

Intervention priorities for economic development in the crossborder area Romania-Ukraine-Republic of Moldova - A'WOT analysis approach

Marcela ȘLUSARCIUC*, Gabriela PRELIPCEAN**

Abstract

The aim of the paper is to establish the future intervention priorities in building a new programme that would target the economic development in the research area. The used methodology included an adapted A'WOT analysis - an initial SWOT analysis and a prioritization of the items through an expert questionnaire. In the present paper we analyze the experts' opinions and the areas where intervention is needed for the optimum strategies for the 2014-2020 financial frame. These should rely on the strengths in the Guidelines for Applicants, the rules for projects implementation and the institutional system, it should consider changes on the weak points concerning the programme objectives, the Guidelines for Applicants and the beneficiaries consultations, it should make use of opportunities coming from the crossborder status, European Union frame and economic opportunities and overcome the differences coming from crossborder status, membership of two different supranational structures and the economic gaps.

Keywords: crossborder cooperation, economic development, A'WOT analysis, SWOT analysis, Joint Operational Program Romania-Ukraine-Republic of Moldova

1. Introduction

Crossborder cooperation, depending on the specific of the relation between neighbouring countries, can contribute to economic development for each participant part. The motivation consists in the desire for life standard improvement, in ensuring a sustainable and harmonious framework and in the

* Marcela Șlusarciuc is PhD candidate at the „Ștefan cel Mare” University of Suceava, Romania; e-mail: slusarciuc.marcela@usv.ro.

** Gabriela Prelipcean is professor at the „Ștefan cel Mare” University of Suceava, Romania; e-mail: gabrielap@seap.usv.ro.

clearance of frontier barriers, restrictions or other factors. For the improvement of the social-economical position of the regional communities and for reducing or clearance of the effects of border obstacles, the local communities are getting more and more involved in the regional collaboration. Accordingly, regional associations were built on both sides of the borders, respecting the international law system. Later, the national associations from both parts of the border reunited forming crossborder associations, most of them being constituted in Euroregion structures. Also, there are four levels of economic association between countries: the free trade area, the customs union, the single market and the economic union, the first one with a lower degree of integration and the last one with the highest degree of integration (Huntigton, 2011).

The economic development and the functionality of the habitations in the crossborder area have an important role and place in the crossborder policies due to the local and national need of security. The crossborder area is an international market with a strong competitiveness of the capital, goods, labour and services. Each player on the market is focused on finding favourable solutions to its own economic problems, not carrying any responsibility related to the failure of the other players (Moisescu, 2008). As Moisescu states, the crossborder areas have no constitutional competences, meaning that they are not part of the decision making process in the agreements in crossborder relationships. The states are the ones to decide the policies and agreements, based on their own legal rules and they cannot accept the conditionality of a regional overstate structure linked only to some geographical parts of the countries. The crossborder areas facilitate communication and social-economic activities, but each part remains with its own national purpose and the duty to ensure its state security? A challenge that characterizes crossborder areas is linked to the freedom of movement of labour force, goods, capital and services, but in a different manner from the freedom of movement that is inside the European Union, stated in the main Treaty. The existence of borders and differences between member states and the third countries bring more pressure from the outside to the inside and make competition tougher. The winner will be the country that developed an economy based on the research-development results with a higher level of work efficiency. From this point of view, sometimes the incumbency of following the European Union rules can be a break for a country that maybe, if standing alone, would be more competitive toward its third country neighbours. The differences that characterize the crossborder can create not only competitiveness but the undesired face – the rivalries expressed in social tensions and conflicts. If these tensions are not well managed they can be transformed into unilateral aggressive practices. Being peripheral, crossborder areas can be subject to economic unbalances and to the incompatibility between different institutional structures (Popa, 2006).

Border areas are meant to become areas of transition from a territory with some characteristics to a territory with different characteristics. On the one side, the euro region idea tries to reduce the borderness idea, and, on the other side it increases the reinforcement to the borders between EU and its neighbours (Tassilo, 2011). These two phenomena lead to the *fortress* idea. The reinforcement of borders is symbolized by the existence of formal border control points and access restrictions. On the other side, the development of market economies especially in East European countries was joined by the increase of private companies and their expansion in these countries. The subsequent effect was the increase of disparities between the levels of economic development especially in the border areas (Hudak, 1996).

