

Alexei Kiryukhin

TRANS-BOUNDARY RELATIONS BETWEEN RUSSIA AND UKRAINE AND COMMON LOGISTIC POLICY

Modern state of crossborder cooperation between Russia and Ukraine on the base of program-project principle was analyzed. Systemic steps for sustainable development of border area with consideration of ecological problem and new logistic were proposed.

Keywords: EU regional policy, crossborder cooperation, euroregions, transport logistic.

Олексій Кірюхін. ТРАНСКОРДОННЕ СПІВРОБІТНИЦТВО МІЖ РОСІЄЮ ТА УКРАЇНОЮ ТА СПІЛЬНА ПОЛІТИКА У СФЕРІ ЛОГІСТИКИ. Проаналізовано сучасний стан транскордонного співробітництва між Україною та Росією в умовах виходу з кризи та завдання щодо модернізації регіональних економік на основі програмно-проектного принципу. Запропоновано системні кроки в напрямку стійкого розвитку прикордонних територій з урахуванням екологічних проблем та новітньої транспортної логістики.

Ключові слова: регіональна політика ЄС, транскордонне співробітництво, євро регіони, транспортна логістика.

Алексей Кирюхин. ПРИГРАНИЧНОЕ СОТРУДНИЧЕСТВО МЕЖДУ РОССИЕЙ И УКРАИНОЙ И СОВМЕСТНАЯ ПОЛИТИКА В СФЕРЕ ЛОГИСТИКИ. Проведен анализ современного состояния приграничного сотрудничества между Украиной и Россией в условиях выхода из кризиса и заданий по модернизации региональных экономик на основе программно-проектного принципа. Предложены системные шаги в направлении устойчивого развития приграничных территорий с учетом экологических проблем и тенденций новейшей транспортной логистики.

Ключевые слова: региональная политика ЕС, приграничное сотрудничество, еврорегионы, транспортная логистика.

Trans-frontier cooperation on the EU external borders is a key priority for the European Neighbourhood Policy and EU strategic partnership with Russia.

Increase of inter-regional and cross-border cooperation (in contemporary European practices it has a general term “territorial cooperation”) could be possible in the conditions of constant improvement of state and regional regulatory and legal frameworks, emergence of new cooperation tools on the regional and local levels.

Considering the issue of development of the regions and formation of regional strategies, it is impossible to omit the experience of European regions concerning application of interregional and transborder cooperation as instruments in regional policy. Implementing the concept of leveling the development of European regions, the EU initially considered transborder cooperation as an effective method of stimulation of transborder projects by national governments, which could be carried out on the level of regions. Such projects and programs brought not only additional EU funds to crossborder regions, but also new technologies, new standards of social policy, and modern educational initiatives.

The low level of interest from central and regional governmental bodies to transborder projects can be also explained by the unavailability of the existing system of state management to long-term planning and investment activity. The declared course towards decentralization and deconcentration of the government was not confirmed by practical activities regarding reformation of governmental bodies. Thus, solving

existing problems in transborder cooperation depends in full on the development of relationship “center vs. regions”, as well as deepening of administrative reforms in Ukraine.

The problem of transborder cooperation is multi-sided and is realized as a specific sphere of foreign economic, political, social, ecological, cultural-educational and other types of activity, which are realized on the regional level and are marked by a number of peculiarities, the main of which is the presence of borders. That is why diversified scientific definition of transborder cooperation is a priority activity of modern scientific research in Ukraine. This is what was stressed at the session of the Bureau of the Section of Social and Humanitarian Sciences of the National Academy of Sciences of Ukraine (October 31, 2001).

In compliance with the Resolution of the Cabinet of Ministers of Ukraine No. 587 of April 29, 2002 “About Some Issues of Development of Transborder Cooperation and Activity of Euroregions”, the “Program on Development of Euroregions” was elaborated (Attachment D), where main objectives regarding their further development were stated. Nevertheless, questions on forming an integral system of regulation of transborder cooperation on all the levels of public administration, problems of their financial, staff, informational and resource provision, registration of appearance of euroregions as new entities in the social-economic and special planning, as well as the question of the development of a transborder region continue being actually based on the

implementation of principles of sustainable development.

