's small and medium enterprises (SMEs) joint development

The measure is supposed to include a precise mapping of business environment and market opportunities offered by the border region, e.g. via elaborating a joint cross-border marketing study. Concurrently, identification, research and pilot tests of new economic models along with the transfer of experiences and good practices in the field of innovative approaches for local development based on community approach, and engagement of small and medium entrepreneurs (including the support of socially responsible entrepreneurship, creation and recommendations for state legislative-economic framework reforms and others) are supposed to be accomplished. The measure can also involve the support of small product clusters preparations and development, e.g. in cross-border tourism.

Another support area is the one of creating joint cross-border infrastructure for entrepreneurship assistance, e.g. common entrepreneur and business centres, cross-border entrepreneur incubators, logistics centres, common research and transfer centres for university and enterprises cooperation focused on border area entrepreneurship, and as the case may be to consider preparing and realizing common cross-border industrial park.

The third field refers to organising workshops and trainings for small and medium entrepreneurs and their employees interested in entrepreneurship on the other border side.

The fourth field within the measure is supposed to be the improvement of the border area marketing infrastructure via e.g. regular mapping activities accomplishment, marketing studies and market researches preparations, and cross-border trade and investment advisory activities.

Measure 2: Creating conditions for new investments in the border region

In its specification of a common border territory, priority action targets investment opportunities including brownfields. Afterwards it is necessary to elaborate a common cross-border investment strategy, including regional territories innovative investment strategies. The Strategy ought to contain an investment support research of the projects supposing to be the most effective for both the border sides' areas.

Other activities within the measure are to aim at a common advertising of the border area for prospective investors, including advertising at trade-fairs and exhibitions and the like. Last but not less important task is a joint lobbying with national actors responsible for preparing the investments entry conditions (state stimuli and subsidies), and also cross-border sharing experiences and exchanging the knowledge on new investments conditions creating activities.

Measure 3: Improving mutual enterprises, know-how creators, suppliers and consumers cooperation, including cross-border clusters creation

Support provision of the entrepreneurship and trade activities advertising, including common entrepreneurship information systems. An entrepreneurship information portal with daily

information actualizing e.g. offers and enquiries is an example of the creation of common communication channel to support entrepreneurship advertising.

The measure is supposed to support the creation of networks, platforms or common cross-border clusters as means of mutual economic cross border cooperation development.

Objective 2: Improving Slovak-Ukrainian border management – a common approach and good practises transfer

Common Slovak-Ukrainian border is a considerable barrier of mutual cooperation and the border area development as well. The border management improvement is a key factor of tempering cross-border cooperation barriers, and of launching border territories development. It is possible to achieve improvement of border management by means of better education and motivation of the people responsible for the border management, next by means of common border management problems solving, and of preparing some proposals to improve the entire Schengen border management. The result is to shorten a waiting time when crossing the border, to increase the efficiency and to simplify conditions for movement of persons and goods across the border, to increase public information and to make crossing border and cross-border trade more transparent, the border traffic more operative and issuing visa prompter. To meet this objective, it needs to be taken up the following measures playing a key role in this way:

Measure 1: Educational and networking activities for customs officers, border guards and involved private sector and public representatives on both the border sides

The measure assumes some activities for increasing the education of customs officers and border guards by the means of common workshops and trainings, including common conferences (transfer and sharing good practices from both the border sides) in the presence of public and private sectors representatives, workshops and trainings for small and medium undertakers from both the border sides in order to establish co-operation, aiming at new working methods and processes introducing to customs officers and border guards work.

Concurrently, it is important to sustain the border area actors cooperation development in order to improve the situation on border crossings, including their infrastructure development, keeping hygiene and tidiness, providing tourists and passengers with information activities and alike. Even the support of municipal governments, non-governmental organisations and customs officers and border guards is involved.

The measure is to increase transparency and to decrease corruption, delinquency and offences referring to the border and the border crossings, and to move the Slovak-Ukrainian border institutions cooperation to a higher level.

Measure 2: Regular monitoring of border managing and visa issuing

The representatives of all engaged parties are to create a platform for regular border monitoring, and to accomplish a regular monitoring aimed at problem areas. The monitoring goal is to create some stimuli for border managing improvement, migration and issuing visa or small frontier traffic permissions. The activity is to provide a wider scope of information on the border situation for key actors but also general public, providing a feed-back for implemented measures.