The European Neighbourhood Policy (ENP) is seen as a deal in which the European Union offers economic cooperation and access to its internal market mainly in return for the reform of the partners (Volkhart, 2007). The program is based on bilateral negotiations, this aspect making the concrete agreements differ mainly because of the countries' interests and perspectives. From this point of view, the situations of Ukraine and Republic of Moldova are different considering the perspectives of membership of the two countries but they are split by their individual potential at the negotiation table. The geographic size and the number of population could be more advantageous for Ukraine at first sight. Moreover, Republic of Moldova has to manage the Transnistrian conflict first, and after gather its own resources for a reform. Looking deeper, the accession of Ukraine can open the gates to a wide number of migrants from this country to other countries in Europe. The future of these two countries as being part of the European Union or not is a hot topic for debates, solutions being looked for, in order to manage the Eastern partnerships.

In time, there have been many scenarios and shapes proposals for the European Union, depending on the stage of development. Some of them explored the limits of extension while more recent ones explored the possibility of decay of the Union. As concerns the structure, the shapes considered are the European Union as a post-modern empire, as a federation or as a republic. In this uncertain shape, there is another angle that one should consider when we speak about scenarios concerning the European Union future - the one that concerns the neighbourhood policy. In this case two scenarios can be shaped (Haukala, 2011). The first one would be the continuation of the enlargement that would be "the key to the Union's normative power in Europe" (Haukala, 2011) and would fulfil the hopes of Ukraine for membership and possibly the ones of Republic of Moldova, as long as they solve the Transnistrian conflict. The second scenario, which we consider more likely, focuses on the EU's reconsideration of its claim for normative hegemony in Europe after the biggest enlargement. In this case, the neighbourhood policy is not a sufficient tool for EU to play with neighbours who want membership and keep them in a 'non-decision' status for too long.

As far as the neighbourhood is concerned, there will always be a border and there will be neighbours, irrespective of the shape of the New European Union - a future empire or a republic. This fact should not stop the efforts of making the process of passing from one side to the other side of the border easier. Leibenath (2008) identifies at least four changes that affect the internal and external European borders (Leibenath, 2008): first, the increase of permeability at the internal borders in parallel with a decrease in the permeability at the new external borders; second, the crossborder cooperation process is a target of financial incentives, legal pressures, ideas and paradigms; third, national governments are losing their role as gatekeepers of trans-boundary relations and last, the border between sovereign states does not separate the two countries but there is a mixture of functional spaces such as economic, social, legal or identity, the functional fragmentation being adopted instead of the territorial bordering. Even if there are authors who doubt about the ENP's efficacy (Giusti and Penkova, 2010), as long as this is not a promise for EU membership, through the European Neighbourhood Policy the European Union aims to support economic changes, democratic reforms, good governance and the rule of laws in the third countries that would transform neighbours in reliable and stable partners. Some authors consider that crossborder cooperation faces three main types of challenges (Herschel, 2011). *The first ones* are the mental challenges such as preconceptions, stereotypes and tensions accumulated in years. The gap is due to the lack of common positive memories or the focus on negative memories. A good starting point to overcome this challenge would be to build common reference points by common borderland memory, experiences and identity. *The second type* of challenges is represented by the social and economic differences, i.e. the one between the Western part and the Eastern part. What used to be Eastern at one point became Western by westernization and consequently, the border moves because the gap moves. Distance and periphery represent *the third challenge* to which the presence of physical - geographical forms which usually create the impression of the border as a dividing line is added.

