МІНІСТЕРСТВО ОСВІТИ І НАУКИ УКРАЇНИ МИКОЛАЇВСЬКИЙ НАЦІОНАЛЬНИЙ УНІВЕРСИТЕТ ІМЕНІ В.О. СУХОМЛИНСЬКОГО

# ГЛОБАЛЬНІ ТА НАЦІОНАЛЬНІ ПРОБЛЕМИ ЕКОНОМІКИ

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## INTEGRATION PROCESSES IN UKRAINE: ASPECTS OF CROSS-BORDER COOPERATION

# ІНТЕГРАЦІЙНІ ПРОЦЕСИ В УКРАЇНІ: АСПЕКТИ ТРАНСКОРДОННОГО СПІВРОБІТНИЦТВА

## ANNOTATION

The article considers the issues of regional and cross-border cooperation, in particular, cooperation between Ukraine and the Visegrad Group countries. The policy and experience of establishing border links with the countries of the European Union are considered. The priority areas on which the development and strengthening of border institutions should be based are highlighted. A set of measures for intensifying cross-border cooperation between Ukraine and European countries are noted. Examples of development of transboundary regions within the framework of Euroregional cooperation are described.

**Keywords:** Cross-Border Cooperation, European Integration, Visegrad Four, International Integration Processes, Regional Cooperation.

#### АНОТАЦІЯ

У статті розглянуто питання регіонального та транскордонного співробітництва, зокрема співпрацю України та країн Вишеградської четвірки. Розглянуто політику та досвід установлення прикордонних зв'язків із країнами Євросоюзу. Висвітлено пріоритетні сфери, на яких повинні ґрунтуватися розвиток та зміцнення прикордонних інститутів. Визначено комплекс заходів щодо активізації транскордонної співпраці України та країн Європи. Охарактеризовано приклади розвитку транскордонних регіонів у рамках єврорегіонального співробітництва.

Ключові слова: транскордонна співпраця, євроінтеграція, Вишеградська четвірка, міжнародні інтеграційні процеси, регіональне співробітництво.

### АННОТАЦИЯ

В статье рассмотрены вопросы регионального и трансграничного сотрудничества, в частности сотрудничество Украины и стран Вышеградской четверки. Рассмотрены политика и опыт установления пограничных связей со странами Евросоюза. Освещены приоритетные области, на которых должны основываться развитие и укрепление пограничных институтов. Отмечен комплекс мер по активизации трансграничного сотрудничества Украины и стран Европы. Охарактеризованы примеры развития приграничных регионов в рамках еврорегионального сотрудничества.

**Ключевые слова:** трансграничное сотрудничество, евроинтеграция, Вышеградская четверка, международные интеграционные процессы, региональное сотрудничество.

In conditions of economic globalization, the attention of both scientists and regulatory bodies has been objectively shifted from the bilateral relations of countries and their international economic activity entities towards global institutions of economic development, regional integration groups, economic diplomacy at the supranational and global levels.

The relevance of this article is that in today's conditions of integration processes, the focus is concentrated on interregional and cross-border cooperation, which is the basis for the successful economic, social, cultural interaction and development of partner countries.

During analyzing the problems of regional and cross-border cooperation, it is necessary to look through scientific works devoted to the study of relations between Ukraine and the countries of the Visegrad Group. The questions of their interaction are displayed in scientific works of the Department of the Institute of World Economy and International Relations of the National Academy of Sciences of Ukraine (Uzhhorod), the Institute of Regional Studies of the National Academy of Sciences of Ukraine (Lviv), the Institute of Market Problems and Economic and Environmental Studies of the National Academy of Sciences of Ukraine (Odessa) and others [5].