Measure 3: Information activities towards passengers, migrants, visa and permissions for small border traffic (SBT) applicants

A lot of problems arise on the border or the border crossings because of low awareness of the public. The measure is to support various forms of providing passengers, tourists, migrants, visa and small border traffic applicants with information on the conditions of crossing the border, or issuing visa and the like. The measure is possible to be accomplished by means of leaflets, publications, a common web site, the creation and update of information panels in the border territory and directly on the border crossings etc. The measure is also to draw on the support of projects to inform public in the border territory on migration.

Measure 4: Improving cross-border cooperation of civil defence and rescue services

Common training of civil defence services in order to develop action plans and joint procedures in natural disasters or other accidents and tragedies near the border. The point is to develop and coordinate the mutual interaction of local cross-border actors but also local actors and national institutions and rescue services interaction.

Objective 3: Border area infrastructure modernisation

Slovak-Ukrainian border made a considerable barrier separating two states of former Eastern Bloc from its originating. After Iron Curtain fell and the independent Ukraine and the SR originated, a short period of tempering border impediments for people, goods, services and capital occurred. However, after the SR accession to the EU (2004) and Schengen Agreement adoption (2007), the border returned to become a barrier to Slovak-Ukrainian border development and cooperation. The objective of the border area infrastructure modernisation is supposed to temper the existent barriers to for people, goods, services and capital movement across the border via the infrastructure improvement. To meet this objective, it needs to be taken up the following measures playing a key role in this way:

Measure 1: Improving the infrastructure via functionality improvement and increase in the border crossings capacity

The measure considers the increasing of investments to traffic and information border crossings infrastructure – increasing the traffic-carrying capacity of border crossings, improving the technical and social infrastructure of the existent border crossings, the roads to the border crossings repairing. Furthermore, strengthening and developing a cross-border public transport – increasing the number of bus and train connections among the border area towns and villages, last but not least setting an effective mechanism of local civic amenities coordination, and sharing information and methods of the border and the border crossings development and infrastructure projects implementation.

Measure 2: Increasing the number of common border crossings

Providing the construction of new border crossings on the common border: Ulic – Zabrodj, Cierna nad Tisou – Solomonovo by 2020. The Ukrainian side proposes to improve the infrastructure of border crossing point Malé Slemence - Veľké Slemence for automobiles under 3,5 tons.

Elaborating the studies of practicability, the project documentation and documents assessing new border crossings impact on the environment, and providing financial backing for the projects implementation.

Measure 3: Modernisation of conveying corridors (road, rail) towards a common border

Transport infrastructure towards the border crossings is in a bad state or as much as serious disrepair. The measure objective in 1st stage is to perform the specification of the current state, followed by defining investment priorities, and executing the modernisation of transport infrastructure towards a common border in cooperation with national actors. Building new

roads e.g. to the planned new border crossing of Ulic – Zabrodj is supposed to be a part of the measure.

Objective 4: Multi-sector cross-border cooperation development for the purpose of sustainable border area development

Small projects and activities initiated by particular people responding to current problems or needs are the best examples of cross-border cooperation. Cooperation works supposing that cross-border cooperation actors have a will to solve problems referring to border area development jointly when engaging as many as possible entities involved. Actual experiences show that the most effective results are achieved at the places where it is possible to continue in previous cooperation still being kept regular by persons or institutions regardless of favourable or adverse times. However, these personal or institutional activities need to be coordinated and supported in long term, but in doing so, they should not become counterproductive to encouraging spontaneity. To meet this objective, it needs to be taken up the following measures playing a key role in this way:

Measure 1: Intensifying research-and-scientific and educational cooperation

The measure is aimed at supporting the research performance of Slovakia-Ukraine relations and the border regions subjects. In spite of positive foreign experiences, Slovak and Ukrainian educational institutions' programmes do not incorporate cross-border studies. Concurrently, it is important to support organising common scientific and expert conferences, seminars, workshops to current topics of Slovak-Ukrainian cooperation, to topics related to Ukraine and the EU approximation, and to priority research topics defined in the Strategy of the SR smart specialisation¹⁹ and also to regional innovation strategies. The cooperation needs to involve the exchanges of scientists, teachers, students and pupils, the developing of joint expert publications, and the performing of common educational events (summer schools, camps, and alike) as the cooperation relevant components.

