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Experiences in South-East Finland – Russia Cross-Border cooperation

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Head of Operational Unit (ENPI)
Johannes Moisio

- Born in Helsinki 7. June 1960, M.Sc. (Eng), Logistics (Lappeenranta)
- 1993 – 2000 in exports (energy technology, energy saving systems)
- Regional Council of South Karelia: 2000 – 2004 project manager, 2006-2011 Manager International relations, 2011- Head of Operational Unit (South-East Finland – Russia ENPI-Programme)
- 2004 – 2005 Director of Southeast Finland and St. Petersburg office in Brussels
- Chairman of AEBR Task Force for External Borders (TFEB)
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Some background on Finnish-Russian Cross-Border Cooperation

- Before year 1944 the Finland's eastern border has changed several times
Changes of the border

1323 - Peace treaty of Pahkinasaari
1595 - Peace treaty of Teussina
1617 - Peace treaty of Stolbovo
1721 - Peace treaty of Nystad
1743 - Peace treaty of Abo
1809 - Peace treaty of Fredrikshamn
1812 - Peace treaty of Fredrikshamn
1920 - Peace treaty of Tartu
1940 - Moscow peace treaty
1944 - Moscow armistice
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- 1992- FI-RU state level bilateral programmes, cities started twinning with neighbours and cities with shared or similar features
Finland – Russia bilateral programmes

• Neighbouring area cooperation since 1992 (Agreement 1992)

• Over 200 joint projects annually between authorities, institutions and other actors

• Appr. 40 NGO cooperation projects annually

• Comprehensive evaluation (January 2011): successful and effective cooperation, emergence of well-functioning collaboration networks in almost all sectors

• In 2012 appr. 60 projects (a total of EUR 6 million)
Regional breakdown of grant allocations
Russia 1990 - 2010 (Total EUR 311 million)

- Republic of Karelia: 14%
- Leningrad Region: 11%
- Murmansk Region: 8%
- St. Petersburg: 18%
- Unspecified/ affecting several regions: 49%

- Republic of Karelia: 41 ME
- Leningrad Region: 35 ME
- Murmansk Region: 23 ME
- St. Petersburg: 56 ME
- Unspecified/ affecting several regions: 156 ME
From neighbouring area cooperation financing to BBA financing

Background:
- 20 years neighbouring area cooperation
- Extensive CBC networks between authorities, business and civil society
- Benefits by small inputs, linking bilateral cooperation to wider international activities
- FI-RU cooperation served in the 2000s as a model for EU’s external border programmes (ENPI CBC)

Changes in operating environment:
* Russia’s internal development, strengthened economy and aim for equal partnership in cooperation
* EU’s external border programmes’ development; their continuation in Finnish–Russian border regions
* increased regional cooperation in the Baltic Sea, Barents and Arctic regions

2010 evaluation on results of neighbouring area cooperation and its development needs. Aim of providing ground for decision-making in Finland’s policies in the changed situation.

Actions taken:
-> Current form of neighbouring area cooperation to conclusion by end of 2012
-> New type of cooperation based on equal partnership, using the EU’s external border programmes as the most important instrument for cooperation and financing
-> Agreement between Finland and Russian Federation on promotion of CBC to support the implementation of these programmes, was signed on 13 April 2012.
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Facts and Figures:


- 544 applications submitted / total
  (incl. 100 applications requesting Tacis funding)
- 270 project proposals approved
  (45 including Tacis funding)
- 18 projects from adjacent regions approved
  (PäijH 15, ItäUu 3) – 4 % from financing frame
- Financing M€: EFRD 22, FIN state 34, Tacis 8
ENPI CBC

• European Union ENPI Cross-border Cooperation Programmes will be a key funding instrument for cooperation between Finnish and Russian regions

• Three ENPI CBC Programmes implemented in the Finnish-Russia border regions in 2007-2013 are:
  - South-East Finland-Russia EUR 72.4 million
  - Karelia EUR 46.4 million
  - Kolartic EUR 70.4 million
  - Total funding appr. EUR 190 million

• The EU member states participating in these three programmes and the Russian Federation have agreed that their join allocation of state co-financing to the programmes equals the Community financing.
Kolarctic, Karelia and South-East Finland – Russia ENPI CBC Programmes
Priorities of the Programme and typical applicants for project funding

1. Economic development
   - Universities, institutes, development companies etc

2. Common challenges;
   - border and environmental authorities, universities etc

3. Social development and civil society
   - 3rd sector, organisations of healthcare and culture
Financing sources in ENPI CBC 2007-2013

- EU funding 36,186 M€

- National co-financing by Finland and Russian Federation 50%/50% another 36,186 M€

- Plus project partners’ own financing on project level requested 20% or 30% depending on the Programme priority in concern
Management of our Programme