Regulation of the activity of Euroregion of Ukraine can be based on the mutually coordinated strategies on sustainable development coordinated on the international and interregional levels. That is why in the process of more active attraction of Ukrainian transborder regions to crossborder cooperation, the actual problem is the development of common strategies on sustainable development of transborder regions based on the national strategies on sustainable development. Such strategies should be taken as the basis for the agreements on transborder cooperation in the framework of Euroregions.

Russian-Ukrainian frontier gradually becomes a key element in the European Border system, because it reflects two different geopolitical models related to the European Union – a partnership model, selected by Russia, and an assimilation integration model – a strategic direction for Ukraine.

Taking into account a general strive of both countries to strengthen stability and development, it is necessary to use at the most the potential of cross-border territories to create a new investment image and attractive business environment on the basis of the coordinated actions beyond the frontier both sides.

The Council of Heads of Border Oblasts of Republic Belarus, Russian Federation and Ukraine was set in 1994 as a tool to adapt to the emerged barriers of new state borders. The Council Executive Committee initiates and constantly implements on the systematic level an integrated approach to forming a consolidated cross-border space through preparing and implementing big inter-regional programs and sets up a continuous grid of compact euroregions along the Russian-Ukrainian Border. As of today, there are three official euroregions – “Dnepr”, “Yaroslavna”, and “Slobozhanschina”. One more euroregion “Donbass” is being formed on the border line between Rostov and Lugansk oblasts.

Euroregions in Russian-Belarusian-Ukrainian cross-border area are regarded as territorial institutions of **long-term** partnership having special cooperation competences and capable of focusing different resources to solve the most urgent tasks of cross-border regions structural upgrading. This new approach is targeted to create added value of the territories that are directly adjacent to states frontiers.

Ukraine is more active in creating the necessary legal preconditions for developing trans-frontier cooperation than Russia. This could be explained on the one hand by Ukraine's desire to

get involved into European integration processes and activate its cross-border relations with countries that have recently joined EU. Ukrainian law “On Trans-Boundary Cooperation” N1861-IV of 24.06.2004 details European Outline Convention on Trans-Boundary Cooperation between Territorial Communities and Authorities, that provide for implementing cooperation on the basis of program-project principle simultaneously attracting state and local budgets funds as well as the structural funds of the EU operational programs INTERREG and ENPI. Adoption of the 3rd Protocol to the Madrid Outline Convention of the Council of Europe will help create universal institutes of territorial cooperation EGTC (in contrast to the mixed organizational palette of the existent euroregions).

On the other hand, with regard to the economic component of the eastern border-zone, Ukrainian authorities, especially regional and local ones, strive to create favorable conditions for developing relations with the Russian Federation adjacent areas on the basis of the economic complexes complementarity.

Real practices of trans-boundary cooperation between Belgorod and Kharkov oblasts helped formulate a comprehensive perception and prospects of expansion of the different scale relations, and test the model of local interaction. The model includes setting of inter-branch working groups to develop trans-boundary cooperation in cross-border regions on the both sides of the border, arranging coordinated work to prepare a list of the common problems and a sequence of actions to solve the identified problems. With the help of the Council Heads Executive Committee those working groups develop regional programs to enhance trans-boundary cooperation in the middle-term that are approved by the rayon councils sessions (municipal formations). In the result we have a system of interconnected regional programs and tools for their implementation. The Executive Committee coordinating role helps integrate the regional level projects into the bigger scale inter-regional programs, for which the coordination councils have already been set. With this purpose joint work groups to implement specific projects have been set during 2007-2008. For example, within the framework of the inter-regional environmental program to protect and use the Severskiy Donets basin water and simultaneously within the framework of the Euroregion Slobozhanschina performance a trans-boundary project “Integrated plan to improve the Lopan river basin” has been in force since January 2007.