The geographic research area we established, Romania-Ukraine-Republic of Moldova (Ro-Ua-Md), includes administrative units near the border of Romania, Ukraine as follows: in Romania, the counties of Suceava, Botosani, Iasi, Vaslui, Galati, and Tulcea, in Ukraine, the oblasts of Odessa and Chernivetska and in the Republic of Moldova, the whole country. There are at least two reasons for this choice – firstly, this is a space under structural and functional metamorphosis at the confluence of two powerful influence poles, the European Union and Russia and secondly, the crossborder areas, due to their mix of identities and historical load, have a specific evolution. In this crossborder area, there were crossborder programmes for the 2004-2006 financial frame that had as first priority the economic development – the

neighbourhood Programmes Romania-Ukraine and Romania-Republic of Moldova - now there is the Joint Operational Programme Romania-Ukraine-Republic of Moldova for the 2007-2013 financial frame. The aim of the paper is to establish the future intervention priorities in building a new programme that would target economic development in the geographic research area. The used methodology includes an adapted A'WOT analysis, meaning hierarchy building of priorities in a SWOT analysis of the actual available financial frame for cross-border cooperation. In the present paper we show the findings in the experts' opinions and the areas where intervention is needed for the optimum strategies for the 2014-2020 financial frame.

2. Methodology

This paper examines a specific stage in a wider research in which we shaped a model for a future crossborder financial instrument. Summing up the previous stages, we firstly analyzed the policy frame through official documents, regulation, official statements or press reviews in what concerns three facets of crossborder cooperation, both general and specific to the research area: neighbourhood policy, partnership and cooperation and crossborder programmes. Then, we considered the analysis of the past situation, of the current one and a few scenarios for the future of the crossborder area. The analyses helped us identify the opportunities and threats in the SWOT analysis of the current programme – Joint Operational Programme Ro-Ua-Md. Another stage of the main research was constituted mainly from field research and results analysis, applying different tools such as a preliminary survey, a public consultation about the improvement of the actual programme for crossborder development and a series of interviews with stakeholders of the actual programme. We used the findings for a part of the SWOT analysis of the current programme, namely the strengths and the weaknesses.

The specific stage addressed consisted in an application of a questionnaire to 31 experts covering three dimensions: a *vertical* one, meaning that they work at the local, regional and national level, a *horizontal* one, namely they are experts from all three countries, Romania, Ukraine, Republic of Moldova, and a *field coverage*, meaning that they are from public administration (ex: county councils, cities administrations, regional development agencies), nongovernmental organizations, research organizations (universities) and business field (chambers of commerce and industry, business support organizations). The findings of this questionnaire are presented in this paper.

In our research, we decided to have an expert questionnaire based on which we made questions, built according to the Delphi method (Grisham, 2009). In our research it was applied in order to figure out the central tendencies and to consider the other contributions as useful for changes in building a future financial instrument, without consensus focus.

The applied questionnaire had a gradual approach, from general crossborder issues, going to aspects of previous and actual crossborder financial instruments contribution in the research area, then aspects regarding the structure of the actual programme (institutional, documents and process) and finally the partnership issue which is essential for building any crossborder instrument. There were two main types of questions, some which require marks, from 1 to 5 for the items where 1 is on a very small scale, 2 – on a small scale, 3 – at a relative scale, 4 – on a large scale and 5 – on a very large scale; and another category which require a hierarchy of the items in order to prioritize them. A separate type of question was asking to place the answer between two extreme positions and explain the intermediate answers.

The interpretation of the results was different depending on the type of question. In the case of the *1 to 5 scale question* we calculate a total score for each item using the following formula:

$$TS_i = 1xq_{i1} + 2xq_{i2} + 3xq_{i3} + 4xq_{i4} + 5xq_{i5} \quad (1)$$

where q_{ij} is the number of answers j , $j=1,2,3,4,5$ for the i item.

The total score TS was compared with the maximum possible – 5×31 answers = 155, minimum possible 1×31 answers = 31 and the average score = 3×31 answers = 93. The results are placed on line charts showing the tendency to be closer to the maximum, minimum or average score. As will be seen in the following sections, none of the series has a tendency to the minimum score, being rather around the average or going towards the maximum.