- Joint Monitoring Committee **JMC**
  - decides on selection criteria/themes for Call for proposals
  - approves the selection of projects

- Joint Selection Committee **JSC**

- Joint Managing Authority **JMA**
  - Programme management and implementation
  - by mutual agreement the Regional Council of South Karelia
  - Branch office in St. Petersburg

parity between participating countries

Contracting: Use of External Relations rules: PRAG
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- Local, regional and national level involvement, South-East Finland regions made a CBC agreement in 2003 with St. Petersburg
# Project generation

<table>
<thead>
<tr>
<th>Municipal level</th>
<th>Regional level</th>
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<tbody>
<tr>
<td>Joint Finnish-Russian agreement of all cities in the area (similar to an euroregion). Divided sectors.</td>
<td>2003 South Karelia, South Savo and Kymenlaakso regions &amp; city of St. Petersburg made <strong>frame agreement</strong></td>
</tr>
<tr>
<td>Project planning, writing, <strong>project level</strong> cooperation.</td>
<td>Planning and writing the <strong>Programme</strong></td>
</tr>
<tr>
<td>Active players <strong>municipally owned firms</strong>, development agencies etc.</td>
<td>Programming level coordination (alike the State) for the cooperation. <strong>Advising</strong> in project planning stage</td>
</tr>
</tbody>
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## Basis on the Programmes and projects

- International agreements (often sectorial: Kioto etc.)
- EU’s and national strategies, policies and regulations
- Agreements between EU and the national governments
- Standards and laws regulating the field of action (construction etc)
- EU and National government approval and monitoring of the Programme
STAGES IN PROJECT SELECTION

1. Technical evaluation
   - eligibility of the applicant and the application etc.
2. Quality assessment of the applications
   - experts (statements) and Joint Selection Committee
3. Joint Selection Committee - recommendations on selection of projects and financing - *unanimity*
4. JMC – among other final decision on projects
   – *unanimity*
5. European Commission
6. Pre-contract modifications and contract
(1) Receiving of the project proposals

(2) Recommendations on the project selection>
- JMA: administrative / eligibility check
- JSC, experts (regional sectoral authorities and other regional authorities): quality evaluation
- Agenda of the JSC meeting > proposals

(3) JMA prepares the contracts for signing based on the decisions of JMC

(4) JMA and LP sign the grant contract

JMC
2+2 Fed lev
4+4 Regions

Designates the JSC
Decides the calls
Final decision on projects

JSC
Permanent members
Experts
Regional level
Equal number

LEAD PARTNER

JMA
Operational Unit
Financial Unit
Large Scale Projects (LSP)

In March 2010 the Joint Monitoring Committee reserved 50% of the Programme funding (EU) for Large Scape projects.

This means 36,2 MEUR European Community funding plus national funding.

Below some examples:
IMATRA BORDER CROSSING DEVELOPMENT
The Finnish Transport Agency (FIN)

Extend to Customs and border crossing facilities, waiting areas 13,97 M€
NUIJAMAA BORDER CROSSING DEVELOPMENT
The Finnish Transport Agency (FIN)

New customs and border crossing lines, extend to waiting areas 3 M€
VAINIKKALA – SIMOLA ROAD REHABILITATION
The Finnish Transport Agency (FIN)

Rehabilitation of 12 km of road for heavier traffic, 6,8 M€
DEVELOPMENT OF THE IMATRA – SVETOGORSK AUTOMOBILE ROAD
RECONSTRUCTION OF THE BRIDGE OVER RIVER STOROZHEVAYA
Road Committee of the Leningrad region administration (RUS)

Renovation of 1973 constructed bridge on the road to Imatra crossing, 7,6 M€
RECONSTRUCTION OF AN IKHALA-RAIVIO – STATE BORDER AUTOMOBILE ROAD (KM 14-28)
Road Committee of the Karelian Republic (RUS)

Improvement of the road connection to the Karelian republic, 4 M€
Standard projects, funding per Calls

March 2010
* 12 projects / 10,6 MEUR

August 2011
* 20 projects / 13,2 MEUR

March 2012
* 15 projects / 6,3 MEUR

Below some examples:
Training event in 2012
World day of Wind panel in Kotka 15 June 2012
INNOVATION AND BUSINESS COOPERATION
Wirma Lappeenranta Oy (FIN)

EU – Russia Forum in Lappeenranta 2012
FINNISH-RUSSIAN FOREST ACADEMY PREPARATION
Lappeenrannan Teknillinen Yliopisto (FIN)

Start-up meeting in Lappeenranta University of Technology 2011
EFFICIENT USE OF NATURAL STONE
IN THE LENINGRAD REGION AND SOUTH-EAST FINLAND
Geologian tutkimuskeskus (FIN)

