

# **STRATEGY**

## **FOR THE FUTURE OF THE BALTIC EUROREGIONAL NETWORK**

## Introduction

In the summer of 2005 thirty five partners representing Pan-Baltic organizations, national authorities, local and regional authorities, cross-border cooperation (CBC) structures and non-governmental organizations from nine Baltic Sea region (BSR) countries started a project called the "Baltic Euroregional Network" (BEN), which was financed by the BSR INTERREG III B Program (list of partners and partnership map is attached).

The main goal of the project was to strengthen Euroregions in the BSR as competent partners for national authorities and international institutions by creating a network of Euroregions for continuous capacity-building and sharing of experience. The BEN was based on the idea that experiences of different border regions and different CBC structures are similar, and therefore the transnational exchange of experiences would contribute to development of new solutions for social-economic development of border regions. The strength of the BEN lies in large variety of different levels of authorities, different types of organizations in different countries, and it therefore brings together a wide variety of competence and experience.

As a result of the project, a large network of different institutions involved in CBC issues was established. In this case a network is defined as a non-institutionalized group of organizations sharing the same interests and connected by joint means of communication for exchange of information. The project resulted in the strengthening of coordination between different CBC structures and national authorities in several countries, the further development of international cooperation between different CBC actors and the establishment of a platform for mutual learning and the exchange of best practises.

The BEN as a network is based on the partnership of the BEN project but it does not imply any formal membership and therefore will be in the future open to any other institutions interested in CBC issues.

In order to safeguard sustainability of the network after the end of the BEN project in December 2007, the network has prepared a strategy for future development of the BEN. The strategy consists of two parts:

- Part A presents a vision of main challenges for CBC structures in the future;
- Part B explains how the BEN will address the challenges, what the role of the BEN will be and how the network could function in the future.

### **A. Key challenges for future development of the CBC structures/Euroregions in the BSR**

The fall of the Iron Curtain in the early 1990s has led to a substantial increase in the number of border regions as well as in disparities between European regions. This momentum gave a new impetus to discussions on the region's future and the BSR became a test laboratory for integration processes in Europe.

Existing CBC structures/Euroregions in the BSR were initiated by border regions, local or regional governments or other local entities of several countries (not only the European Union (EU) Member States). Euroregions and other forms of cross-border co-operation structures do not create a new type of government on the cross-border level, but aim at the promotion of common interests, bringing people together and improving living standards of people on both sides of the border.

Participants in the Baltic Euroregional Network see the following key challenges for development of CBC structures/Euroregions in the BSR:

**1. Euroregions/CBC regions have various roles: they can function as facilitators, catalysts, network builders, process initiators, platforms, initiators of common agendas and strategies for CBC regions and people-to-people meeting places.**

The roles and functions vary according to the specific needs and conditions of the cross-border region, the development stage of CBC and the national context etc. The many-sided role can be seen both as an advantage and as a disadvantage: on one hand the various roles can be seen as

a result of successful adaptation to a specific setting, on the other hand the variation of roles may hinder the joint development Euroregions/CBC regions.

Whatever the viewpoint, some preconditions are always crucial for the ability of the Euroregion to undertake its roles, e.g. sufficient support and trust from national institutions, competence and ability to recruit qualified staff, adequate organizational capacity, recognition as a platform/coordinator etc.

Euroregions/CBC structures themselves are challenged by the constant changes/reforms they have to undertake in order to become stronger. Thus Euroregions should be flexible enough to adapt themselves to the changing situation and they should, moreover, be informed in advance and therefore be well enough prepared to overcome, or benefit from, the changes.

**2. Membership and partnership in Euroregions/CBC structures varies: some Euroregions/CBC structures consist only of local and regional authorities, others include NGOs, universities, chambers of commerce, etc.**

This reflects the variety in conditions and functionality of various CBC structures which, as stated above, can be considered both an advantage and a disadvantage. Although some would like to see legislation determining the role of local authorities within Euroregions, there seems to be no general need for a "common concept".

There is a risk that as new partners become parts of an officially registered Euroregion, the issues of management, election of decision makers, collection of fees and participation in projects become huge issues. Then formalities start to matter more than the general goals.

**3. Euroregions/CBC Regions are often not platforms for all the three elements of triple helix cooperation (public sector, business and high schools/universities).**

The triple helix principle is widely accepted by Euroregions/CBC regions. However, triple helix still does not function in all CBC's and in many it functions only partially. There is a need to clarify the triple helix concept and the added-value of developing such cooperation, as well as developing common long term strategies for how to achieve it. Possible initiatives could include discussion of the need for a more coordinated cooperation between different institutions, demonstration of the benefit of collective work and the establishment of more direct contacts with universities and the business sector. Stronger contacts with academic and research institutions would help Euroregions to perform their functions when their own institutional capacity is not sufficient.