In the case of *hierarchy questions* we prepared distribution matrices, gradually highlighting the number of answers depending on the intervals. The number and size of the intervals depend on the number of items that should be hierarchized and these were calculated by using the following formula:

$$31/i = s \quad (2)$$

where 31 is number of questionnaires, i is the number of items that should be hierarchized and s is the size of the interval, with use of natural values only. For example, in the case of Question 2 there are 9 items to be hierarchized, with two open items, also the number of intervals is 10 and the size of the interval is 3. For each question the interval will be mentioned in the following. The items from the open answer are not included in the calculation (e.g. *other item (which one?)*) because the number of answers to the open items is low, containing different proposals, and it will be mentioned separately in each answer. In some cases, because of the spread of answers in the matrix, without clear hierarchy, we consider the application of a supplementary method of ranking, using a total score calculated by the formula:

$$TS_i = \sum_{j=1}^n q_{ij} \times (n - j + 1) \quad (3)$$

where TS_i is the total score for the item i , n – the total number of items that should be hierarchized, except the open items, j – the place in hierarchy (or the rank) and q_{ij} the number of answers that placed the item i on the rank j .

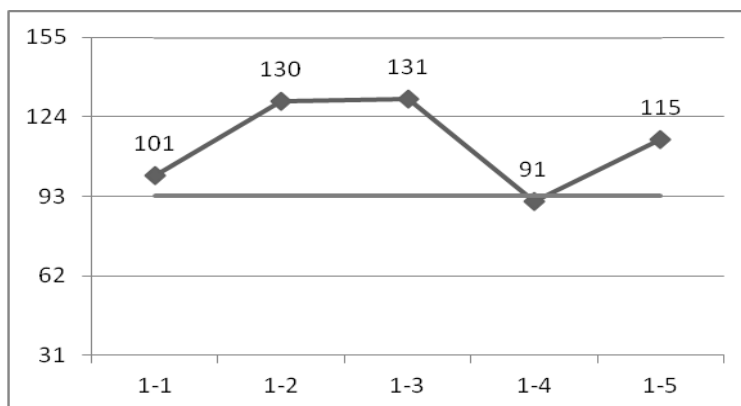
One error that we had to deal with in the case of the answers was that some of the experts did not rank some of the items, possibly to consider that the ‘unranked’ item was not relevant for the topic of the question. In this situation, in the database the answer was counted as ‘0’ value but it was counted in the number of answers. Another error occurred with question 6 which has a section for explanations provided that the expert answered one of the intermediary options between the two extreme situations, namely 2, 3 or 4 options. Only few of the experts filled the explanatory section even if more expressed intermediary options.

3. Findings

In the following section we explain each of the issues approached in the questionnaire together with the main findings.

The first question, a 1 to 5 scale, regarded the contribution of cooperation in the crossborder area Romania-Ukraine-Republic of Moldova and had as selected items: the improvement of the social-economic position of the regional communities (1-1), the relationship between institutions from different sides of the border (1-2), a good partnership (1-3), improvement of the life standard of the people in the crossborder area (1-4) as well as a sustainable and harmonious framework in clearing the barriers and restrictions specific to frontiers (1-5).

Graph 1. The contribution of cooperation in the crossborder area Romania-Ukraine-Republic of Moldova



Source: own representation

We can conclude that cooperation in the crossborder area Romania-Ukraine-Republic of Moldova (the research area) contributes on a large scale firstly to the relationship between institutions from different sides of the border

and to a good partnership and secondly to ensuring a sustainable and harmonious framework in clearing the barriers and restrictions specific to frontiers. On a relative scale, the cooperation contributes to the improvement of the socio-economic position of the regional communities as well as of the life standard of the people living in the crossborder area.

The second question is to make a hierarchy of the factors that contribute to the development of the crossborder cooperation in Romania-Ukraine-Republic of Moldova area, namely the existence of common values (2-1), identification of common trade and economic issues (2-2), visa facilitation (2-3), management of the population migration (2-4), people to people contacts (2-5), contacts between institutions and local/regional administrations (2-6), political cooperation (2-7), financial cooperation (2-8), need for investments (2-9). The number of intervals is 10 and the size of the interval is 3.

Table 1. Matrix of answers - hierarchy of the factors that contribute to the development of the crossborder cooperation in Romania-Ukraine-Republic of Moldova area

	1	2	3	4	5	6	7	8	9
2-1	12	3	3	0	7	3	1	1	4
2-2	3	4	3	0	5	13	2	1	3
2-3	6	7	3	1	1	5	3	3	2
2-4	4	3	0	2	3	5	5	2	7
2-5	0	7	2	4	3	0	5	8	3
2-6	3	3	5	1	4	1	5	4	3
2-7	1	3	6	7	3	1	2	5	3
2-8	1	0	4	8	4	2	3	3	2
2-9	0	1	5	8	1	1	4	3	2

Source: own representation

1-3	4-6	7-9	10-12	13-15

The legend of shade depending on scale, where the maximum number of choices given on an item is 13.

