# **Co-operation and Integration in cross-border regions**

The case studies Copenhagen-Malmö and Vienna-Bratislava

#### **Christian Fertner**

#### 1. Introduction

Structural and geopolitical changes in Europe and the European integration process have promoted cross-border co-operation (CBC) in Europe. Initiatives from the European Union like the Interreg programme have even accelerated this development. But successful cross-border co-operation needs an adequate political framework to function and evolve. In this essay various forms of political cross-border co-operations by way of two case studies will be discussed.

The two case studies represent a special position in comparison with other cross-border regions in Europe: They are both cross-border regions within the European Union; they are densely populated with 3.6 resp. 6.4 Mio. inhabitants or 170 resp. 145 inhabitants per km<sup>2</sup> (EU 25: 115 inhab/km<sup>2</sup>) and in both areas are two major cities. Both respective cities are considered as MEGAs (Metropolitan Growth Area) by the ESPON 1.1.1 project and are very close situated to each other (Copenhagen-Malmö 25 km, Vienna-Bratislava 50 km "as the crow flies"), but also were somehow separated until recently (Closed borders between Austria and Slovakia until 1989, no fixed link over the Öresund strait until 2000).

Besides that, the further integration of Europe through the European Union also became a driving force for closer co-operation in cross-border regions. The EU-accession of Austria and Sweden in 1995 and of the Czech Republic, Slovakia and Hungary in 2004 is crucial for the case areas.

So, successful co-operation needs an adequate political framework. Hence a certain political cross-border co-operation is necessary for a successful integration and a possible increase of competitiveness of the cross-border region. Both parts, co-operation as the framework for integration and integration as the motive for co-operation are highly depended on each other and influence the further development of the cross-border region.

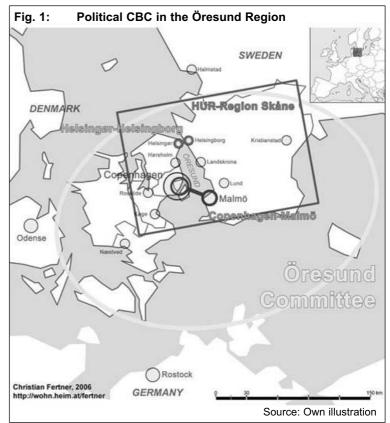
The next two chapters will provide an abstract on the current development in the two case areas regarding their approach to political cross-border co-operation and the progress of cross-border integration and exchange. This essay is based on my thesis completed in May 2006 to finish the master degree in spatial planning at the Vienna University of Technology.

#### 2. Political cross-border cooperations in the case areas

## 2.1 Copenhagen-Malmö / Öresund Region

Currently four political CBCs (Fig. 1) exist in the Öresund Region. The Öresund Committee is the political forum for the whole region. On the regional level a co-operation exists between HUR (Greater Copenhagen Authority) and its counterpart in Sweden, Region Skåne.

More formal co-operations exist on the municipal level between the two biggest cities in the region, Copenhagen and Malmö, and between the two closest cities over the Öresund, Helsingborg and Helsingør.





#### Öresund Committee

The Öresund Committee (Öresundskomiteen) was set up in 1992 – one year after the decision to build the bridge over the sound was made – and acts as a co-operative organ for local and regional politicians in the Öresund region. It consists of a political platform and a technical secretariat in Copenhagen. It is mainly financed by the member organizations, small parts also from the Nordic Council of Ministers and external project financing.

The Öresund Committee consists of 32 political representatives from 13 regional and local authorities in Skåne and Greater Copenhagen who meet 4 times per year. Decisions are not binding but, as decisions are based on consensus, they usually get implemented by the members. On the other side this system makes decision-making quite a difficult task. The chairmanship, which is considered as an important function regarding giving impulses for the CBC, changes every year.

The Öresund Committee has set up an action plan for its work in 2005-2006 which should promote the most important strategic objectives for the future development of the Öresund Region. The major aims are to promote a sustainable growth, promote daily integration and connect the region. The overall goal is to develop the region "into Europe's most functionally integrated border region".

Besides the function as a political cross-border platform and consulting institution it is currently also responsible for managing of the Interreg programme.

#### Co-operation between HUR and Region Skåne

The co-operation between HUR and Region Skåne is, as the partners themselves, still young and was first set up in 2000. There are regular meetings of the politicians 4 times per year as well as of the civil servants (around 6 -7 times per year). The major actions until now were project oriented, mainly Interreg projects which were done together.

The current project, "Development of an Action plan for Growth in the Öresund region" (Handlingsplan for vækst i Øresundsregionen), develops scenarios and policy options for the future development of the region in 2015 and 2040. It is expected that it will be a crucial step towards a common master plan for the whole region.

The future of the co-operation is currently questionable as one partner, HUR, won't exist in its current form anymore after 2006 due to the Danish administrative reform process.

#### Co-operation between Copenhagen and Malmö

In the year 2000 both cities adopted a vision called "Copenhagen and Malmö – one city" where the cities have pledged to work towards the objective that the citizens of the two cities shall consider themselves as citizens of one city. Three years later in 2003 an action plan for the period from 2004 to 2006 was adopted where the cities underline their further co-operation. Currently the major activities are the exchange of knowledge and staff on the administration level as well as meeting projects for young people, children, schools, sports clubs etc.

Politicians as well as civil servants meet officially around twice per year - but the co-operation depends very much on current matters. Nevertheless the cooperation between the two cities is of crucial importance for the co-operation within the whole region as it is seen as driving force for co-operation in the Öresund Region.