**4. A single solution for the legal status of Euroregions does not exist due to the fact that Euroregions in Europe have different objectives, geographical and political frameworks and different ambitions, and such a single solution can hardly be expected in the future.**

Different CBC structures will need to adapt their needs and strategic goals to existing legal possibilities provided by EU legislation (including EGTCs<sup>1</sup>), the legal framework of the Council of Europe, bilateral agreements and national legislation. On the one hand, the different kinds of legal status can secure the extra synergy and alternative views during the implementation of the common initiatives. On the other hand, there tends to be too little discussion at the local level about the legal status of a Euroregion. This becomes an issue when applying for EU grants because it has to do with the eligibility of the Euroregion to apply and may complicate the cooperation processes in projects.

**5. Financing of Euroregions/CBC structures varies: they are financed by cooperation programs or projects, by the EU, national, regional/local, private actors.**

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<sup>1</sup> The European Grouping of Territorial Cooperation (EGTC) is a new European Commission's legal instrument at the service of cooperation between European regions and the EU Member States. It aims at creating entities, called EGTCs, composed of members from at least two Member States, whose goal is to develop projects of common interest.

Financing is one of the most crucial and important issues of every CBC structure, regardless of its legal status. Though funding can come from different sources, one requirement has to be observed: it should be sufficient and long-term based. It is the responsibility of the partners to seek and to provide continuous funding, firstly for the purpose of running the office or executive body. National/state funding should not be the basic financial source, and should come only for some definite projects. Funding from EU programmes and funds seems to be one of the main financial resources, even when costs have to be reimbursed afterwards. As for loans, this instrument is not so well developed and in some cases is not even available at all.

To provide sustainable and effective mechanisms for CBC structures it is necessary that all partners should make their financial contributions on a regular and planned basis. In order to confirm expenditures in the local/regional budgets, activities of Euroregions should be highlighted and visualised, so that lobbying for recognisable conceptual projects in national bodies becomes much easier.

#### **6. The role of Euroregions/CBC structures regarding EU CBC programs varies: some participate in the management of programs, others take part as project applicants.**

Not all national governments trust Euroregions to manage EU programs, while at the same time not all Euroregions agree and want to manage the programs or micro-funds; and not all Euroregions have enough capacity and resources to manage them.

It is necessary for the Euroregion as a whole to determine its cooperation priorities, partially because of the selection of its role in the partnership (program management or project partner). Any possible conflicts of interests should be avoided.

A stronger administrative capacity in Euroregions could make them more credible partners for governments, but capacity-building costs money. The funding for increasing the capacity and running the management should be a part of the same funding programme and should be included in the technical aid money that is used for a specific project. Micro-funds could be created within the framework of CBC programs, and they should be monitored or analyzed through SWOT within the framework of programs managed by Euroregions.

#### **7. Euroregions/CBC structures are an important supplement to international relations at the people-to-people level (especially in relations between the EU and neighbouring countries).**

In some cases when relations between neighbouring countries become strained, cooperation at the local and regional level has additional value because it might still implement cooperation at the grass-root level, and thereby contribute to the sustainability of long-term relations. In some cases official international relations priorities are so general that they do not correspond to the concrete needs of the population of border regions. Therefore it is essential that CBC structures stay in constant dialogue with national governments, and direct the discussion towards concrete policy implementation measures that improve living standards in border territories. Euroregions as a tool in international relations should enjoy stronger support by governmental institutions and the added value of Euroregional activities should be demonstrated.

#### **8. Euroregions/CBC structures have an important role in the spatial development of the BSR especially in issues concerning mobility and accessibility to services across the border.**

Spatial planning is a very large and complex issue. The majority of the problems require national intervention, as it is the national governments that allow or restrict the utilization of public services across the border. But the issues of mobility and accessibility are very important in the cross-border context and there is therefore a need for dialogue between CBC structures and authorities having the formal planning competence and authority.

Euroregions can serve as platforms for strategic cooperation in issues of spatial planning with consequences for CBC. Representatives of Euroregions should be included in commissions and working groups of corresponding national/international structures.