As of today, Euroregion Slobozhanschina (Kharkov-Belgorod) has the most dense institutional setup on the Russian – Ukrainian border. It

has not only the innovation platform for its development, but also acts as a model for the euroregions "Yaroslavna" and "Donbass", which at present have been energetically forming their project portfolios. Vertically integrated system of programs and cooperation institutions is the key factor in trans-frontier cooperation process management, which provides for harmonic involvement of the cross-border regions into external relations, for spreading their economic component, for stimulating production cooperation and forming-up trans-frontier industrial clusters.

Kharkov oblast Council and Belgorod oblast Duma joint inter-deputy group, set at the beginning of 2008, has become a stabilizing factor in Euroregion Slobozhanshina cross-border cooperation relations. Its functions have been fixed by the Belgorod oblast Duma decree of 27.12.07 and Kharkov oblast Council session decree of 28.02.08. Those decrees are directed to monitor implementation of the joint projects and programs.

NGO "Euroregion Slobozhanshina", set by the initiative of the Ukrainian counterpart and having its headquarters in Kharkov, has an important role in developing European and international contacts, in working with the Association of European Border Regions. Availability of the similar structure with a Russian counterpart would provide for more efficient use of the intellectual resources of a university project "Knowledge without Borders" when solving the issues of special planning of Russian-Ukrainian euroregions, improvement of their joint transportation and communication infrastructure, balanced development of the trans-boundary territories thanks to participation in the European grants program for the period 2007 – 2013. This would provide for improving cooperation within Ukraine – Russia – EU format in general.

It is expedient to strengthen the project component with the aim of activating inter-regional and trans-boundary cooperation oriented on the sustainable economic development of the trans-boundary regions, i.e., joint performance of central and regional authorities, businesses, NGOs, educational and scientific organizations in solving the issues of the cooperating territories development..

Particularly, for successful work of the enterprises on near-border territories they often lack adequate knowledge in market capacity beyond the boundary. The export resources of the available infrastructure to support entrepreneurship are used but weakly.

Implementation of structural reforms and modernization of the economy of border regions, the development of new forms of entrepreneurship with high added value of goods and services on

their territory, innovation and investment-attractive productions can not be realized without modern logistics.

Conceptual approach of the creation of integrated system of cross-border logistics complex (custom-logistics terminals – logo park) is reducing of peripheral of cross-border regions of three countries and concerned with these social problems (unemployment, loss of mobility) and also assistance multilateral cooperation in the modernization of basic industrial productions and improving cross-border infrastructure. Geographic location of custom-logistics and transport infrastructure expected to be implemented on the main cross-border transport axes in the Euroregion "Dnepr", "Yaroslavna", "Slobozhanshina" and actively establishing Euroregion "Donbass". These operations will make it possible to optimize of system of customs clearance of goods and transport facility, transported by road (by 2014) by the conditions of customs clearance in the cross-border areas of the Russian Federation and then to introduce this spatial model for Belarus and Ukraine.

The ideal location of custom-logistics terminals is their immediate contiguity to the territory of the checkpoint, including the construction of temporary storage Class A, having a cellular structure.

In 2010, the first stage of implementation of the concept of customs clearance and customs control of goods in locations close to the border of the Russian Federation, which involves a set of measures, aimed to redistribution of customs operations between customs authorities within the country and in the cross-border areas, development of custom-logistics infrastructure, mainly in locations close to the state border is completing.

In 2005, the Government of the Republic of Belarus adopted a "comprehensive program of ensuring the efficiency of transit potential of the Republic of Belarus for 2006-2010", which provides realization an effective transport policy, promoting the development of border infrastructure, improvement of customs legislation and the introduction of modern technologies.

Construction, rigging custom-logistic terminals will be made by the business community through public-private partnership in accordance with the requirements of governing authorities.

Develop strategy and implementation plan of the construction of logistics systems along the borders of three countries - Ukraine, Belarus and Russia - is a powerful innovative project which will give an opportunity to activate the real sector of economy of cross-border areas.