### Co-operation between Helsingborg and Helsingør

The two cities are situated in the northern part of the region. Between them the Öresund has the narrowest spot. Helsingborg in Sweden has around 120,000 and Helsingør in Denmark around 60,000 inhabitants. The regions behind them, Northwest Skåne and the county of Frederiksborg have together ca. 680,000 inhabitants. The area is in size not comparable with the Copenhagen-Malmö area, but due to the close situation of the two cities the potential for quicker integration is relatively high.

A first partnership agreement was started already in 1995. The political co-operation consists of 5 members, 2 from Helsingborg, 2 from Helsingør and 1 from Frederiksborg County. The goal of the co-operation is "to promote growth and better living quality for the inhabitants of the HH area through increasing co-operation between them and creating a good position towards the Copenhagen-Malmö area."

#### Contact to the national level

The contact to the national level is different on both sides. In Sweden the local authorities try to formalise the contact with the so called "Öresund delegation". This is an advisory group linking together the Swedish state (office of the prime minister and relevant ministries), regional and local authorities and sectoral interest groups in Skåne. The formalisation is necessary to get the attention from the remote government in Stockholm. There are meetings twice a year, once in Stockholm – once in Skåne, where

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representatives from Skåne hand over a "barrier list" to the minister. But the handling of issues of the barrier list by the minister was recently not done to the regions representatives' satisfaction.

On the Danish side the concerned regional/local politicians try to get in contact with the concerned person from the national level by themselves. Also the Öresund Committee has a more intensive contact with the national level on the Danish side than on the Swedish side. But the contact is not formalised and is mainly depending on individual contacts.

Besides that there are also representatives from the national level in the Öresund Committee. But these are no contact persons to the governments. Besides that the participation is rather weak, the representatives have only the purpose of observing.

#### Quality of the political CBCs

To characterise the political CBCs some statements on the quality of the co-operations should be done. As already mentioned, there are four political CBCs: The Öresund Committee, which includes the whole Öresund region, the co-operation between HUR and Region Skåne and the co-operations between the cities of Copenhagen and Malmö and Helsingør and Helsingborg. All four co-operations consist of political meetings as well as contact in within the administration. But the intensity of collaboration varies in different aspects.

The Öresund Committee consist of a central body of decision makers who are linked with formal agreements set by the committee. Nevertheless the decision making is based on consensus and therefore rather complex and difficult. The communication in the central group is formalised by the regular meetings of the political body.

The co-operation between HUR and Region Skåne is still quite young. Therefore the intensity of the political co-operation is not very high. They are in a phase of exploring the shared demands and needs of the co-operation. There is no real decision making yet, but common projects like the preparation of a common vision for the future of the Öresund region are the focus of the current co-operation.

The co-operation between Copenhagen and Malmö implies a very strong network logic. There are no big additional resources made up for the co-operation (i.e. only one person as coordinator in the Malmö administration), instead the existing departments are including the aspects of CBC in their daily work if necessary. But with the common action plan, a formal written agreement on the co-operation exists which gives the informal co-operation a further drive. Besides that, the Copenhagen-Malmö co-operation also acts as a driving force for co-operation in the whole region. The "setting signs"-aspect is very significant in their co-operation. The co-operation between Helsingør and Helsingborg acts on a similar network logic like the Copenhagen-Malmö co-operation, but the political-body is stronger pronounced, as the important goals, a fixed link between them and a contra body to Copenhagen-Malmö are unquestionable and need political lobbying.

Still, an autonomous leadership or decision-making is not the case in the mentioned co-operation. As this kind of regulation would demand a formal character it is of course the most difficult aspect to achieve. In cross-border regions the regulation approach is even more difficult to attain. It is understandable that – if two (or more) different national states are involved and many cross-border issues are national competence – only small steps can be gone towards more regulation and cross-border competences.

The future of these political organizations is hard to draw. The co-operations between the cities Copenhagen-Malmö and Helsingør-Helsingborg will most likely continue with their current structure and logic, a further intensification can be expected. An interesting co-operation to chase is between the two regional authorities, Region Skåne and HUR. It is questionable how this co-operation will continue after the constitution of the new regions in Denmark in 2007. However, the need for co-operation on the regional level is obvious so an increased importance seems probable.

Finally the future structure and role of the Öresund Committee is unsure. After the Danish reform the political committee has to be set up new. Today the future assortment is not clear. Even the ongoing existence after 2007 is unsure. But again, most regional politicians want the Öresund Committee to continue in some form, because it is the only political forum where the whole region is represented.

#### Section's conclusions

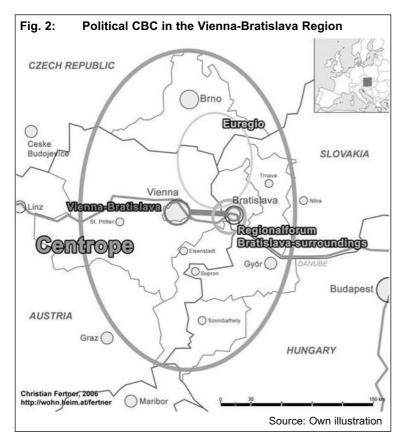
The regulation aspect is rather weak in the political CBCs. The most used aspects are networking and "setting signs", which need the least additional use of resources. This witnesses that at the moment there is no further recognition of more intensive forms of co-operation.