## **9. There is a constant need for a systematic dialogue between Euroregions/CBC structures and national governments.**

The position of the Euroregions is still to be strengthened within the countries concerned. That is why it is very often difficult to have discussions with the national government about issues important for the Euroregions, such as EU program management or legislation directly affecting Euroregions. At the same time there is a lack of national coordination within the governments. The more dependent the CBC is on national policies (political acknowledgement, financing), the more important is the dialogue. The more important the role of the CBC is on the national level, the better is the dialogue's starting point. Better dialogue could make CBC organisations work more effectively. Dialogue should be on a permanent basis. The national institutions should inform the Euroregions of new legislation that is being prepared and should include the representatives in the decision making bodies. Having a national coordinator in national institutions would be an advantage. Euroregions should inform the national government of successes achieved and point out the significance of the CBC operation in the region/country.

## **10. There is a constant need for systematic consultations between Euroregions/CBC structures and international organizations as well as the EU on issues relevant for CBC.**

Euroregions/CBC structures are multinational institutions possessing a unique knowledge about CBC at local and regional levels. They are well informed about the local needs and problems of border territories, especially those which are of cross-border character, and they are bearers of a longstanding tradition of CBC at the grass-root level. This knowledge and experience of the Euroregions/CBC structures is valuable for discussions at the international level concerning crucial issues of the BSR.

Therefore, the international, transnational, and Pan-Baltic organizations, as well as the EU, in cooperation with national authorities, should consult with Euroregions/CBC regions on issues relevant for CBC. Representatives of the most active CBC structures with sufficient capacity could be involved in planning, decision-making, monitoring or implementing structures.

Euroregions/CBC structures themselves have to be more interested in contributing to the overall development of the BSR, and they should be more active in contacting the national or international authorities on issues, where CBC has the ability to influence decision-making.

Due to the fact that CBC is mentioned as a cross-cutting theme in the new "Northern Dimension Policy Framework Document", Euroregions should actively participate in the implementation of the Northern Dimension policy.

## **B. The future model of the BEN and how it will address the indicated challenges**

This part of the strategy presents the way in which the BEN network will continue to function after the end of the project. The first issue is what the function of the BEN network can be, and then the plan for actions and measures guaranteeing sustainability of the network will be described.

### **Main role of the BEN in the future**

After considering different possible roles of the BEN network, BEN partners see the main function of the BEN as a network providing a platform where CBC structures/Euroregions can:

- get together to exchange experiences and project ideas on the best performance of CBC;
- develop common visions/strategies/solutions for development of CBC in the BSR;
- develop recommendations/methodologies on different issues relating to the working of CBC structures (financing, legal status, institutional framework, membership etc.); give and get inspiration for structural, strategic or practical actions directed towards the improvement of functional, institutional or financial reforms of Euroregions; initiate SWOT analyses of Euroregions and/or overviews of the main types of structures if needed;

- invite representatives of national governments, international organizations, other pan-Baltic networks into informal discussions; this would contribute to continuous dialogue with national/international authorities;
- invite representatives of NGOs, academic institutions and business structures in order to stimulate the "triple helix" concept;
- stimulate and generate new projects among Euroregions; the network itself should not act as a Lead Partner but it could coordinate interests of different interested partners before the potential LP is indicated;
- present best practices in forms of databases, publications, studies etc, maintain and use the tools developed during the BEN project (website, E-Library);
- develop joint training sessions using own capacity within specific issues of common interest;
- promote and make visible to national/international authorities the activities and importance of CBC and Euroregions, and discuss new tools for better promotion of Euroregions among local communities/populations of border regions; discuss new tools for getting media interested in CBC activities.

### **Models for the network**

The BEN partners have discussed different options for the future network: a new formal organization with joint permanent structures, office and membership fees; merging of the BEN into one of the existing BSR or European networks or organizations; the network as an informal platform chaired and coordinated by partners on the principle of rotation. But finally, the BEN partners made it clear that they would like to see the BEN as an informal network which is partly coordinated and financed by one of or both regional organizations in the BSR – the Nordic Council of Ministers (NCM) and the Council of the Baltic Sea States (CBSS).

Furthermore, close cooperation and coordination could be developed with the Association of European Border Regions (AEBR). Due to the fact that not all partners of the BEN are members of the AEBR, the forms and ways of cooperation should be further discussed.

The BEN network has discussed different options for how the network could function, how it could be financed and what could be the contribution of the NCM and CBSS, if such contributions will be available. The network will contain two basic elements: the overall coordination of the network and new concrete projects between the network partners.

Certain elements of the network will be continued by some of the project partners: e.g. Peipsi Center for Transboundary Cooperation (CTC) in Estonia will maintain the BEN E-Library, organize CBC summer schools and issue CBC news.

