PROJECTS, POLICIES AND NETWORKS FOR THE DANUBE REGION. CASE STUDY: ROMANIA - MOLDOVA-UKRAINE (LOWER DANUBE EUROREGION)

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Abstract

The new strategic approach regarding the regional cooperation in the Danube basin, proposed as structural reform through the Treaty of Lisbon, is seen as an example for the application of regional policy.

However, the partnership in the region must act more firmly in the domain such as - transport, environment, economy and culture for greater socio-economic cohesion in the Danube region. The regional institutions have the duty to select and coordinate projects financed with priority. Also, the states concerned by the EU Strategy for the Danube should fully exploit the opportunities of this river and focus on reducing economic imbalances, but also on ensuring social cohesion in the Danube basin. This study aims to identify how the Danube Strategy can contribute to the development and prosperity of the EU's internal development and regional partners in the "Lower Danube" Euroregion.

Keywords: strategy, cooperation, public policy, finance, infrastructure, development, Euroregion

1. Introduction

Cross-border cooperation involves, first of all, creating more common advantages that have as a long term goal, improvement of infrastructure, promotion of cultural and educational relations, public policies for environmental protection and health, human resource development in the region. In other words, the cross-border cooperation is a tool that involves the mobilization of financial resources in joint projects and which would be beneficial for some regions.

Relations between border regions, established in the mid 1980s, intensified after 1989 with more clarity and vision. Signing the bilateral trade agreement between Romania and Moldova in 1990, and the basic

treaty between Romania and Ukraine, in 1997, founded a cross-border cooperation, primarily between administrative units.

The emergence of Euroregions as institutionalized forms of cooperation, constitutes the way in which neighboring countries, where traditional links have existed for hundreds of years, are trying to solve the problems of socio-economic development.

During the summit of Ismail, Ukraine, 3-4 July 1997, takes shape the initiative launched by the President of Romania at the beginning of the year, and was signed the *Declaration on the cross-border cooperation* by the Presidents of Romania, Moldova and Ukraine and at government level was signed the *Protocol of trilateral cooperation among the three countries*.

On August 14th, 1998, in Galati was signed, by the presidents of the regions concerned, after the meeting in Ismail from 24 to 25 February 1998, held under the auspices of the Council of Europe, the *Agreement on creating the* "*Lower Danube*" *Euroregion*, having as partners: from Romania - Braila, Tulcea and Galati, from the Republic of Moldova – Cahul and Cantemir, and from Ukraine - Odessa.

The main bibliographic resources used in writing this study consist of studies and reports of European institutions and the the Romanian European Institute, but also from public statistical data of the European Commission. The period referred in the study between 2007-2014, during which important decisions occurred in the governments of the Member States, but also in terms of regional policies and transnational cooperation.

2. The role of the European Commission and the European Parliament 1

Rhine-Main-Danube Canal connects the Black Sea and the port of Constanta with the North Sea and the port of Rotterdam. The Danube region allows the transit of goods between member States of the EU and the Caspian and Middle East.

The strategies of cooperation involve the Länder of Baden-Württemberg and Bavaria in Germany, Austria, Slovakia, Czech Republic,

¹ For details, see Emilian M. Dobrescu (coordinator), Vlad Popovici The study "Romania and the EU Strategy for the Danube Region. Process, implementation and priorities" European Institute of Romania, Bucharest, 2010, page 24 et seq.

Hungary, Slovenia, Croatia, Serbia, Bosnia and Herzegovina, Montenegro, Romania, Bulgaria, Moldova and Ukraine (only regions along the Danube).

Complex approaches such as infrastructure, environment, demography, sustainable economic development are priorities envisaged by the EU, which supports the decisions taken based on the experience offered by the Baltic Sea strategy, without ignoring the different nature of the Danube region. EU strategies take into account the public policy coordination and the existing financing instrument with an emphasis on the better cross-border cooperation, creating a a more crear identify for this cooperation by adopting on a larger scale the principles of the European Law.

The European Commission has the obligation to facilitate the strategies developed by the Heads of State or Government, identified by the European Parliament.These strategies are focused on: connectivity of communication systems (transport, energy and information society), biodiversity, risk prevention, environmental protection and public health, socio-economic development, culture and education.

3. The main areas of the EU Strategy for the Danube Region

The lack of transport links or the absence of economic competitiveness, which deepen the environmental problems caused by accidents or crimes, are specific objectives of cooperation in the Danube region. Recent reports of the Commission¹ prioritizes four main areas and consider appropriate that Member States include them among their strategies for the Danube macro policy.