One organisation which has a potential for more intensive actions in CBC is the Öresund Committee. But its current structure, too many members and decisions based on consensus as well as no real competences, hinders the committee to get further. Also, the unknown future of the committee, regarding members and existence because of the structural reforms implemented in Denmark in 2007, cuts possibilities for a change of the committee's structure at the moment.

Referring to interviews done, also the unsatisfactory contact of the actors in the cross-border region to the national level should be mentioned here. This is of course not an issue of the internal structure of the region but on the structure where the region is implemented. These are two national states, Denmark and Sweden, with their own national interest. There is a demand to increase the contact to the national level. because many border crossing issues are on this level of competence. On the other hand it is questionable if the barrier to solve these issues in form of national legislation wouldn't exist if all competences would be at the regional or local level. Also at the Öresund Committee, were the national level is not included, it is not easy to find compromises or even consensuses.

#### 2.2 Vienna-Bratislava Region

The most holistic political CBC (Fig. 2) in the Vienna-Bratislava region is the platform Centrope. The



current trend for many cross-border projects is to use Centrope as an umbrella project and this trend will intensive in the future where Centrope should act as. Besides Centrope there are also a few smaller political co-operations, where the most important ones will be mentioned here.

#### Centrope

Already in 1996 the Interreg II A project VITECC (Vienna Tele Co-operation centre) was started up to establish a network between the cities Bratislava, Brno, Györ and Vienna. The project included many workshops and exchange meetings of politicians and experts. Then, in September 2003, the governors, county presidents and mayors of 8 regions and 8 cities agreed upon the joint establishment and support of the Central European Region - CENTROPE. The first structures regarding Centrope were implemented within the Interreg III A project BAER (Building a European Region). The follow-up project for the next programming period by the EU from 2007 is already in preparation. In its current stage the Centrope project consists of a secretariat in Vienna led by the Centrope Consortium. This consortium includes the business development agencies of the three federal provinces Lower Austria, Vienna and Burgenland and 2 regional development agencies. The steering committee consists only of representatives of the three federal provinces on the Austrian side, as the Interreg project was only applied in Austria yet. For the new programming period an integration of the partners in Slovakia, Czech Republic and Hungary is planned.

The activities done in this first phase of Centrope (2003 - 2006) mainly enclosed building up network structures, organising political meetings and implementing pilot projects in different areas of action like i.e. culture, education, labour market or transport.

In March 2006 a political conference were held to discuss the further development of Centrope. A vision document was published to underline the proposed development for the future. The Centrope secretariat should become a network type, multilateral Co-operation Management which acts as a consulting and co-ordinating platform as well as an impulse-providing, supporting service and co-ordination structure for the whole region. The future political body is imagined as a steering body where all participating political representatives are incorporated, called the Centrope Conference. This conference should take the fundamental decisions regarding co-operative activities and define the mediumterm development goals as well as act as one "Voice" towards third parties like European institutions.

### Co-operation between the cities of Vienna and Bratislava

A first official partnership was signed in 1993 and resumed in 2003. The co-operation is not formalised and focuses on collaboration via cross-border projects. These projects were/are mostly not only including the two cities but also other partners in the region. Furthermore a temporary exchange of civil servants for a short time was proposed for the urban planning departments. But this idea is still just a proposal. Politicians meet not regularly, but around once per year. Nevertheless, many informal contacts within the city administrations exist.

### Co-operation between the city of Bratislava and its western surroundings in Austria

The projects Kobra (City-Regional Co-operation Bratislava, 2003/2004) and Kobra+ (2004/2005) were started to analyse the future development of municipalities in Austria located next to the Slovakian border in very close proximity of Bratislava. As the urban structure of Bratislava has already extended to all directions except to the south-west which is on Austrian territory, and the territory itself lies very well located between the twin cities Vienna and Bratislava a strong impact and pressure on land use in these municipalities is occurring. To steer this development, co-operation between the municipalities and Bratislava has become necessary. The regional development agency "Auland-Carnuntum" runs an Interreg project which initiated the "Regional Forum Bratislava-Surroundings" with a first meeting in March 2006. Representatives from the city of Bratislava as well as from 14 Austrian municipalities and from the Lower Austria authority participated. Another meeting is not planned yet but regular meetings are proposed to take place twice per year and moreover a follow-up project to Kobra and Kobra+ is in preparation.

#### Euregio Weinviertel-South Moravia-West Slovakia

The term "Euroregion" is not clearly defined. The newly established "Euroregions" in the central and eastern European countries are mostly working communities and communities of interest which are forums for informal transfrontier information and consultation. Also the Euregio Weinviertel-South Moravia-West Slovakia belongs to this category.

The Euregio includes 13 districts in the border triangle of Austria, the Czech Republic and Slovakia, so the space between Vienna, Bratislava and Brno. The management of the Euregio lies at the Euregio Service located at the Weinviertel Management in Austria and partner agencies in the neighbouring regions. Politicians in the Euregio meet at least once a year on the annual autumn meeting (Herbsttagung). The major function of the Euregio is as umbrella organization to support information exchange, knowledge transfer, economic co-operation, socio-cultural activities, and act as a lobbyist for common concerns.

Another Euroregion in the Vienna-Bratislava region exists south of the two cities. The West Pannonia Euroregion incorporates the area of Burgenland and the West Hungarian provinces.

#### Contact to the national level

The national level is integrated due to its responsibility for the Interreg programme on both sides, although there were some competences like the Small Project Fund (SPF) transferred to the regions. In political co-operations the national level is not integrated. This is for the current demands on co-operation (networking, imaging, common strategy building, pilot projects) not necessary, but for future demands on the integration process an incorporation of national authorities will be essential to be successful in certain manners. This is even more obvious in the Slovak Republic and also the Czech Republic and Hungary where competences are more centralised than in Austria.