We can notice that the hierarchy of the factors that contribute to the development of the crossborder cooperation in the Romania-Ukraine-Republic of Moldova area, starting with the one with the highest importance until the one with the

lowest importance, is very clear as far as the first two places are concerned, namely the factors who contribute the most to the development of the crossborder cooperation in the research area, the existence of common values and contacts between institutions and local/regional administrations. For the rest of the hierarchy we should apply a supplementary method of differentiation - the one of total score. Also, the total scoring is:

2-1	2-2	2-3	2-4	2-5	2-6	2-7	2-8	2-9
215	183	133	88	177	208	137	130	158

The order of items in the experts' view would be: the existence of common values, contacts between institutions and local/regional administrations, identification of common trade and economic issues, people to people contacts, need for investments, political cooperation, visa facilitation, financial cooperation and last, management of the population migration.

For the open items there were 4 proposals of factors that contribute to the cooperation, namely the overcoming of negative stereotypes, the right behaviour at the border crossing point, the harmonization of the legal frame and tourism.

The third question is to make a hierarchy of the factors that block the development of the crossborder cooperation in the Romania-Ukraine-Republic of Moldova area, namely the existence of different legal systems (3-1), membership to different supranational structures (EU Member State/EU Partner Country) (3-2), economic gaps (3-3), historical events (3-4), language differences (3-5) and territorial disputes (2-6). The number of intervals is 6 and the size of the interval is 5.

Table 2. Matrix of answers - hierarchy of the factors that block the development of the crossborder cooperation in the Romania-Ukraine-Republic of Moldova area

	1	2	3	4	5	6
3-1	14	7	2	1	2	6
3-2	6	12	4	5	0	2
3-3	5	6	14	1	3	1
3-4	3	2	6	5	10	4
3-5	2	2	3	11	9	4
3-6	0	2	2	6	7	9

Source: own representation

1-5	6-10	11-15

The legend of shade depending on scale, where the maximum number of choices given on an item is 14.

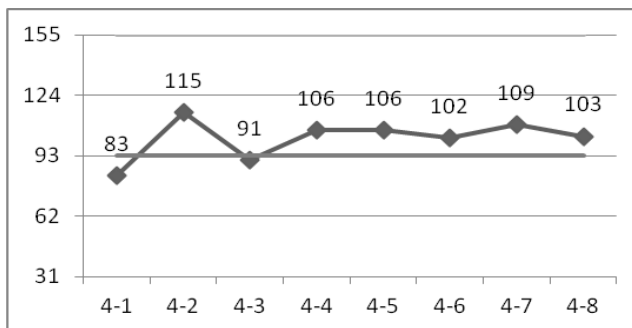
We can notice that the hierarchy of the factors that block the development of the crossborder cooperation in the Romania-Ukraine-Republic of Moldova area, starting with the one with the highest importance until the one with the lowest importance, is very clear, the factors who block the crossborder cooperation in the research area: different legal systems, membership to different supranational structures (EU Member State/EU Partner Country), economic gaps, language differences, territorial disputes and historical events. In case of applying the total score for hierarchy, the ranking is the same:

3-1	3-2	3-3	3-4	3-5	3-6
147	138	114	78	79	79

For the open items there were 5 proposals of factors that block cooperation, namely the visa issues, the wrong behaviour of the officers at the border crossing point, the lack of common strategies for economic and social cooperation, the lack of short and medium term plans for the implementation of those strategies and the excessive duration of projects assessment.

The fourth question, a 1 to 5 scale, regarded the contribution of the Neighbourhood Programmes 2004-2006 Romania-Ukraine and Romania-Republic of Moldova and had as selected items: increase of trade and investment flows (4-1), enhance crossborder cooperation on economic and social policy issues (4-2), promote cooperation in the fields of transport and energy (4-3), integrate neighbouring countries deeper into European cooperation (4-4), expand and qualify the tourism services offer (4-5), boost local sectors and showing a competitive advantage (4-6), develop human resources for local key activities (4-7), develop the professional skills in SMEs management, trade and crossborder integrating sectors (4-8).