Also significant scientific contribution to the development of Ukrainian-Polish cooperation in their works was made by such domestic scientists as A. Levranchuk, V. Budkin, L. Korolchuk, A. Vishnyakov, M. Nizhniy, V. Evdokimenko, V. Lyashenko, Yu Makogin, A. Miroshnik, S. Pisarenko, I. Studunnikov, I. Babets, N. Mikul, I. Valiushko and others. Among the foreign scientists who studied the problem of international activity of Ukraine during its independence, S. Burant, B. Nurnberg, S. Garnett can be distinguished. Equally important are the monographs of European researchers J. Gillingham, V. Voles and G. Woolse and K. Smith on European integration issues, including the issues regarding the Visegrad Group countries [6].

The new form of international economic activity in the conditions of globalization is cross-border cooperation. Country boundaries influence the development of border areas and the country as a whole because of its basic properties – barrier and contact. Separating from the outside world with the help of borders, the country protects the interests of national producers and consumers, and thus implements its protectionist policy. Cooperation is expressed in the use of state borders for transferring goods, people, finance, information through them. The difference in the correlation between contact and barrier of state borders is uneven in countries with different levels of socio-economic development and with varying degrees of their participation in the international division of labor.

The regional policy of the European Union is oriented not only to support depressed regions at the expense of donor regions, but above all to create conditions for mobilizing local capacities and resources and enhancing the competitiveness of the regions. For the border regions, which are far from major administrative, financial, business, scientific, and cultural centers, the implementation of effective regional policy becomes particularly relevant.

The issue of most studies regards specific border areas and practical activities of Euroregions. The first researches has been used when the Carpathian Euro region, Euroregions Boog and Lower Danube were created. Further studies provided the basis for the creation of three more Euroregions: the Upper Lozina, Dnipro and Slobozhanshchyna, and others.

The analysis of the existing interregional cross-border regions as a whole shows a tendency to actively increase their number against the background of achievements in solving local problems in various spheres. This is especially evident in the case of the countries of the Schengen Group, where the Council of Europe and the European Union systematically take measures aimed at ensuring freedom of communication and creating the best conditions for professional and other activities of the adjacent territories. A significant role is played by the Commission of the European Communities, which provides effective assistance through its programs in resolving issues related to the gradual erosion of intra-European borders and the disappearance of economic barriers. European organizations provide essential assistance in the development of cross-border cooperation, with the Council of Europe taking the key place among them.

Due to unique geopolitical position, Ukraine has significant potential for the development of cross-border cooperation as one direction of the European integration implementation. Ukraine has a significant historical experience of working with countries that have common borders with it. Since Ukraine is in the center of Europe, it has a number of strategic characteristics, and among them – developed transit potential. On the territory of our country there is a large number of transport communications, enabling our country to participate in international projects for the transportation of various types of raw materials and other products.

The political, economic, and socio-cultural significance of the border regions is steadily growing, they are the point of departure for progress or the stagnation of European growth. Since geopolitics and integration are two key areas for the future of the European border regions, the first thing should be done is the definition of overall sectoral perspectives.

The development and strengthening of border institutions should be based on four priority areas. These are:

1) the development of self-consciousness, which implies a new policy in the field of communications. Efforts to develop European construction should be based on an entirely new concept of border regional policy with the restructuring of border institutions to improve their efficiency and employment. Border institutions should make their existence more significant at the regional level. The process of European integration, part of which is the developing border institutions, leads to large political obligations of its members. The first challenge faced by these institutions is to revitalize their own spirit of unity and solidarity in a priority direction in order to increase their trust in them. The question of their internal management, their base of short-term and longterm activity should be raised. All these institutions have different assets that could give them the opportunity to make important initiatives in certain program areas.

2) development, which implies a new policy in the field of investment attraction. Border institutions are interested bodies in regional microintegration, they will help to decide on how to develop a new investment policy and labor market management. This will help identify common problems for the region; support joint or development projects of the same purpose; to strengthen consensus and border reflex. As soon as the priorities of the region are established, they can concentrate on the coordination of selected projects. The key areas of border efficiency are: self-awareness, exchange and joint management.