#### Quality of the political CBCs

In the Vienna-Bratislava region there are two political co-operations where both, Vienna and Bratislava, are participating: The Centrope project, which covers quite a big region, and the partnership between the two cities. Besides them some "Euroregions" are located in or close to the Vienna-Bratislava region. The Euregio Weinviertel-South Moravia-West Slovakia is no typical political CBC as it involves many other actors and furthermost acts as a regional platform for all stakeholders. Finally, the very young co-operation between Bratislava and its surrounding municipalities in Austria just started up as a political CBC. They are all political co-operations to some extent as there are regional politicians participating in the decision making or guiding role.

The intensity of collaboration of the political CBCs is compared to the Öresund Region low. This is without doubt also because of the very young cooperation networks and the political changes in the recent 15 years. A central body of decision-makers does not exist yet in the Centrope co-operation, as the current steering committee consists only of the Austrian participants. From the next funding period from 2007 it is planned to include also the other partners. Though, in the three political conferences which took place yet, common declarations/memorandums on the further co-operations were agreed upon each time.

The partnership between the cities of Vienna and Bratislava is not formal besides the partnership agreement. The collaboration contains of certain project work and informal contacts. Of course also the politicians meet, but only if there is a certain demand.

In the regional forum for Bratislava and its surroundings all important decision-makers are included. The question now is, as this forum just got formed, how the work will continue. Currently it seems like a follow-up project to the Kobra projects will be prepared by experts and another meeting of politicians won't take place before further results are available.

The Euregio co-operation is rather diverse. The activities are very project-oriented and focused on networking. However, every year a meeting of regional politicians and experts in Poysdorf in autumn took place in the recent years and is also planned for this year in October.

Also in this region, as well as in the Öresund region, the aspect of regulated decision-making is underrepresented what is mainly caused by the mentioned young development of the co-operation as well as a further complexity because of the participation of regions in four national countries with diverse allocation of competences and political power on different levels.

The further development of the co-operations in the next years will be interesting to chase. When the Centrope co-operation will also be established in the neighbouring regions in the next funding period and the steering committee will involves all partners, an intensification of the co-operation in regards to decision-making can be expected. The other co-operations tend to integrate in the Centrope project especially regarding regional demands. The future of regional forum Bratislava-surroundings is hard to predict. This will very much depend on the development of the city and the land pressure on the surroundings municipalities.

#### Section's conclusions

The quality of the political CBCs in the region, regarding activities exceeding the networking or

coordination phase, is rather low. The main reason for this is certainly the very different development of the countries in the recent decades. Only for the recent 15 years border exchange between Austria and its neighbours Czech Republic, Slovakia and Hungary (as well as Slovenia) is possible again after decades of separation. After the fall of the iron curtain big structural changes within the countries were done and just recently, since the enlargement of the EU in 2004, structural barriers slowly diminish. For that reason serious political co-operations are rather young in the region and still have to get established.

The co-operation with the most promising outlook is Centrope. Besides its umbrella function for various pilot projects for CBC it is also a platform for regional politicians. There is no formal decision-making procedure or even certain competences located at this platform, but, and that's unique in the region, it includes all regional and certain local political leaders to meet up regularly and to discuss about the further development of the region. This platform could become a regular forum for politicians from the region to meet with a common communication and decision-making procedure directing towards common goals.

For the other political co-operations there is no need for intensification of the co-operation structures. Only the Regional forum Bratislava-surroundings could obtain a bigger importance in the future if the pressure on land increases in the surrounding communities. This could generate further recognition for co-operation and the need for intensification of it.

Moreover the further development of the Interreg programme is crucial for the cross-border region, as it is an important framework for CBC. Especially the implementation of the lead partner principle, succeeding the major practice of "half-co-operative" projects like mirror or even single projects, will have a significant influence on decision-making structures and on the regional integration. Only with the lead partner principle the implementation of cross-border projects on both sides of the border can be guaranteed.

# 3. Regional integration in the case areas

As two indicators for regional integration the development of cross-border commuting and migration will be illustrated.

# 3.1 Copenhagen-Malmö / Öresund Region

#### Commuting

The commuting over the Öresund is the first indicator for the integration process to look at. In 2004 around 8,000 persons commuted over the sound, whereas more than 90 % commuted from the Swedish side to the Danish (Fig. 3).

To qualify the commuting besides the trend which is going upwards, a comparative view on to commuting relations is taken. The first dataset in Fig. 4 are commuters between the greater Copenhagen area and the Greater Malmö area, the second regards the commuting between the greater Copenhagen area and the county of Roskilde (DK). The population and the size of the Roskilde county and Greater Malmö area are on a comparable level.

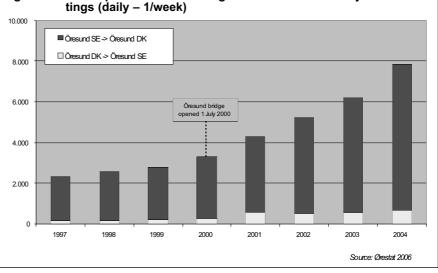
In Fig. 4 the upwards trend of commuting over the Öresund between the two biggest cities as it is in the whole region can still be identified. On the other hand, compared with an approx. equal counterpart, commuting between Roskilde and Copenhagen is higher (66,000 compared to 5,000 in 2004). The high commuting between Roskilde and Copenhagen compared to the relation over the Öresund has two obvious reasons:

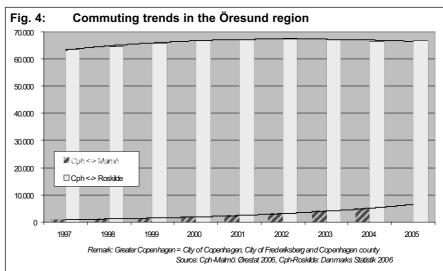
- 1. There was never a national nor a natural border between them and
- 2. there is a dense network of transport infrastructure connecting them.