Graph 2. The contribution of the Neighbourhood Programmes 2004-2006 Romania-Ukraine and Romania-Republic of Moldova

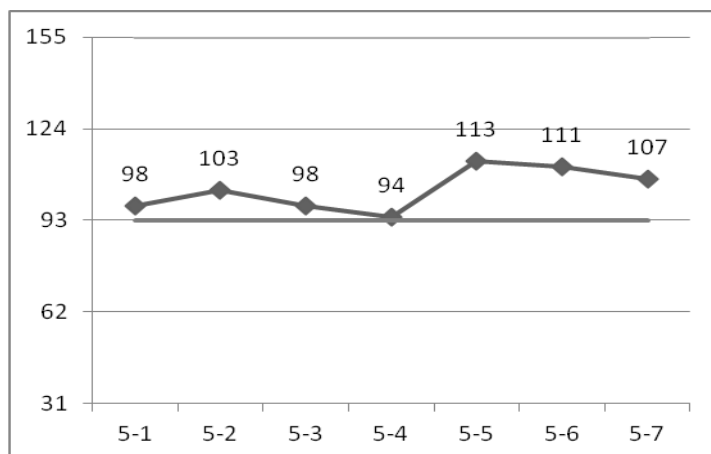


Source: own representation

We can conclude that the Neighbourhood Programmes 2004-2006 Romania-Ukraine and Romania-Republic of Moldova contributed mainly and on a large scale to enhance crossborder cooperation on economic and social policy issues. On a relative to large scale the previous programmes contributed to the development of human resources for local key activities, expansion and qualification of the tourism services offer, integration of the neighbouring countries deeper into European cooperation, development of the professional skills in SMEs management, trade and crossborder integrating sectors and for boosting the local sectors showing a competitive advantage. A small contribution of the programme is in the promotion of cooperation in the fields of transport and energy.

The fifth question, a 1 to 5 scale, regarded the contribution of the Joint Operational Programme Romania-Ukraine-Republic of Moldova in the crossborder area and had as selected items: to improve the economic performance (5-1), to support the SMEs growth (5-2), to improve competitiveness across the economy, particularly for research and development (5-3), to facilitate the ecologically balanced modernization of agriculture (5-4), to develop the existent potential in tourism (5-5), to improve the region's infrastructure through the modernization of transport and energy networks (5-6), to increase the attractiveness of the area for foreign direct investments (5-7).

Graph 3. The contribution of the Joint Operational Programme Romania-Ukraine-Republic of Moldova in the crossborder area



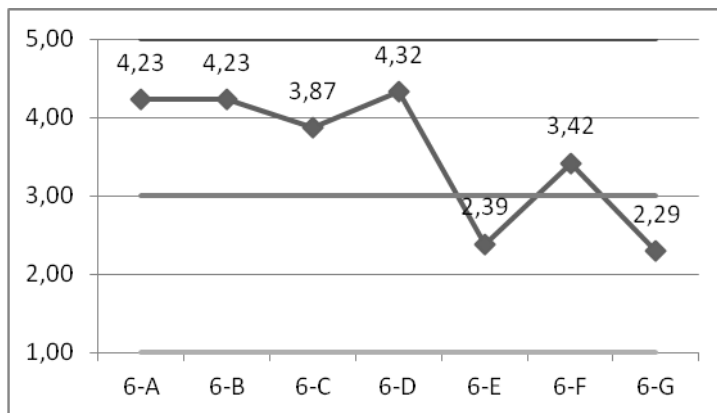
Source: own representation

We can conclude that *the Joint Operational Programme Romania-Ukraine-Republic of Moldova* contributes mainly and on a large scale to the development of the existent potential in tourism and to the improvement of the region's

infrastructure through the modernization of transport and energy networks. On a relative going toward large scale, the actual programme contributes to the support of SMEs growth and to the increase in the attractiveness of the area for foreign direct investments. The programme was considered to have a relative contribution in improving economic performance, and competitiveness across the economy, particularly for research and development and facilitating the ecologically balanced modernization of agriculture¹.