3) Prepared area in terms of implementing a new policy in the field of environmental protection and land use. At the regional level, border authorities must adopt an agreement to approve an approach that coordinates spatial planning policies and ensure the balanced use of the border area on an agreed basis between the areas under construction, agricultural land and natural industrial zones, territories and lands designated for sport and recreation. Even if the border region has a well-developed infrastructure, its cross-border cooperation should seek to serve the main European means of communication, preventing marginalization of the region, improving its competitiveness in the European area.

4) the synthesis of culture, which involves an updated culture policy, including training, media and exchange between civic organizations. Due to the fact that the European regions are currently undergoing rapid change, in some cases it makes sense to assess the opportunities for developing and adapting small and medium-sized businesses in the border areas; stimulate the revival of the high-quality tourism industry and develop joint contracting, technological exchanges and, if possible, rural tourism. Today, the most priority directions of cooperation between the Visegrad Group countries are collaboration in creating an EU external border protection system in accor-

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dance with the Schengen requirements, as well as cooperation on energy security issues. The main purpose of this program is to achieve the independence of the Central European region from Russia's energy supplies. The group seeks to diversify the ways of delivering hydrocarbon raw materials through the development of infrastructure along the North-South axis.

The processes of deepening cooperation between Ukraine and the countries of the Visegrad Four give an opportunity to integrate into the European and Euro-Atlantic space through qualitative reforms. In addition, as of today, the development of a common transport infrastructure, agreements on energy, innovation, education is planned. The discussions on the state of reform and the fight against Russian aggression in eastern Ukraine are actively being discussed.

In order to intensify cross-border and interregional cooperation in Ukraine, in addition to the adoption and implementation of the relevant State Program for 2016-2020, Parliament's adoption of the Law "On Amendments to Certain Legislative Acts of Ukraine with regard to Euroregional Cooperation Unions" (No. 4775 dated June 3, 2014), which introduces amendments to key laws ("On Transboundary Cooperation", "On Local Self-Government in Ukraine" and "On Ratification of Protocol No. 3").

The Government also plans to hold a number of consultations with the European Commission regarding the increase in financial assistance and the expansion of EU funding sources, to intensify cooperation on transborder cooperation between Ukraine and neighboring states

In addition to Euroregions, there are other forms of cross-border cooperation (cross-border clusters, UES, ECGs, cross-border innovation projects, transboundary industrial parks and zones, transfrontier partnerships, cloning, border trade, etc.), the implementation of which not only improves the mechanism for ensuring the competitiveness of the border areas and eliminates the problems of cross-border cooperation, but also will expand opportunities and the vision of the essence of Euroregional cooperation.

Today in Ukraine there are 12 industrial parks (IPs). In reality, only four IP "Korosten" in Korosten, IP "Solomonovo" in Transcarpathia, "Lvivbased industrial park "Ryasne-2" and IP "Svema" in Shostka are operating. On July 5, 2006, the European Parliament and the Council of the EU adopted Regulation No. 1082/2006 on European Groupings for Territorial Cooperation (EGTC). In accordance with this Regulation, the EGTC is a grouping, created to facilitate cross-border, transnational and / or interregional cooperation among members of the European Union for the purpose of strengthening economic and social cohesion. EGTC differ from other similar mechanisms of the European Union regional policy, with several features: the EGTC has a legal personality, is a legal entity; the participants of the EGTC may be not only the states, bodies of regional or local authorities, but also public organizations or other interested legal entities, including representations of central authorities; members of the EGTC are implementing cooperation at the cross-border, transnational and interregional levels - all three levels of regional policy of the European Union.

Due to the materials of the scientific-analytical report "Development of cross-border cooperation", in the table 2 the main transboundary regions within the framework of Euroregional cooperation are presented [5].

The European Commission has prepared 12 Programs, of which three are Ukraine together with the Visegrad Group Partners:

1) Border Program "Poland-Belarus-Ukraine". In Ukraine, the program covers Volyn, Zakarpattia and Lviv regions; in Poland – in Lublin, Podkarpackie and Mazowieckie Voivodeships.