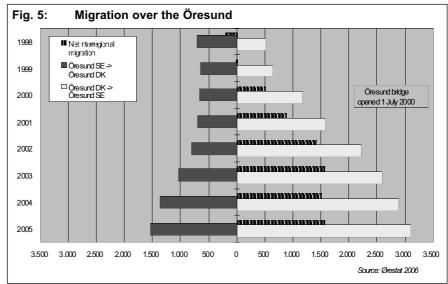
Regarding the general trend of commuting the relation Copenhagen-Malmö is in favour. Commuting between Roskilde and Copenhagen increased but compared to the total amount it's almost stagnating, whereas in the relation Copenhagen-Malmö commuting has risen fourfold from 1997 to 2003. Proceeding from the assumption, that there are about 70,000 potential crossborder commuters (cf. ØAR 2002, p. 5) in the whole region (8,000 in 2004) and taking the current trend into consideration, a further increase in cross-border commuting can be expected. However, it will take some time until the level of commuting will achieve a more mattering amount.

Migration

Fig. 3: Development of commuting over the Öresund for job or mee-







As another indicator for the integration of the region, migration should be considered (Fig. 5). Migration within the region means people, who lived before on one side of the Öresund region, now living on the other side.

The graph shows the different developments of migration flows. Before 2000 the majority of regional migrants moved from the Swedish (Öresund SE) to the Danish side of the region (Öresund DK). From 2000, at the same time when the bridge opened, the trend turned around and the migration from the Danish to the Swedish side increased strongly. Moreover, in 2005 were about 17,000 Danes living in Öresund SE, about 8,000 Swedes were living in Öresund DK.

Compared to this, migration within the municipalities of Öresund DK was around 156,000 in 2005 but didn't change much in recent years. Within Öresund SE around 38,000 people changed the municipality in 2005 (Ørestat 2006). Also there was no significant change of the numbers in recent years.

The trend in cross-border migration shows a further increase. But due to the, still, very low level it is difficult to relate it with an ongoing integration process. Two points should be taken into consideration or just into mind when looking at the migration statistics:

First the net-migration between the Danish and the Swedish side in the recent years corresponds with the increase of commuting from the Swedish to the Danish side up to around 90 % in 2004 (which is lower than the employment rate in the region – 76 % in 2005). This could be interpreted as a one-sided "taking of opportunities" of the cross-border region to the advantage of people from the Danish side: Danes moving to the Swedish side for cheaper housing etc. but keep their job on the Danish side.

Also the major reasons (cf. Øresundsbro Konsortiet, Öresund Committee 2005) of Danes for moving to Sweden confirm this:

- Lower costs for housing
- Housing with better quality standard
- Lower costs for cars
- Lower costs for living
- It is exciting to move to another country

The second point which should be considered is the migration from the Swedish side to the Danish. Due to the relatively small number, it can be assumed that a reasonable number of "back-moving"-Danes is included in this.

#### Section's conclusions

The integration indicators analysed, give a picture of an increasing integration. But the development itself still doesn't reach significant numbers. The commuting over the Öresund bridge compared with commuting on Zealand is far beyond, although there would exist a reasonable potential. Also the migration to, and the students enrolled on the other side are on very low stages. If the current trend continues a further integration can be expected, but it will take some time till this is on a comparable level like the integration is on the both sides of the Öresund respectively.

However, for the increasing integration two events seem determinant as appears from the figures and interviews:

- The Interreg A Öresund programmes II and III (from 1994 an ongoing)
- The fixed link over the Öresund (the agreement itself as also the finished construction in 2000)

These two factors were especially important to start up the co-operation and the integration. The Interreg programme acted as an incentive to do certain projects together with somebody from the other side. In the beginning these were projects which would have been done anyway, but with the Interreg programme the incentive to include a partner from the other side and so double the project budget became significant.

The bridge had two very important impacts: First the commuting and the passenger traffic in general increased, especially in the first two/three years. In recent years it still increased but not that fast anymore. Besides this role for transport, the bridge also had another very important role. It acted as some kind of signal project for integration and for further co-operation five years after the start of the Interreg programme.

It seems like such big initiatives are needed to start up CBC and to give it some impulse. The question is for how long such an impulse can act as motivation for CBC. The last big impulse, through the Öresund Bridge, was in 2000.

There are also people in the Öresund region who are already disappointed because they expected a faster integration. However, the awareness of CBC is very integrated in several issues but the speed is variable. Regarding the number of commuters etc., it seems that there is no need for more intensive co-operation at the moment. Especially regions more peripheral located from the sound are more likely to defect from co-operation because the need or the benefit for

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them is not obvious.

#### 3.2 Vienna-Bratislava Region

For the Vienna-Bratislava region it is still difficult to get appropriate statistical material. However, there are different databases and sources which are partially suitable to give a broad and general overview on the regional integration process.