Other possible activities to be incorporated:

- Creating a cross-border science and research park (SRP) to develop new technologies for innovative branches, involving the research and scientific institutes in ZR, PSR and KSR, in close cooperation with the SR and Ukraine governments and the regional entrepreneurship associations. SRP is to enable a joint applicable research for the needs of key investors in the border regions, and the growth of production with high value added.
- Developing a common research programme of socio-scientific workplaces in ZR, PSR and KSR for cross-border cooperation planning in regional authorities' level called "Science for Development". The Programme ought to fill existent gaps in providing information for political planning of the cross border cooperation development, including a regular monitoring and assessing border regions socio-economic development statistics data, planning regional and joint territory development, researching of cross-border cooperation actors and public opinion, and alike.

¹⁹ The SR Government Office (2013): Via Knowledge to Prosperity – The Strategy of Research and Innovations for the SR Smart Specialisation (Poznatkami k prosperite - Stratégia výskumu a inovácií pre inteligentnú špecializáciu Slovenskej republiky). Web: <http://www.rokovania.sk/Rokovanie.aspx/BodRokovaniaDetail?idMaterial=23039> (Access 06 June 2014).

- Establishing a programme of small border region grants to support short-term exchanging educational stays of researchers and educators and students among border regions research and scientific institutions.

Measure 2: Improving the cooperation in tourism

There is an absence of umbrella and coordination of actors in tourism cooperation. Significant shortcomings are the ones in information exchanging and tourism advertising, what causes rather competition than cooperation. It needs to be developed a common cross-border system for common territory advertising and for developing common complex tourism products, including the possibility of creating a common cross-border tourism cluster covering Eastern Slovakia and Zakarpattya territories. Actors' mutual communication and the engaging of partners having already realized a cross-border tourism common system is crucial.

The measure's objective is to diversify tourist and bath-and-recreation services and to increase their competitiveness, to develop tourism infrastructure, to support recreation-and-tourist potential, to deepen relations of health-and-recreation resorts and related branches. A common objective is supposed to be the creating of a macro-regional tourist product with capacity to be competitive in Ukraine and European tourist services market.

Other possible activities to be incorporated:

- Elaborating and implementing the Programme of Creating New Common Tourist Products in Zakarpattya and Eastern Slovakia by 2020 with support of regional government bodies'.
- Providing the establishment of cross-border tourism cluster "Zakarpattya – Eastern Slovakia" (agreed title) as a part of travel agencies, hotels, entrepreneurship assisting institutions, transport companies, advertisement and information companies.
- Creating a settled institution (without legal identity) of "Ukrainian-Slovak Academy of Cross-border Tourism" (Akadémia cezhraničného turizmu „Ukrajina-Slovensko“) based on the institutions of Centrum slovenskej kultúry v meste Užhorod (Uzhhorod Centre of Ukrainian Culture) and of Centrum ukrajinskej kultúry v meste Prešov (Presov Centre of Ukrainian Culture) for the purpose of guides-interpreters and tourist guides training, of issuing printed and electronic national history and tourist information publications, of coordinating common tourism development.

Measure 3: Improving the cooperation in culture

To improve cultural cooperation via support of common cultural events organising and mutual assistance with their advertising. A key element is the one of exchanging stays of artists and ensembles, and utilising an existent border area infrastructure for cultural and social activities of the residents. The measure incorporates the support of common traditional markets and fairs, including traditional handcrafts promotion.

Other important activities to be incorporated:

- Organising a regular cross-border festival of art and culture, enabling to introduce professional artistic ensembles and artists (theatre, music, dance, fine art) operating in ZR, PSR and KSR. The Festival would be held at least bi annually in turns in ZR and in PSR/KSR always at different place.
- Improving coordination, exchange of information and the advertising of organised events of existent and new actors in culture such as The Regional Cultural-Educational Organisation of „Matica slovenská na Zakarpatsku (Matica slovenska in Zakarpattya)“

, Slovak Women's Alliance of „Dôvera (Trust)“, Spolok slovenskej inteligencie (Slovak Intelligentsia Alliance), Spoločnosť Ľudovíta Štúra (Ľudovít Stur Community), Spoločnosť Slovákov mesta Užhorod (Slovak Community in Uzhhorod), and a lot of others with Slovak partners on the other border side, e.g. Centrum Ukrajinskej kultúry v Prešove (Presov Centre of Ukrainian Culture). The most important events in the year 2013 were the establishment of the Slovak Culture Center in Uzhhorod and the Minorities Culture Center in Transcarpathia.