Logistic system will be net of subject LOGOPARK, which will serve as border trade and distribution centers, as wholesale market operators,

and retailers for local residents of cross-border villages. For holding business negotiations and realization of constantly working exhibition activities will be implemented the project of cross-border business and exhibition complex Expocentre Slobozhanshina "on the axis of the Kharkov-Belgorod included in the overall concept of logistics system.

Individual instruction of this unique project was given in October 2004 by Prime Minister of Ukraine V. F. Yanukovich during his visit to Kharkov region, and then was blocked by officials from State Administration in April 2005.

Concentration on the realization of this particular direction for the next 3-5 years will give an opportunity to begin steady development of cross-border regions and strengthening of activity of small and medium business frontier. This will lead to a decrease of depression in remote cross-border areas, increase employment rates of the local population, the emergence of infrastructural facilities for a wide range of services around the logistics parks, the emergence of investment attractive of the border, which could lead to the creation modern industrial parks there.

Due to these actions, it may be de-concentration of big business of regional and capital cities, demonstrated in the form of growth in the number of branches, their structural shifts in the cross-border area, where inexpensive labor and the availability of modern logistics can be used. All these steps will give possibility of the discovery of strategies for sustainable development of cross-border areas (municipalities), and this will lead to the solution of existing environmental, social and economic problems. Significant improvements in economic performance will enable the emergence of additional resources to filling the budget: regional and provincial.

Getting Started Customs Union in 2010 and is a real necessity for Ukraine to build up its economic weight due to transportation and location advantages, and high transit potential make this project one of the most attractive for appearance European investors in the Eastern Partnership.

Business Council of Chambers of Commerce of the Belarusian-Russian-Ukrainian cross-border has become the most important member of this infrastructure project by the immediate demand from both regional authorities (because of close work with the Council of heads of border regions of Belarus, the Russian Federation and Ukraine) and from small and medium business.

Collaboration of all the Chambers of Commerce Member of the Business Council as a collective shareholder international (Ukraine - Russia - Belarus - EU) consortium will have long-

term financial benefits from the beginning of the project.

The Executive Committee of the Council of Heads of Border oblasts provides for developing trans-boundary cooperation between the enterprises oriented on the sustainable export with the help of a two-level system:

- Basic level is determined by the partnership between Chambers of Industry and Commerce within the framework of the Business Council of Chambers of Industry and Commerce of Belarusian-Russian-Ukrainian trans-boundary areas, set under the auspices of the Council of Heads of Border oblasts on April 15, 2008;

- Cooperation structures, set at the oblast administrations, ensure the level of cooperation between the adjacent regions (euroregions). For example, since 1992 between Kharkov and Belgorod oblasts the executive directorate of the inter-oblast Council for economic cooperation has been functioning. Since 2002 between Lugansk and Rostov oblasts the Office of Rostov oblast enterprises in Lugansk oblast and the Office of Lugansk oblast enterprises in Rostov oblast have been functioning as a unified module.

The Executive Committee web-site www.crossborder.org.ua has a considerable information resource. In a very near future it will be substantially upgraded and improved due to the grant support.

Since 2007 Belgorod oblast Foundation to support SME together with OJSC "Kharkov regional foundation to support entrepreneurship" have been jointly working to develop cluster initiatives in civil engineering and tourism sectors. All the listed bilateral and network interactions occur with participation of the Center for trans-boundary cooperation (city Kharkov), which has well-adjusted relations with the most sound European organizations in the sphere of regional trans-boundary cooperation, like, for example, AEBR and MOT.

Development of the Euroregion Slobozhanshina as a full-pledged member of the Association of European Border Regions, supposes to implement a specific action plan on the basis of a program-project principle within the framework of a European program period for 2007-2013.

Removal of infrastructure barriers as well as growth of confidence among the entrepreneurs, when setting cooperation schemes in the SME sphere on the basis of cluster initiatives, are the main priorities of this plan.

These steps help unite economic, social and infrastructure potentials beyond both sides of the border which would ensure a favorable investment climate in near-border peripheral regions.

Practical implementation of the joint trans-frontier projects removes destructive local competition and enhances employment level, which is a mandatory precondition to attain equal life conditions in near-border agricultural areas and have them transformed into competitive developed territories of innovative development.