The sixth question is a specific one, the experts set their opinion between the two proposed extreme situations described, 1 and 5, and targeted few programming aspects in the context of the preparation of a new financial instrument for crossborder cooperation in Romania-Ukraine-Republic of Moldova area for 2014-2020: the programme objectives (A), beneficiaries' consultation (B), the involvement of the national authorities from partner countries (C), the provisions of the guidelines for applicants (D), the list of potential applicants (E), the application form (F) and the rules for projects implementation (G).

Graph 4. The expert's average opinion scaled between the extremes 1 and 5, concerning few programming aspects in the context of the preparation of a new financial instrument for crossborder cooperation in Romania-Ukraine-Republic of Moldova area for 2014-2020



Source: own representation

The specificity of the question imposes to treat each item in the matter of conclusion of the experts' answers separately. Next, we have dealt with the

¹ The moment of applying the questionnaire is in the middle of implementation of the actual programme. The situation would be different (in a positive sense) if applied in 2015, at the end of the implementation period.

findings expressed by the experts grouped for each item ranked, and then we concluded for the eight items:

- A. The programme objectives should be specific, some of the experts considering that it would be appropriate to be very specific.
- B. In the programming, the beneficiaries' consultation should exist at each stage by organizing many public consultations.
- C. The involvement of national authorities from the partner countries should be increased, and go further than the involvement in the Joint Monitoring Committee, having implementation responsibilities.
- D. The provisions of the Guidelines for applicants should be very specific, in order to include a list of situations as strict as possible.
- E. The list of potential applicants should be enumerating clearly the types of potential applicants but with a degree of flexibility.
- F. The application form should not be very simple, describing the idea, activities and requested grant but with a degree of complexity, describing in detail the most important sections addressed to any project management issue.
- G. The rules for projects implementation should be specific but also flexible, trying to cover all the possible situations that can occur during implementation.

With regard to the proposals for the open item, a list of the issues needed for the preparation of a new financial instrument is given:

- The appropriateness of the national legislation to the European legislation in the field of procurement; clearance of the discords between the national provisions and the European ones in different matters such as per diem, proof documents, so on.
- The application of the transparency principle all along the process, including submission, assessment, implementation and ending of the projects.
- The minimum value of the "people to people" projects should be lower.
- The assessment and reporting provisions for small projects should be simpler.
- Besides "people to people", all sectors projects should be selected through the procedures of Large Scale Projects;
- Experts from EU (exclusively Romania), with international visibility should be selected in the assessment process.
- Transparency of the procedures, including between the programme countries.
- Unique approach toward the applicants.
- A better communication between the structures that ensure programme implementation – National Authorities, Joint Managing Authority, Technical Secretariats, Audit Authorities, Beneficiaries and Partners. The lack of

communication between the structures responsible for programme implementation leads to the use of different rules for evaluation and control, fact that generates confusion, conflicts, waste of time and money for the ones involved.

- To include the „people to people” projects as a cross-cutting theme and not as a separate priority.
- Harmonization of the specific legislation, mainly in issues regarding financial management, with the consideration that where national legislations are different, the European legislation should be applied.
- Training and education of the experts/public workers/agents from the managing institutions.
- The identification of priority sectors for each call for proposals separately.
- The identification of common points and desires of the programme countries.

The seventh question is to create a hierarchy of the issues mentioned in the previous question, namely the programme objectives (A), beneficiaries' consultation (B), the involvement of the national authorities from the partner countries (C), the provisions of the guidelines for applicants (D), the list of potential applicants (E), the application form (F) and the rules for projects implementation (G), and to select the first 5 most important issues considered in programming a new crossborder financial instrument.

Table 3. Matrix of answers - hierarchy of the first 5 issues considered in programming a new crossborder financial instrument

	A	B	C	D	E	F	G
7-1	9	8	4	1	0	1	0
7-2	5	2	5	5	3	1	4
7-3	3	1	0	8	2	5	6
7-4	2	2	2	2	5	3	8
7-5	1	1	4	7	4	5	3

Source: own representation

1-4	5-8	9-12

The legend of colors depending on scale, where the maximum number of choices given on an item is 9.