- Establishing a programme of small border region grants to support the attendance of amateur artistic ensembles and artists at festivals and cultural events organised on the other border side, including culture events of national minorities.

Measure 4: Strengthening the cooperation in natural heritage development and protection, including removal of negative impacts of human activities, and flood prevention

Uprating the border area environment is an objective. The object of the measure is supposed to be a common specification and preparation of development documents on the environment protection, organising expert events on natural disasters and the environment protection, and increasing the public awareness of border area environment protection.

Other activities to be incorporated:

- Cooperation in the development of European system of trans-state cross-border protected territories (nowadays the only representative of such a modern trans-border network is merely Ukraine-Slovakia-Poland biosphere reserve of "Východné Karpaty (Eastern Carpathians)"), and ecologic networks as well.
- More effective and various usage of the EU Programme, Visegrad fund, Slovak Aid, Norway Mechanism and alike for environment protection and improvement, and solving the environmental problems in Ukraine and Slovakia border area.
- Cooperation in protection and utilisation of water resources within „Integrated plan of managing the Tisa river catchment area water resources“, signed and approved in 2012 by five European countries representatives. The Uzh and the Latorica cross-border rivers or the rivers of Eastern Slovakia (with exception of the Malý Dunajec river) belong to the Tisa or the Danube rivers catchment areas.
- Cooperation development in ecology education and ecology awareness formation, including normative-and-legal platform improvement.
- Realizing common projects in ecological infrastructure, including drainage (sewerage system, local sewage treatments plants) in rural areas and in recreation-tourist localities; solicitous wood industry, ecologically pure raw materials extraction and their processing; small water power-plants on mountain streams.
- Supporting the social environmental organisations on both the border sides. Such a cooperation was shown in a common project in three Zakarpattya districts along the Slovakia-Ukraine border and a common publishing of the book “Voda bez hraníc - Borderless water” in 2010 by the representatives of Kosice social organisation „Ľudia a voda - People and water“, and their partners of Nadačný fond (Endowment fund) “Nadácia rozvoja Užanskej doliny - The Uzhansky Valley Development Fund”.

Measure 5: Uprating and intensifying social contacts

The measure objective is to intensify contacts among people in both the border sides via personal contacts development, organising common social and sport events, and increasing the social standards in the border region by interaction. The measure includes exchanging, networking and educational happenings in a social field, supporting non-government

organisations cooperation and networking, a volunteering development, transfer of MVO work experiences (especially watchdog and advocacy) when influencing the legislation processes and approximation, supporting local community planning and potential development, and innovation approaches to cross-border cooperation and the exchange of experiences of good models and good practises.

Measure 6: Improving and strengthening self-government cooperation

The most utilised municipal cross-border cooperation forms are as follows:

- Exchanging delegations and groups of teachers, doctors, deputies, public services providers, civil activists, local music bands during various festivals, trade-fairs, exhibitions, The Municipal Days and the like;
- Exchanging groups of pupils and students by means of field trips and summer camps, or participating in sport competitions and Olympics - likes;
- Municipal teams participating in various sport competitions;
- Joint elaboration and implementation of cross-border cooperation projects supported from various funds, including EU Programme;
- Interaction of municipalities in development of local infrastructure developing towns greens and preservation of cultural heritage, ecology and the environmental protection, energy saving, tourism development and the like.

Besides development of the above mentioned activities, other goals of this measure are as follows:

- Strengthening cross-border cooperation of towns and villages focused on their local infrastructure development (water supply and sewage treatment, sewerage system, local culture facilities), and supporting local entrepreneurship in production and services via twin-projects (parallel realizing certain development activities);
- Establishing a schedule of consultation and small grants enabling to provide villages, their mayors and local governments with expert assistance in preparing and realizing common twin projects (a village or a group of ZR villages – a village or a group of PSR/KSR villages) of regional local government bodies side (PSR/KSR) and state administration (ZR);

Ukrainian-Slovak CBC between cities, towns and villages (inter-municipal CBC) in the border represents the most successful and versatile regional cross-border cooperation between local councils and communities of Ukraine in general. The basis for CBC after 1991 became the European Framework Convention on CBC between local communities and local authorities (with the Additional Protocol), which provided sufficient autonomy to cities and villages concerning the CBC.