The project of state-private partnership IDCT – 2013 “Composite territory of innovative development: export products zone – technical-implementation special economic zone of “Slobozhanschina” euro-region” has been developed for this purpose. Its aim is to ensure integrated and harmonious development of “Slobozhanschina” euro-region at the expense of trans-boundary polycentric urban system formation and creation of a growth pole between Kharkov and Belgorod.

The following legislative acts serve as the basic foundation for this innovation project:

Program of inter-regional and cross-border cooperation between Russian Federation and Ukraine till 2010; Ukrainian Law “On Trans-Boundary Cooperation”, Federal Law of Russian Federation №116-ФЗ of 22.07.2005 “On Special Economic Zones in Russian Federation”.

Stages of the work implementation include:

1. Evaluating the current legislation and regulatory acts of Russian and Ukrainian regional policies with regard to setting territories of prioritized development.

2. Developing recommendations to harmonize legislations in the sphere of joint special development of near-border territories and preparing bilateral agreements drafts to develop the infrastructure.

3. Preparing project documentation for the basic infrastructure elements development.

4. Attracting external investments into construction of the technopolis, trans-boundary exhibition complex divided by modules, and a logistical terminal.

Regional policy on the European continent in the conditions of the growing globalization challenges and complex different-speed and different-level integration processes could be implemented with the mandatory regard to the environmental component. Sustainable development model on the basis of preserving natural framework of the euro-region and forming a consolidated environmental network has been developed in the euro-region “Slobozhanschina”.

At present, in accordance with the Ukrainian Law N1864 – IV “On the Environmental Network” of 24.06.04 and the Law “On the National Program to Form up Ukrainian National Environmental

Network during 2000 – 2015” the all-European Galytsko-Slobozhanskiy ecologic corridor is under design. This eco-corridor will unite through Ukraine the west-European environmental network with Russian Federation environmental network. Thanks to this a unified All-European environmental network will be set. Creation of the joint trans-frontier elements within the limits of ecologic corridors and approval of land utilization on near-border territories will ensure unity of the national environmental networks. A cross-border area in Dvurechnaya rayon in the river Oskol valley has been designed as a unification zone of Ukrainian environmental network Galytsko-Slobozhanskiy eco-corridor with Russian Federation environmental network (Klimov, 2008).

In the point, where the river Severskiy Donets crosses the state frontier, a trans-boundary regional landscape park “Upper Pridontsovie” is under design (Kiryukhin, Klimov, 2007).

Conclusions:

1. The web-sites www.crossborder.org.ua and www.euroregion.ru of the Executive Committee of the Council of Heads of Border oblasts of Belarus, Russian Federation and Ukraine plays an important role in forming a joint information domain to provide for enhancing competitive power of the trans-boundary territories. Using this web-resource it is necessary to integrate versatile business information about the trans-boundary area on the maximum scale.

2. Improvement of trans-boundary and inter-regional cooperation along a European vector should be transferred to a qualitatively new level through a coordinated entry of the oblast - members of the Council of Heads of the Border oblasts into the Assembly of European Regions (AER), whose 25-years experience has played a considerable role in forming “Europe of Regions”. Signing Memorandum on Cooperation between the Council of Heads of the Border oblasts with EUROMOT could serve as a substantial integration step.

3. New regional architecture of the European continent with participation of CIS European countries (Euro-East) could only be successfully constructed on the condition of simultaneous structural upgrading of all Belarus-Russia-Ukraine trans-boundary issues, convergence of the near-border areas into the all-European processes of economic, social and territorial cohesion.

4. It is necessary to strengthen organizationally and financially a basic body of the trans-frontier territories balanced development – Executive Committee of the Council of Heads of Border oblasts on the basis of the model of public-private partnership.

5. In Euroregion Slobozhanschina, which is an experimental and innovative phenomenon, it is expedient to organize and officially register EGTC – a body to control trans-boundary cooperation according to the contemporary European practices, which would serve as an organizational tool.

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