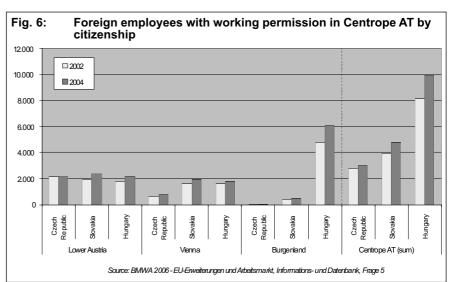
While reading the graphs it should be taken into consideration, that one graph occasionally contains data from different sources. Hence there is no complete comparability of the containing numbers given. Though, the graphs point out certain trends and developments.

#### **Commuting and migration**

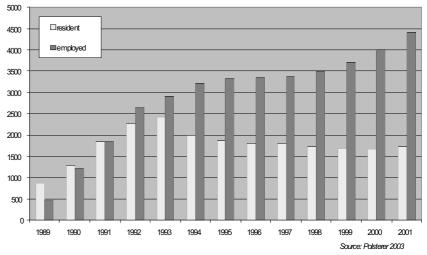
Although the Czech Republic, Slovakia and Hungary are members of the European Union since 2004, there are still restrictions to labour exchange with some of the "old" member states. These restrictions were introduced in Austria (and also other "old" member states) with the accession of the new member states and can be extended up to a maximum of 7 years. During that time workers from the new member states need a regular working permit to work in Austria, only a few branches are excepted to this rule. The transitional period is split in 3 phases (May 2004 – June 2006, July 2006 – June 2009, July 2009 – June 2011). At the end of each phase an

evaluation of the labour market has to be done and a reasonable statement is necessary to extend the period. Just recently the Austrian government (also the German and the Danish) decided to extend the transitional period to the second phase until 2009. Generally it is expected that Austria will make use of the transitional restrictions until 2011. That means that a free movement of commuters and migrates within the cross-border region will first be possible in the time from 2012-2015.

Currently a working permission is still necessary for the employment of people from the new member states. In the Austrian part of Centrope worked around 18,000 persons from the Czech Republic, Slovakia and Hungary in 2004 (Fig. 6). This number includes people who migrated as well as those who commute. The amount of permissions increased from 2002 to 2004 with 20 % and this trend is expected to continue.







As a further example for the current trend in migration and commuting, the graph of Hungarians in Burgenland can be taken (Fig. 7). Until 1993 the number of resident Hungarians increased mainly caused by the short time effects of the fall of the iron curtain. While the number of resident Hungarians in Burgenland stagnated after 1993, the number of employed Hungarians rose further, which can be interpreted as an increase in commuters. Certainly, aspects like change of citizenship or change of residential region within Austria have to be taken into consideration. But still, the main trend is obvious: A decrease in interregional migration from Hungary to Burgenland but an increase in interregional commuting.

The biggest incentive for migration and commuting in the region is supposed to be the differences in the GDP per capita. For migration it is assumed that this incentive runs dry when the difference in the GDP per capita based on purchasing power parity decreased to 25 - 30 %, so when the country of origin exceeds 70 % of the welfare status of the target country (BMWA 2006). None of the border regions in Centrope exceed 70 % of the welfare status by GDP per capita PPP of the Austrian border region in 2002. The Slovakian part comes closest with 66 %, followed by the Hungarian part with 50 % and the Czech part with 48 % (Eurostat 2006).

In regards to commuting the GDP per capita (not based on PPP) is relevant as commuters earn the money in one region, but pay living costs in their home region. Here is the gap significantly higher. The Czech, Slovakian and Hungarian parts of Centrope reach only about one quarter of the GDP per capita of the Austrian part of Centrope. Particular Vienna can be assumed to be very attractive for commuters, and also migrates, because of its surpassing GDP per capita. Even the region of Bratislava, the outstanding region in regards of economic prosperity in the new member states within Centrope, reached only 30 % of the GDP per capita of Vienna and 70 % of the GDP based on PPP in 2002.

Within the project LAMO (labour market monitoring) a survey on potential commuting between the Austrian parts of LAMO (corresponds to Centrope AT) and the Czech, Slovak and Hungarian border regions was done (Fig. 8).

The highest potential of commuters and migrates within the region are in Slovakia, followed by Hungary and the Czech Republic. The potential of persons commuting from the Austrian parts to their partner regions is very low at around a tenth of the pervious. It is not expected, that this potential commuters and migrants would realise their attitudes as soon as the barriers for labour exchange are with-

Cross-border commuting or migration for work within the LAMO

region 120.000 112.897 CZ/HU/SK: Total commuters from the country to Austria in 1999; 100.847 100.000 AT: total commuters from the region to a foreign country 2001 80.000 notential cross-border commuters and migrants in the LAMO region 2004/05 (PLG) 60.000 40.000 20.000 9.716 10.583 3.765 Λ Czech Republic Hungary (Györ-Slovakia (Bratislava, Austria (Burgenland) Austria (Lowe Austria (Vienna) (South Bohemia North Moravia, Moson-Sopron, Vas Zala) Tmava) South Moravia) Source: Statistics Austria 2001. PLG 2005

drawn. It is rather expected that the impact will be scattered over several years. Additional the potential of commuting and migration will decrease when the gap in the GDP per capita shrinks. Hence in 2012, when the barriers will be removed latest, the potential will have decreased further.