The main form of inter-municipal CBC on the Ukrainian-Slovak border became the versatile cooperation of local authorities and communities within the Twinning and Partnership Agreements. The number of such agreements between the twin cities is 16, and between villages - 37. Here is a list of twin cities on the Ukrainian-Slovak border that actively cooperate: Uzhhorod - Kosice, Michalovce; Mukachevo – Presov, Humenne; Vinogradiv – Vranov nad Toplou; Chust – Snina, Spišska Nova Ves, Lipany; Tyachiv – Bardejov; Svaljava – Stara Lubovna, Velke Kapusany; Perechin – Humenne; Berehovo – Dunajska Streda; Veliky Berezhnyi – Stakcin; Chop – Cierna nad Tisou; Rakhiv – Svidnik etc.

Objective 5: Support of Ukraine-to-Europe integration process and reforms for bringing it closer to EU integrated internal area standards

The implementation of Ukraine and the EU Association Agreement approximates conditions of the SR and Ukrainian cross-border development to the ones of the EU internal borders. The proposed three sectors of measures are addressed to the SR and Ukraine governments and cross-border cooperation actors at regional level as well. Their objective is to propose the SR steps as an EU member impacting the EU policies creation towards Ukraine as well as common measures at bilateral level which, from our point of view, are likely to contribute to a positive scenario of Ukraine's integration to the EU becoming true, and to develop more favourable conditions of the SR-Ukrainian cross-border cooperation.

Measure 1: Development of Eastern Partnership strategy framework

The SR as a member state ought to strive for enlarging the number of the EU sector policies being parts of AA/DCFTA with Ukraine, while understanding that: 1) in this case, Ukraine is supposed to achieve greater progress in its approximation to the EU legislation and policies, comparing to other sector policies included in AA/DCFTA; 2) applying the principle of sector agreement, they are allowed to be concluded before the time needed to implement entire legislation complex included in AA/DCFTA. This time, the principle is applied in the visa dialogue and energetics sector. The SR ought to press for accepting an individual EU instrument package, when providing Ukraine with technical assistance, tailored to its needs for AA/DCFTA implementation. The package is supposed to comprise a technical assistance with implementing the Association Agenda focused on supporting political modernisation, including development of democratic institutions, and sector instruments used for Ukrainian sector modernisation and cross-border cooperation development on the borders of Ukraine and the EU.

Measure 2: Development and technical assistance

To perform intergovernmental consultations in order to identify the SR best practices within Association Agreement sector segments, accepting them when approximating to the EU sector legislation during own Association Agreement implementation and in course of the accession process to the EU and sector legislation transposition to the SR national legislation after entering the EU. Concurrently, Ukraine's worst expectations need to be identified, i.e. the problematic sectors from approximation to the EU legislation and practical point of view. Identifying intersections of the SR best practices and Ukraine's problematic sectors with approximation to the EU legislation is likely to become a methodological key for defining the SR plan of assistance to Ukraine's implementation of the Association Agreement. The plan preparations require to involvement of all Slovak entities experienced in performing development projects in Ukraine, or those interested in engaging in development cooperation and providing a technical assistance to Ukraine, including their partners, enterprises, regional and local self-government bodies and non-government organisations.

Measure 3: Cooperation focused on Ukraine's integration process flagships: visa dialogue and cooperation in energetics

- To perform consultations at the level of Home Office (border and immigration police) and Ministry of Foreign Affairs of the SR and Ukraine in order to identify possibilities to provide Ukraine with the SR assistance in approximation of legislation to Schengen

acquis. To elaborate a common appraisal report on applying current EU visa mode in relations to Ukraine and its residents travelling to Slovakia and vice versa. Report elaboration is to be shared by representatives of particular state bodies, regional border area self-governments, the academic community and non-government organisations from both countries. Besides applying and issuing Schengen visa appraisal, the report is to comprise an appraisal of Small Border Traffic Agreement application, and granting long term SR national visa to Ukraine residents. The Agreement is also supposed to involve an Effect Study on establishing visa-free cross-border traffic, and recommendations (a travel map) for proper SR and Ukrainian state administration bodies to prepare for visa-free mode application process. The report would be used as a source of Slovak and Ukrainian public information. The report elaborating might be funded within Grant Aid Framework of Ministry of Foreign Affairs of the SR or Home Office of the SR.