As far as interconnection the Danube region in the next period, new research projects on innovative ships² are to be implemented for fleet renewal on the Danube River, to start natural gas interconnection project

¹ For details, see the Report COM (2014) 284 final, 05.20.2014, from the Commission to European Parliament, Council, European Economic and Social Committee and the Committee of the Regions on Governance macro-regional strategies and The report COM (2013) 181 final, 8.4. 2013 from the Commission to the European Parliament, Council, European Economic and Social Committee and the Committee of the Regions on the European Union Strategy for the Danube Region.

² NEWS project concerns the development of next-generation ships for inland waterway European and logistics system - http://www.regiuneavest.ro/proiecte/news/

Bulgaria-Serbia meant to link the Baltic Sea to the Adriatic Sea, the Aegean Sea and the Black Sea. Also, the maintenance of the Danube waterway and the finalization of Calafat-Vidin bridge between Romania and Bulgaria are two ongoing projects.

The "Danube Floodrisk" is a project in which of eight Danube countries that have created a common database and mapping of flood risks. Also, the sturgeons monitoring to ensure viable populations of this important species living in the Danube belongs to a project coordinated by the Danube Sturgeon Task Force.

The direct support of the Danube Region Forum, which brings together over 300 SMEs, coordinated by the Austrian Chamber of Commerce, create a stable partnership between business, research institutes and universities.

It is recommended that among the future programs, there will be developed under regional policy for the period 2014-2020 on the Danube strategy there must be a concrete system of regional cooperation to attract funds, but firmly embedded among common priorities.

According to the European Commission for the success of the submited programs, the EU Strategy for the Danube Region should combine the financing of European Structural Funds and the European Investment Fund. The EU long term aproach programmes "2020", "Horizon 2020", "Cosmos" and "Connecting Europe" can allow governments of the Member States and the Republic of Moldova and Ukraine to include in future cooperation projects, including cross-border projects, these funding schemes which can support economic disparities regulation, beeing oriented to a greater extent to the weaknesses of markets or to suboptimal investment situations¹.

4. Transnational and cross-border cooperation in the Danube area

Areas such as innovation, environment, accessibility and urban development are funded by transnational pogrammes which aim at the integrated territorial development in a certain geographical area.

¹ Regarding the European Commission's recommendations on strategies of EU regional policy from Report COM (2013) 181 final, 08.04.2013, see The study of Chamber of Deputies, Parliament of Romania " Summary of the activities 8-14 April 2013, Policies and European guidelines" pp.7-14

Territorial Cooperation programmes are coordinated jointly by the partners in neighboring countries or regions within a given space and represent the way in which strategies can be developed for the specific problems from the national borders.

The Cohesion Policy within the Objectives of Convergence and European Territorial Cooperation supports regional operational programs and sectoral programmes to assist territorial cooperation projects that have as beneficiaries research institutes and universities, local and regional public authorities, NGOs in the border area.

In order to participate in European territorial cooperation projects, Romanian beneficiaries are co-financed from the state budget. The Ministry of Regional Development and Public Administration managed the 11 territorial cooperation programmes in which Romania participated in 2007-2013, having access to a budget of 1,586,000,000 euros.

From the 94 European Territorial Cooperation programsmes, 41 programmes, cover the geographical area which includes also the Danube area, of which 18 programmes are cross-border, 7 programmes meet the transnational aspirations, and 13 programmes type IPA CBC targeted the cooperation between a EU member state and a candidate country or between two candidate countries and three ENPI programmes, namely the cooperation between one or more EU Member States and third countries.

In other words, any of the Black Sea Joint Operational Programme, South East Europe Transnational Cooperation Programme, Comon Operational Programme Romania-Ukraine-Moldova 2007-2013. The European Grouping of Territorial Cooperation (EGTC) is a tool for implementation of priority axes and projects covered by the Danube Strategy.

Cross border cooperation programmes are co-financed by the European Neighbourhood and Partnership Instrument and the European Regional Development Fund. The Indicative Programme 2007-2010 CBC has allocated 583 million euros, of which 275 million euros from the European Neighbourhood and Partnership Instrument and 308 million euros from the European Regional Development Fund. In the period 2011-2013, following a mid-term review, there have been allocated an additional 538 million euros, as follows: 260 million euros from the European

Neighbourhood and Partnership Instrument and 278 million euros from the European Regional Development.