The analyses of motives for working abroad, also done within the project LAMO (PLG 2005), support the importance of the difference in wages. Most important reasons for persons from Czech, Slovak and Hungarian border regions to work abroad are:

- Higher wages (but at least double as high, to have a certain incentive)
- Better living standard abroad
- Good job opportunities
- Missing opportunity to improve own economic situation in the home country

#### Section's conclusions

Currently there is no detailed data on commuting within the cross-border region available. The PGO is undertaking a first research project in this topic at the moment and analyses the cross-border commuting to/from the Austrian part of Centrope. Results will be available in autumn 2006. Some general number on border crossings is already available. Around 140,000 times were persons crossing the border to/from Austria within Centrope on a normal week-day, counted in November 2005, 70 % (~ 98,000) travel with reference to the region (Austrian part of Centrope = PGO area), 30 % have a target/source location outside the region. On the other hand, around 18,000 citizens from the Czech Republic, Slovakia and Hungary had a working permission in

Centrope AT – but they are not necessarily commuters. In relation: Around 75,000 persons crossed the Öresund per day (bridge + ferry) whereof around 7,500 were interregional commuters in 2004.

Although all part-regions are within EU territory, still many restrictions regarding people's movement, especially for migrants and commuters, exist. The limitations implemented by Austria regarding the opening of the labour market for persons from the new member states are expected to continue until 2011. Currently there is a potential of around 300,000 persons from the Czech, Slovak and Hungarian

Fig. 8:

part of the region, who would like to commute or migrate in the near future to another country. But this potential will decrease as the gap between the regional GDPs per PPP shrinks.

The general trend of the development of commuting and migration is shown by Hungarians in Burgenland. While the number of employed people from Hungary increases, the number of resident Hungarians in Burgenland stagnates or even decreases. The lesser the gap between the regional GDPs at PPP gets, the less attractive is migration. On the other hand, the gap in between the regional GDPs in Euros is still high which makes commuting from a region with low living costs to a region with high loans reasonable.

This development will most likely affect municipalities along the border and certainly also Vienna which has simply the highest GDP in the region and therefore an extended catchment area. Especially through the improvement of traffic infrastructure between Vienna and Bratislava a further increase in Slovakian commuters can be expected. Fig. 8 endorses this tendency: Currently the most cross-border commuters from the Czech, Slovak and Hungarian parts to Austria are from Hungary, but the most potential commuters and migrates are from Slovakia.

However, the potential migration and commuting for economic reasons will decrease as the GDP difference will harmonize further in the next years. For instance in 2002 the Austrian part of Centrope had an annual growth of 2.5 % of its GDP while all other regions in Centrope had an annual growth from 8.6 % (Trnava) to 19.1 % (South Moravia). Calculated at purchasing power parity the same development can be observed: The PPP in Centrope AT increase 2.3 %, while in the other regions the regional GDP/PPP increased between 4.5 % (Vas) and 11.1 % (Bratislava).

# 4. Co-operation and Integration in the case areas

#### 4.1 Copenhagen-Malmö / Öresund Region

In summary it can be said that integration is increasing. But it is still on a very low level so there is no recognition for the need of a deeper, more intensive co-operation like, for example, a structural change of the Öresund Committee would be.

If the integration continues in several areas like economic and industrial integration the need for deeper co-operation and its benefits will be visible. On the other hand further integration, probably, needs another impulse to increase; like the bridge has given an impulse to the start-up of migration and commuting or the Interreg programme initiating the co-operation especially between public institutions.

One future impulse for the further integration could be the outcome of the project carried out by the Öresund Committee, Region Skåne and HUR which deals with the future development of the region and will draw up scenarios and may be also policy options. The focus areas of infrastructure as well as on settlement structures and business development could act as new impulses for further integration in the region. Of course the impact of this project depends very much on the application of its outcome.

This opens a more pessimistic view for the moment. Besides that not much will change in the time before the structural reforms in Denmark are implemented in 2007, the outlook for regional co-operation after that is rather bad. If the Öresund Committee continues its work, it can choose between two feeble options for the future political work: It can work with the three future regional authorities in the region who will be very weak regarding their competences, or it can try to work with very strong but numberless municipalities.

Another impact to the further integration of the region could be the construction of the proposed railtunnel between Helsingør and Helsingborg which would allow a ring-railway connection around the Öresund. Though, this project seems to be postponed for an indefinite period because the Danish government prioritises first the construction of a fixed link to Germany (Fehmarnbelt) before a second Öresund link can become an issue.

Also the rail-tunnel (citytunneln) in Malmö, which will shorten the travel time from Malmö to Copenhagen and opens new suburbs of Malmö a quick connection to the bridge, could give a further impulse. However, this impulse won't come before 2010/2011, when the tunnel and the new stations are estimated to be finished.

So for the short-term view of the cross-border integration is a stagnating one. In the current period it is important to go on with running projects and co-operations that the awareness for co-operation can be further strengthened.

The medium-term outlook is rather unclear. After the general election in Sweden in September 2006 and the structural reform in Denmark in 2007 the political CBCs has to be renewed. It will depend very

much on persons how the new structures of political CBC like the Öresund Committee will look like, at least in a regional perspective.

For the long run a further integration can be expected. The integration of the region is not in question, only the speed. Also influences from the outside, like the ongoing Interreg programme for the Öresund region, indicate the trend for a persistent integration.

#### 4.2 Vienna-Bratislava Region

After several decades of no cross-border exchange, hindered by the iron curtain, the new possibilities and opportunities of CBC are obvious. Still and because of the long separation of the region, the cooperation and integration process advances slowly.