- To perform consultations at the level of Ministry of Economy and Ministry of Labour of the SR and Ukraine in order to appraise the application of Agreement on residents mutual employing, and coordination of the EU and Ukraine approaches when negotiating on conditions of the EU countries labour markets gradual opening for Ukraine residents as a part of Association Agreement. The EU/SR labour markets opening for Ukrainian residents and vice versa will be a significant factor in developing border regions. Therefore representatives of border area regions ought to be engaged.
- To prepare common bilateral projects with Ukraine on increasing energetic effectiveness and utilising alternative sources of energy with the participation of Slovenská inovačná a energetická agentúra (Slovak Innovation and Energetics Agency) and relevant Ukrainian partners, involving border area regions entities. With the participation of Ministry of Economy, SOPK (Slovak Trade and Industrial Chamber), ZMOS (Slovak Towns and Villages Association), and enterprises, to initiate negotiations with Ukrainian partners on bilateral cooperation when investing into reconstruction of municipal warmth and hot water distribution system, decreasing energetic demand of buildings, modernising waste management etc. Ukraine faces one of the biggest development challenges in modernisation of municipal infrastructure of towns and villages, including border area regions neighbouring with the SR.

Measure 4: Reform of public administration and regional development

To elaborate Action Programme of PSR, KSR and ZR cooperation in sharing experiences of public administration and regional development reforms. The public administration reform in Eastern Partnership countries in accordance with the EU regulations and practice is defined as a fundamental objective of Eastern Partnership. The cooperation between PSR and KSR on the one hand and ZR on the other hand at the level of districts and villages when sharing experiences of the SR public administration reform and the SR regional development would bring a considerable benefit for cross-border cooperation and also for meeting Eastern partnership objectives.

Objective 6: Strengthening Slovak-Ukrainian cooperation cross-border management

Strengthening common Slovak-Ukrainian cross-border management is crucial for successful meeting of the previous five objectives. The management objective is supposed to develop new instruments for cross-border cooperation support, for improving and increasing the efficiency of border area regional development management, and increasing border region attractiveness, and increasing mutual information and public information on cross-border cooperation as well. Proposed measures:

Measure 1: Developing instruments for cross-border support, primarily via establishing Fund for Cross-border Development, and via regular dialogue

The object of this measure would be establishment of common Fund for Cross-border Development, e.g. in the manner of International Visegrad Fund. The Fund sources would be created of border area districts and villages deposits, of both the government subsidies and the EU funds or other sources (2% of income tax, foundations sources and the like). The Fund would be governed by common Council and decision rules providing small grants to meet abovementioned five objectives and supporting cross-border cooperation in priority sectors.

By creating a common communication platform for managing and covering cross-border cooperation at regional level competences of public, private and non-government sector actors involved could be linked. The Platform might have the form of Cross-border Parliament or Cross-border Convention with sessions twice a year with the mandate to establish expert groups to solve current problems.

Measure 2: Improving common management of border area regional development

Principal measure objective would be to transfer experiences of projects preparations and implementation (education, conferences, workshops), including preparation of common projects. The measure would sustain the networking of institutions active in the regional development, thematic cross-border clusters development (e.g. wine routes, cycle routes, history trips and alike) and Euro-regional activities, and establishing European clusters or cross-border micro regions.

The measure would involve activities aimed at regional planning coordination, including local plans and border area development strategies elaboration and approximation at the level of districts, villages and towns themselves.

Measure 3: Intensifying and uprating exchange of information among cross-border partners

Above all, there needs to be created a system of collecting and publishing statistics referring to the border territory. The absence of data and information on situation and the border area activities thwarts better cross-border cooperation management and targeting the measures. It is necessary to support creation and operation of common web portals informing on SK-UA relations and their cross-border cooperation.

The measure ought to include information activities such as supporting common TV and radio broadcast, exchanging programmes and information among the mass media, and organising common cross-border events, or exchange scholarships for journalists, speakers and marketing specialists.

Objectives Hierarchy

Strategic objective	Contribute to achieving a territorially coherent, intelligent, sustainable development of the border region, and uprating the residents' life.
Mid-term objectives	Proposed measures
1. <i>Intensifying socio-economic development of border region</i>	- Creating better conditions for common development of small and medium enterprises (SMEs) in border region - Creating conditions for new investments in border region - Improving the interaction of enterprises, know-how creators, middlemen and users, including clusters formation.