CBC programmes	Commitments (2007-2013)	Disbursements (end 2013)	
Land Border Programmes		8	
Kolarctic/Russia (Finland, Sweden, Russia, Norway)	30,471,018	20,121,835	
Karelia/Russia (Finland, Russia)	23,202,507	18,071,149	
SE Finland/Russia (Finland, Russia)	36,185,361	23,324,933	
Estonia/Latvia/Russia	47,774,729	30,169,542	
Latvia/Lithuania/Belarus	41,736,666	21,631,189	
Lithuania/ Poland /Russia	124,212,272	78,213,772	
Poland/Belarus/Ukraine	186,201,367	109,335,338	
Hungary/Slovakia/Romania/Ukraine	68,638,283	49,455,275	
Romania/ Ukraine/Rep. of Moldova	126,718,066	77,563,018	
Sea-Crossing Programmes			
Italy/Tunisia	25,191,423	18,065,500	
Sea-Basin Programmes	2	56	
Black Sea (Romania, Bulgaria, Greece, Turkey, Ukraine, Rep. of Moldova, Georgia, Armenia)	28,118,954	19,771,382	
Baltic Sea Region (Belarus, Denmark, Estonia, Finland, Germany, Latvia, Lithuania, Norway, Poland, Sweden)	8,800,000	8,800,000	
Mediterranean (Cyprus Egypt, France, Greece, Israel, Italy, Jordan, Lebanon, Malta, Palestinian Authority, Portugal, Spain, Syria, Tunisia	200,000,000	92,147,421	
TOTAL	947,250,646	566,670,354	

Table 1 - Cross Border Cooperation (allocations 2007 - 2013)

Source: European Commission, Neighourhood at the Crossroads: Implementation of the European Neighbourhood Policy in 2013, Brussels, 27.3.2014, SWD(2014) 98 final.

5. Projects implemented in the "Lower Danube" Euroregion

It should be pointed that a CBC programme finances mainly projects regarding accessibility, environment and risk prevention, economic development and "people to people" social action. There is also a condition, the funding of at least two beneficiaries on either side of the border, keeing in mind that for the programmes at the external borders there must be at least a beneficiary from a EU Member State and a non-European country.

Regional programmes within strategic partnerships are less known, although they have a tangible impact, with a transnational component. For example, projects for relationship Romania - Moldova and Ukraine, seven in number, provide security for investment in the implementation of the EU Strategy for the Danube Region, of the Euroregion projects and the Black Sea Basin Joint Operational Programme.

Such projects have a European format which manifests a biletaral cooperation where, for example, Romania is the donor. In the case of Moldova, according to Eurostat, Romania has earmarked over 90 million euros during 1993-2012 in various areas, including development, education and research¹.

The concrete results of these projects were based on complex financing with very good dynamics. The underpin the future EU funding schemes in 2014-2020.

¹ For details, see Study RCEP "Priorities for regional cooperation and cross-Republic of Moldova and Romania", available at http://www.crpe.ro/r-moldova-prioritatile-cooperarii-regionale-si-transfrontaliere-de-la-bune-intentii-pana-la-rezultate/

Table 2: Programme allocations broken down by ENI and ERDF funding

	2014	1-2 017		2018-	2020		2014	-2020		2018-2020
Land border	EM	ERDF	TOTAL	EM	ERDF	TOTAL	EM	ERDF	TOTAL	Additional
	-									
programmes	17.142.857	12.401.237	29.544.094	12.857.143	17.598.763	30.455.906	30.000.000	30.000.000	60.000.000	ERDF*
Romania/Ukraine										
Romania/Moldova	23.142.857	16.741.669	39.884.526	17.357.143	23.758.331	41.115.474	40.500.000	40.500.000	81.000.000	

Sourse: European Commission - Directorate General for Development and Cooperation – Europe aid - Programming of the European Neighbourhood Instrument (ENI) - 2014-2020

Table 3: ENI Cross-Border Cooperation Indicative total allocations (ENI and ERDF) per programme

Land border programmes	TOTAL	TOTAL	TOTAL	2018-2020
(Figures in EL R)	2014-2017	2018-2020	2014-2020	Additional ERDF ¹⁰
Romania/Ukraine	29.544.094	30.455.906	60.000.000	
Romania/Moldova	39.884.526	41.115.474	81.000.000	

Sourse: European Commission - Directorate General for Development and Cooperation – Europe aid - Programming of the European Neighbourhood Instrument (ENI) - 2014-2020

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Table 4: Land Borders and Sea Crossing Programmes

	Land Borders and Sea Crossing Programmes
Programme	Eligible Territorial Units (NUTS 3 or equivalent)
Romanla/l kralne	Romania: Satu Marc. Maramureş. Botoşani. Suceava. Tulcea Ukraine: Ivano-Frankivsk. Zakarpatska. Chemivtsi, Odesska Oblasts
Romania/Moldova	Romania: Botoșani. Iasi. Vaslui. Galați Moldova: the whole country

Sourse: European Commission - Directorate General for Development and Cooperation – Europe aid - Programming of the European Neighbourhood Instrument (ENI) - 2014-2020

Conclusions

The economic and social potential of the "Lower Danube" Euroregion identifies opportunities for cooperation that can accelerate economic cooperation of the three party countries. In our opinion, we may consider as priorities the regional programmes for: infrastructure development programs main transport corridors; linking road and rail infrastructure and inland waterway navigation; existing economic development potential; development and promotion of Common tourism products; commone environmental protection programs, joint monitoring of the main factors of pollution.

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