Regional politicians have showed their affinity to a common region and a co-operative environment as the benefits for a stronger competitive situation within the global economy are visible. But to increase these benefits, an internal integration is necessary. Networks and co-operations in business, science, education, labour market, traffic etc. are necessary to enhance the integration process. Crucial therefore will be the next cross-border funding period from the EU from 2007 and the Centrope project's new "face" in this period. The concrete delimitation of a certain area of co-operation was the first step which was already done. Now it is necessary to include all regional representatives on the same level within a decision-making framework. The demanded implementation of the lead partner principle should enforce this.

The next steps of integration will be the planned accession of Slovakia in 2009 and the Czech Republic and Hungary in 2010 to the Euro and the withdraw of transition regulations on the Austrian labour market for persons from the "new" member states approx. in 2011/2012.

Besides these structural measures, the improvement of traffic infrastructure within the region will have a certain influence on the speed of integration and the further development of co-operative structures. Several Road projects are under construction or in the planning phase, while railway connections are still in discussion. Especially the connection of Vienna and Bratislava with their two airports linked by one railway is currently only partly taken in consideration. Other improvements like the enhancement of the Vienna south/east railway station are prioritised.

So the current integration corresponds to the intensity of co-operation. Both are still in a "beginners" phase. For the short term the ongoing implementation of cross-border projects is important and further areas for co-operation should be integrated as the coverage of diverse cross-border matters is still underrepresented.

In the medium-term the use of the next funds for CBC from the EU will be decisive. The required lead partner principle could trigger a higher intensification of co-operations in general. In particular the future look of Centrope, especially its political forum, will be important as an umbrella framework for CBC. The equal involvement of all regional partners is necessary to guarantee the implementation of common strategies.

In the long run the introduction of the Euro in the Czech Republic, Slovakia and Hungary as well as the abolition of labour market restriction in Austria can be expected to have a strong impact on integration. Even if the potential commuters and migrates due to the reduction of the gap in the regional GDP will decrease, these two occasions are an important condition for a real integration of the cross-border region. A significant increase in exchange in all areas can be expected subsequently.

#### 5. General conclusions and recommendations

In general it can be said that co-operation, and therefore also cross-border co-operation, needs a certain recognition to intensify. Common recognition for cooperation is necessary to continue to the next step in co-operation and to become more than just "gettingto-know-each-other".

A further recognition of the need of co-operation can either be triggered as recent external development like the Interreg programme was and still is. But also the withdrawal of labour market restrictions by the national government can be seen as such. On the other hand, a new internal development, like a higher degree of integration and exchange, would make certain co-operative actions necessary. Recognition for co-operation could also be triggered if the so called "shadow of the future" (Axelrod 1984) would be expanded. That means that a clear outlook and agreement on further development and structures exist. This on the other hand is almost impossible when there is no solid form of co-operation, which is not the case in both case studies. In the Öresund case the political co-operation in the Öresund Committee is relative unsure due to the structural reforms in Denmark. In the Vienna-Bratislava case the political co-operation is still young and not intense enough

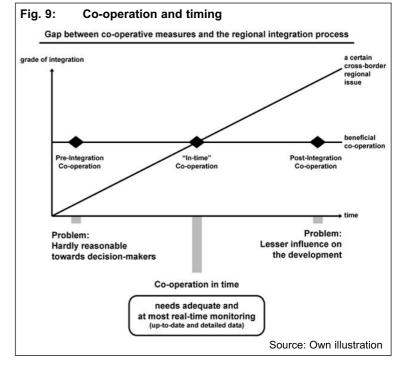
yet.

Obvious but necessary to notice is that cross-border integration cannot be forced through cross-border co-operation, but only supported and guided. Sometimes the integration process occurs faster than the co-operating framework around; sometimes it is the other way round. In the Öresund Region further integration of the region is needed to back up more intensive and formal co-operation. Of course, best would be if it works hand in glove. Perhaps strong formalisation is also not necessary at the current state, but further integration and co-operation will lead to a further need of collaboration. Nevertheless it is necessary to form common strategies beforehand to enforce a sustainable and advantageous development.

The fact of no recognition for co-operative measures while the need is not yet visible stays in opposition to co-operative measures following a reasonable demand. An approach which lies between "pre-integration co-operation", where actors don't see the need to act, and "post-integration co-operation", where actions might come too late, has to be established. This approach can be supported by an efficient and extensive monitoring of different developments in the region. The more comprehensive and current the information is, the easier it is, to expand the "shadow of the future". With a clear outlook there will be more recognition for the benefits of certain co-operations. Hence cross-border co-operation needs a stable framework and clear conditions to be successful.

Fig. 9 illustrates the necessity of good timing in cooperation. It should explain the gap between the desire of "pre-integration co-operation" and reality of "post-integration co-operation". Something like "real-time co-operation" is necessary to be most successful. This real-time co-operation can only be applied with real-time monitoring systems, which should provide up-to-date data with an appropriate grade of details.

The European and global economies and structures are more and more integrating and harmonizing, the global trade will further increase and technological advances will improve transport and communication modes. For border regions it is the chance to strengthen their position by co-operating with their neighbours. It is obvious through the developments in Europe that cross-border co-operation is a strong tool for a bottom-up European integration and a possibility to "move from the periphery to the centre". Perhaps the expectations to cross-border regions are



too high for too short time, but the general trend is in favour for more and closer co-operation in border regions in the future.

#### This essay is based on:

Fertner, Christian (2006): City-regional Co-operation to strengthen Urban Competitiveness. A report on cross-border co-operation in the regions of Copenhagen-Malmö and Vienna-Bratislava; Master thesis at the Department of Spatial Development, Infrastructure & Environmental Planning, Centre of Regional Science, UT Vienna

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