2. Improving both Slovakia and Ukrainian border management – common procedure and transfer of good practices	- Educational and networking activities of customs officers, border guards and involved representatives of public and private sectors on both the border sides. - Regular monitoring of border management and visa issuing. - Information activities towards passengers, migrants, visa and small border traffic permission applicants. - Improving civil defence and rescue services cooperation
3. Modernisation of the border infrastructure	- Upgrading the infrastructure via improving functionality and increasing border crossings capacity. - Increasing the quantity of border crossing on the common border. - Modernisation of conveying corridors (road, railway) towards a common border.
4. Multi-sector cross-border cooperation development for the purpose of sustainable border regions development	- Intensifying a research-and-scientific and educational cooperation. - Improving cooperation in the field of tourism. - Improving cooperation in the field of culture. - Strengthening cooperation in the development and protection of natural heritage, including human activities negative impacts, and flood control. - Upgrading and intensifying social contacts. - Improving and strengthening self-government interaction.
5. Support of Ukraine-to Europe integration process and reforms for its approximation to the EU integrated internal area standards	- Development of Eastern Partnership strategic framework. - Developing and technical assistance. - Cooperation focused on flagships of Ukraine integration process: Visa Dialogue and Energy interaction. - Public administration reform and regional development.
6. Strengthening Slovakia-Ukrainian cross-border cooperation management	- Creating instruments to support cross-border cooperation, primarily by establishing Cross-border Cooperation Fund, and regular dialogue. - Improving border area regional development management. - Intensifying and upgrading exchange of information between cross-border partners.

2.3. Financial instruments

Financing cross-border cooperation in current conditions requires coordination of financial sources. It would be ideal for Slovak-Ukrainian cross-border cooperation to be financed from the sources of entities initiating and executing the cross-border cooperation, i.e. entities in the border territory. Unfortunately, current situation directs cross-border cooperation financing to external sources, either the EU budget, or EFTA sources, or International Visegrad Fund or other donors subsidizing cross-border cooperation. There is a need to create an environment and conditions for originating own regional and local instruments to support cross-border cooperation.

At regional level, it is necessary to create a regional instrument for co-financing and stimulating cross-border cooperation, proposed by the objective No. 6. The advantage of the cross-border region contains in institutions experienced in accumulating sources and

consequently the support of community projects, such as Carpathian Foundation, or community foundations. Also regional self-governments (PSR, KSR), including Agencies of Regional Development, and Euro-regional associations are well-experienced in managing programmes and projects, financial management of European cross-border programmes included.

State funds (national budgets e.g. for supporting Euro-regional associations) for supporting cross-border cooperation will be limited for the years of 2014-2020, and a broader support is not partner country within Mid-term Strategy of the SR developing aid for the years of 2014-2018, provides a proportion of funds to support cross-border cooperation. Even The Programme for Euro-regional associations support ought to derive another proportion from budget funds. National funds rather co-finance cross-border programmes based on the EU funds.

Besides own funds, the border area entities need therefore to rely predominantly on external EU funds or Norway financial mechanism. Within the objective of European Territorial Cooperation in the programme period of 2014–2020, a cross-border, transnational and inter-regional cooperation will be supported from European Regional Development Fund (ERDF). Cross-border cooperation will focus on supporting an integrated regional development among/between neighbouring land or sea border regions of two or more EU member states, or between one EU member state and one third country on an external EU border. For the cooperation with out-of-EU regions, the following instruments are designated: European Neighbourhood Instrument (ENI) and Instrument for Pre-Accession Assistance (IPA).

The ENI Hungary-Slovakia-Romania-Ukraine 2014-2020 instrument, continuing the 2007-2013 Programme, will be accessible for a possible cooperation of Slovak and Ukrainian entities. It is also a crucial instrument for building a cross-border infrastructure. Ministry of Agriculture and Rural Area Development of the SR is the body responsible for preparing and implementing the Programme on behalf of Slovakia. The Programme planning is just starting but it is based on previous programme objectives and assumed continuation of the measure.

European funds devoted to territorial cooperation will be granted to clusters of corporate entities established in the EU territory, labelled as European Territorial Clusters (ETC). An ETC objective is to facilitate and support cross-border, transnational and/or inter-regional cooperation of its members exclusively focusing on the reinforcement of economic, social and territorial coherence. Thus it needs to be considered to prepare and establish ETC on Slovakia-Ukraine border.