Visiting Vozrozhdeniye excavation in Leningrad region 2012
EDNET – CROSS-BORDER NETWORKS AND RESOURCES
FOR COMMON CHALLENGES IN EDUCATION
Corporate Training Systems (RUS)

Start-up meeting in St. Petersburg 2011
MOVING TOWARDS WELLBEING
Lahti University of Applied Sciences (FIN)

Project personnel in Spring 2012
EDUSTROI – DEVELOPMENT OF CONSTRUCTION AND REAL ESTATE SECTOR EDUCATION
Edustroi Oy (FIN)

Project presentation at "Interstroyexpo" fare in St. Petersburg 04/2012
SPECIAL CROP EDUCATION FOR ECONOMIC DEVELOPMENT IN NORTHWEST RUSSIA AND SOUTHEAST FINLAND
MTT Mikkeli (FIN)

Project steering group meeting in February 2012
Comparing metal samples in Lappeenranta 2012
INTERNATIONAL SYSTEM DEVELOPMENT OF ADVANCED TECHNOLOGIES IMPLEMENTATION IN BORDER REGIONS - DATIS
Ioffe Institute (RUS)

Project meeting at Aalto University 2012
OPEN INNOVATION SERVICE FOR EMERGING BUSINESS - OPENINNO
Association of Centers for Engineering and Automation (RUS)

Young innovators in St. Petersburg 2012
DIGITAL SPHERE – A FINNISH-RUSSIAN ECOSYSTEM
FOR TELEVISION OVER BROADCAST AND INTERNET
St. Petersburg Electrotechnical University - LETI (RUS)

Project steering group meeting in May 2012
CROSS-BORDER ROAD TRAFFIC SAFETY
The Finnish Transport Agency (FIN)

Project start-up meeting in St. Petersburg 2012
Project steering group meeting in April 2011
Project activities in Kotka 2011
TWO-WAY RAILWAY TRAFFIC VIA
IMATRA/SVETOGRSK BORDER-CROSSING POINT
Imatra Region Development Company (FIN)

Networking seminar in Imatra 2011
Exhibition at a Fair in Moscow June 2012
ECOFOOD
St. Petersburg Chamber of Commerce (RUS)

Project start-up meeting in St. Petersburg 2012
CLIMATE PROOF LIVING ENVIRONMENT - CLIPLIVE
State Geological Unitary Company, SC Mineral (RUS)

Project start-up meeting in St. Petersburg 2012
WASTE MANAGEMENT
St. Petersburg Informational and Analytical Centre (RUS)

Project start-up meeting in St. Petersburg 2012
TRANSBOUNDARY TOOLS FOR SPATIAL PLANNING AND CONSERVATION OF THE GULF OF FINLAND - TOPCONS
Merikotka (FIN)

Project start-up meeting in St. Petersburg 2012
GREEN HIT – RENEWABLE ENERGY FOR SMALL LOCALITIES
Non-commercial partnership North-West Funding Service Centre (RUS)

Project steering group in Lappeenranta in May 2012
IMPROVEMENT OF WASTE OIL MANAGEMENT IN NORTH-WEST RUSSIA AND SOUTH-EAST FINLAND

Ecotrans JSC (RUS)

Partners’ meeting in Tuusula Finland in February 2012
EMPOWERMENT OF FAMILIES WITH CHILDREN
Helsinki University, Palmenia (FIN)

Project start-up meeting in St. Petersburg 2011
CASTLE TO CASTLE
University of Eastern Finland (FIN)

Project meeting in Vyborg 2011
STEP UP – CROSS BORDER CITY IN ACTION
City of Lappeenranta (FIN)

Judo training camp in Lappeenranta 2011
IMPROVING SOCIAL SERVICES
Non-Commercial Partnership North-West Funding Service Centre (RUS)

Project start-up meeting in St. Petersburg 2011
CROSS-BORDER CITIZEN SCIENTISTS
Lappeenranta University of Technology (FIN)

Pupils visiting poultry farm in Karelian Isthmus  2012
Master class rehearsals in St. Petersburg 2012
Russian entrepreneur course in Mikkeli, Finland in April 2012
TRAVELLERS FROM RUSSIA TO SOUTH-EAST FINLAND
A precondition or result of Cross-Border cooperation?

Monthly average of travellers

- Imatra & surroundings
- Lappeenranta & surroundings
- South Karelia region
- Kotka-Hamina & surroundings
- Kouvola & surroundings
- Kymenlaakso region

- 2008
- 2010
- 2011
- 2012
- 2015
- 2020
- 2025
TRAFFIC FROM RUSSIA TO SOUTH-EAST FINLAND
A precondition or result of Cross-Border cooperation?

Image 1. Sides of Road No 6 face heavy load of trucks waiting for the border crossing

Image 2. Development of the light traffic in main FI-RU border crossings 1999 - 2012
Thank you for your attention!
Gracias por su atención!

For further information:
Para información adicional:

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