2) Hungary-Slovakia-Ukraine Border Program. In Ukraine, it covers the Transcarpathian region. In Hungary inclues the Gyor Moson-Sopron, Komarom-Esztergom, Pest, Nograd, Heves, Borsod-Abauj-Zemplen, Sabolch-Szatmar-Bereg and the capital Budapest. In Slovakia, includes

Table 1

Priorities of Cross-Border	<b>Cooperation Stat</b>	e Program on2016-2020
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Promoting economic and social development of the border regions of Ukraine	Preservation of historical and cultural heritage		
	Development of tourism potential		
	Restoration and development of the infrastructure of the historical and ethnographic zone "Prykarpattya"		
Improving standards and quality of life, well-being and ensuring life safety and environmental protection	Creation of a system of protection against extraordinary natural phenomena		
	Introduction of innovative methods of treatment and reduction of the incidence of tuberculosis in border regions		
	Improvement of the quality of water in the intake basin of the cross-border rivers and the implementation of a system for separate collection of solid waste		
Promoting the creation of better conditions and tools to ensure the mobility of people, goods and capital	Building infrastructure of automobile checkpoints in six regions		
	Development of IT infrastructure of the Ukrainian Customs and Border Guard Service		
	Implementation of weight control of motor vehicles and construction of points of transport		

Table 2

Development of ci	ross-border regions	within the frame	work of Euroregion	al cooperation
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	Organizational forms of Euroregional cooperation						
Transboundary regions	Euroregions					EGTC	
	"Bug"	"Carpathian"	"UpperPrut"	"Dniester"	"LowerDanube"	"Dnepr"	"Tisa"
Ukrainian- Polish							
Ukrainian- Slovak							
Ukrainian- Hungarian							
Ukrainian- Romanian							
Ukrainian- Moldovan							
Ukrainian- Belarussian							

Bratislava, Trnava, Nitryansk, Banskobistritsky, Koshitsky and Ргељоv regions.

3) Ukraine has also joined the fourth round of the transnational CADSES program (EU Initiative Program, in which the community actively promotes the development of transnational cooperation for the Central Adriatic-Danube-Southeastern Europe). In Ukraine, it covers Volyn, Zakarpattia, Ivano-Frankivsk, Lviv, Odesa, Chernivtsi and Ternopil.

Regarding the perspectives of Ukraine and the Visegrad Four within the EU, it seems important to active interaction in cross-border cooperation. But the economic position of Ukraine is much lower than that of the V4 and EU countries. Ukraine has high levels of unemployment, inflation and interest rates, as well as a negative trade balance.

Cooperation with the Visegrad Four could improve the position on the European arena. In particular, Slovakia will be responsible for energy and security sector reform in Ukraine, Poland for decentralization, local self-government reform and public finance management, Czech Republic for civil society, education and media, Hungary for economic policy, small and medium-sized business development and the introduction of a free trade zone between Ukraine and the EU.

But in order to solve the problems in these areas, Ukraine needs:

- to implement tough unification of the conceptual apparatus and reform of the legislative framework;

- to create a transparent and interconnected system of planning and monitoring of the cross-border regions development and cooperation;

- to introduce f a single database on transboundary projects;

- to develop a mechanism for co-financing projects of international and technical assistance at different levels of local budgets;

- to raise the level of skills of executive bodies and local self-government bodies employees in the field of cross-border cooperation; - to work on expansion the statistical database on cross-border cooperation;

- to improve the organizational structure and distribution of powers between the regional administrative structures;

- to raise the level of the community involvement in the implementation of local self-government in the framework of cross-border cooperation;

- to open new border crossing points, to improve border infrastructure and access roads, which will improve the interaction of participants in the transboundary region.

Also, in order to improve intergovernmental and interregional cooperation, it is necessary to work towards the signing of social, pension and information security agreements.

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