Furthermore, Slovak and Ukrainian regions will be capable to access to the following Transnational Cooperation Programmes: Central Europe Programme and ETC Dunaj (The Danube) supporting a multi-sector cooperation. Slovak and Ukrainian entities will likewise be allowed to engage in the URBACT programme with its objective in 2014–2020 to support urban areas development and reinforcing the exchange of experiences among European towns and cities.

Norwegian Financial Mechanism Programme of the Cross-border Cooperation²⁰ for the years of 2014-2016 is a significant financial source where the contribution of 12.72 million € for Slovak-Ukrainian cooperation including the support of social contacts was allocated. Primary Programme objectives are as follows:

- closer contact and interaction of local and regional institutions and non-government organisations (NGO) on both EU external border sides;

²⁰ For more, see web: <http://www.eeagrants.sk/6945/cezhranicna-spolupraca/>

- increasing knowledge and skills of local and regional institutions and NGO for the cross border development;
- mitigating existent cross-border cooperation barriers;
- better comprehension of common cross-border problems and possibilities;
- developing new and innovative forms of cross-border cooperation.

Besides, the Programme also supports the following fields:

- building facilities for local and regional institutions and/or NGO engaged or planning to be engaged in the cross-border development;
- supporting research and development of methodologies and procedures in the cross-border cooperation;
- supporting measures for exchanging information, experiences and good practices in cross-border cooperation;
- supporting initiations “people to people” increasing awareness and comprehension among border regions residents, including exchanges, events, exhibitions, performances and other common activities;
- supporting sustainable cross-border management sources/action plans strategy;
- supporting development of emergency rescue system.

Other supported high-priority Programme activities are as follows:

- Creating new partnerships/networks, and supporting existent ones;
- Reinforcing exchanges of know-how, good practices and experiences with Norway;
- Achieving better conditions on the border-crossings;
- Improving cross-border information flow.

Fundamental objective for the cross border strategy implementation is supposed to achieve the most effective utilisation of both internal and external sources. A key role must be performed by regional actors (PSR, KSR, ZR), who are supposed to interact more intensively, on the one hand as assessment boards focused on projects, on the other hand by engaging in transparent and intense mutual communication and communication with other actors involved in cross-border cooperation as well. Defining clear principles of priority projects (see chapter 2.4. Strategies) selection and keeping the principles is no less essential.

It is also important to keep public relations and regular evaluation of strategies, programmes and projects in order to influence actively possible deviations from achieving set goals. Regular communication with experts in cross-border cooperation should be established by means of consultations, or organising special events (conferences, workshops) on coordinating common cross-border cooperation.

2.4 Proposals of principles how to select, implement and evaluate projects

Setting clear principles of selection, implementation and evaluation of key projects is an important element of strategy implementation, transparency of processes and achieving goals. It concerns the projects that are the most important for the cross-border territory, the best-prepared to be implemented and characteristic of innovations while warranting a safe process of implementation.

They are the following principles:

- **Excellence** (quality, innovation aspects, clarity and comprehensibility of objectives and expected results, quality of know-how transfer among involved partners, quality of cross-border interaction etc.
- **Impact** (impact on: border region, target groups, strengthening existent facilities, utilising the border region potential, initiatives towards policies changes for the benefit

of improving cross-border development conditions, increasing the potential and capacity at regional, national and European level, effectiveness and scope of communication and expected results dissemination, higher number of various common information products and the like).

- **Implementation** (general coherence and effectiveness of work /activities, adequacy of management structures and activities plan, sustainability, effectiveness of project budget and the like).
- **Capacity** (competence of partners, previous experiences from their interaction, partners complementarity, institutional capacity and engagement, involving higher number of partners, transferability of other border regions good practices and others).

Other principles:

- Compulsory partnership of institutions from both sides of the border, and common project activities on both sides of common border;
- Particular project readiness for implementation (including formal and legal investment completion, complete and thorough assignment of tasks and responsibilities of particular partners,
- Contribution to social and economic development of the border region and achieving better conditions for the cross-border region;
- Preferable interaction of public (state and self-government institutions) and non-government / corporate sectors;
- To evaluate the quality of intentions/projects, engaging external experts in particular fields, having experience in a cross-border cooperation matters in course of a project, ability to evaluate a planned number of partners' cooperation, and also a particular project impact on local/regional communities on both border sides.

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