The network will address the CBSS and the NCM and propose to establish the position of network coordinator in one of organizations with the following tasks:

- Coordination support for the development of future bilateral/multilateral projects among network partners;
- Arranging at least one annual event on a specific CBC issue together with annual BEN meeting; during these meetings the network could be continuously evaluated and other smaller thematic workshops could be arranged depending on available funding, all this possibly in conjunction with other BSR events;
- Providing information support to the Peipsi CTC in the maintenance of the website, E-Library and the CBC news and arrangement of future CBC summer schools. Possibilities for further financial support for those functions might be explored;
- Coordinating contacts with other BSR or European networks and organizations, adopting successful strategies and solutions in order to strengthen the potential of the network.

Resources needed for the coordination component include:

- salary for the personnel necessary to fulfil the above-mentioned tasks;
- travel costs;
- office facilities and communications;
- costs of annual event.

Besides the overall coordination of the network, it is essential that new projects are originated among BEN partners. They might be large projects involving many of the network partners, or projects initiated by smaller groups of partners united by common needs or interests. The coordinating institution could act as a contact point/matchmaker for new projects, but as the network cannot be an applicant, the Lead Partners should be appointed among members of the network. The drafting of new project ideas should be started as soon as possible, even before the end of the BEN project.

The advantage of this model for networking is that it would create a contact point to which information can be sent, and from where it can be distributed to all members of the BEN network. It would need to be a concrete person who can use his/her time for coordination work, and there is some basic financing available for coordination activities. The updating of the BEN website or other information tools would be also guaranteed. The network partners are advised to have a contact person in their organization responsible for the BEN.

The network should be open to other Euroregions/organizations if they wish to take part. Different groups concentrating on specific issues could, if requested, be formed within the network.

## Partners of the BEN project:

1. Nordic Council of Ministers Office in Lithuania - Lead Partner;
2. Council of the Baltic Sea States (CBSS) Secretariat, represents 11 BSR countries, office in Sweden;
3. Nordic Council of Ministers' Office in Estonia (EE);
4. Nordic Council of Ministers Office in Latvia ( LV);
5. Hiiumaa County Government, representing B7 (EE/DE/DK/FIN/SE), office in Estonia;
6. Peipsi Center for Transboundary Cooperation (EE);
7. Helsinki-Tallinn Euregio (EE/FIN), office in Estonia;
8. Euregio Pskov, Livonia (LV/EE/RUS), office in Latvia;
9. Association of Polish Communes Euroregion Baltic (PL/SE/DK/LT/RUS), office in Poland;
10. Euroregion *Country of Lakes* office of Directorate in Latvia (LV);
11. Euroregion *Country of Lakes* Lithuanian Directorate (LT);
12. Valga County Government (EE);
13. Zemgale Planning Region Administration, representing Euroregion Saule (LT/LV/RUS), office in Latvia;
14. Tauragė County Government, representing Euroregion Saule ( LT/LV/RUS), office in Lithuania;
15. Public institution "Šiauliai Region Development Agency ", representing Euroregion Saule (LT/LV/RUS), office in Lithuania;
16. Nemunas Euroregion Marijampole Bureau (LT);
17. Lappeenranta municipality (FIN);
18. Charity and Support Fund Šešepė Euroregion Šakiai Office (LT);
19. Öresund Committee (DK/SE), Office in Denmark;
20. CBC Gränskommittén (NO/SE), office in Sweden;
21. The Ministry of the Interior of the Republic of Lithuania (Regional policy department) (LT);
22. North Calotte Council (FIN/NO/SE), office in Finland;
23. The Association of Polish Municipalities in the Pomerania Euroregion (PL);
24. The Kvarken Council (FIN/SE), office in Finland;
25. ARKO (NO/SE), office in Sweden;
26. The Nordic Council of Ministers Information office in Saint-Petersburg (RUS);
27. NGO Tchudskoj project (RUS);
28. Municipality "Vyborg region of Leningrad oblast" (RUS);
29. Euroregion *Country of Lakes* Office of Belarusian Directorate (BY);
30. Association on cross-border cooperation "Euroregion Pskov – Livonia, Pskov Section" (RUS);
31. Association of Municipalities of the Republic of Karelia (RUS);
32. Sovietsk municipality, representing Euroregion Saule (LT/LV/RUS), office in Russia;
33. Russian secretariat of Euroregion Sesupe, Krasnoznamenensk (RUS);
34. Kaliningrad Regional Duma (DK/LT/PL/RUS/SE), office in Russia;
35. NGO Nadruva, representing Euroregion Neman (BY/LT/PL/RUS), office in Russia.

**Baltic Sea Region INTERREG III B Neighbourhood Programme  
Baltic Euroregional Network**