We can notice that the hierarchy of the issues is difficult to shape from the matrix because of the spread of answers and because of choice 5 out of 7, except the most important issue in the programming that was considered to be the programme's objective. For the rest of the hierarchy we

should apply the supplementary method of differentiation, the one of total score. Also, the total scoring is:

A	B	C	D	E	F	G
79	56	48	60	32	35	53

The final 5 issues in order of importance in programming are: the programme objectives, the provisions of the guidelines for applicants, beneficiaries' consultation, the rules for projects implementation and the involvement of national authorities from the partner countries.

The eighth question is to make a hierarchy of the elements that define a good partnership in a project or programme, namely joint preparation of the project/programme (8-1), joint implementation of the project/programme (8-2), joint staff for the project (8-3), joint financing of the project/programme (8-4), a generator of new ideas and projects (8-5), the existence of a tradition behind and of a long term (8-6), a good communication (8-7), mutual support (8-8), mutual trust (8-9), similar experiences (8-10), openness and availability to help (8-11), existence of a common interest (8-12), involvement and commitment (8-13), fairness (8-14), tolerance (8-15) and common understanding of the objectives (8-16).

The matrix of answers is not relevant considering the high number of issues that determines the scatter of the answers; also we consider the calculation of the total scores for each item.

8-1	8-2	8-3	8-4	8-5	8-6	8-7	8-8	8-9	8-10	8-11	8-12	8-13	8-14	8-15	8-16
426	386	280	277	177	262	368	241	294	219	200	356	276	163	115	271

The final hierarchy of the elements that are defining a good partnership is the following:

Joint preparation of the project/programme
Joint implementation of the project/programme
A good communication
Existence of a common interest
Mutual trust
Joint staff for the project
Joint financing of the project/programme
Involvement and commitment
Common understanding of the objectives
Existence of a tradition behind and of a long term
Mutual support
Similar experiences
Openness and availability to help

	Generator of new ideas and projects
	Fairness
	Tolerance

There were not any answers for the open items, therefore experts did not consider other elements as leading to a good partnership.

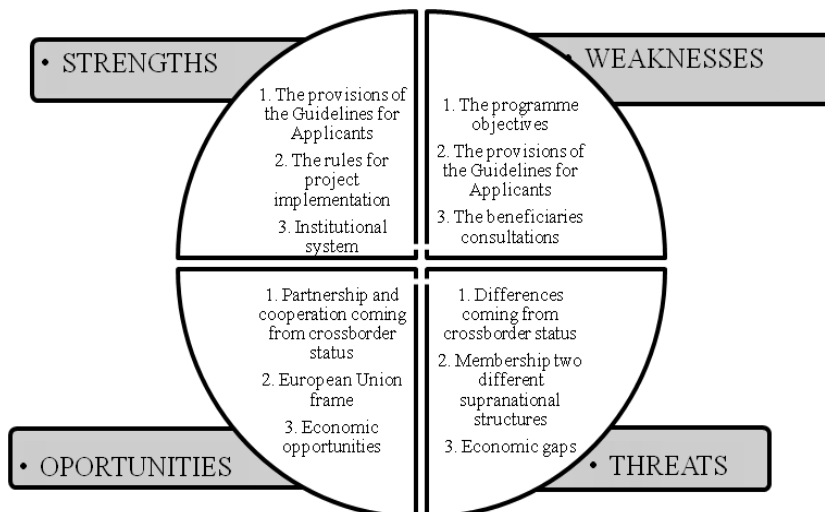
4. A'WOT Conclusions

For this stage of the main research we decided to use the A'WOT method (Kangas, 2001) in a simpler form, in order to create a hierarchy of the SWOT items established in a previous stage, based on the experts' centralized opinion that we collected by applying the questionnaire. In A'WOT, the Analytic Hierarchy Process (AHP) is integrated with SWOT analysis. The aim in applying the hybrid method is to improve the quantitative information basis of strategic planning processes. Therefore, decision alternatives can be evaluated with respect to each SWOT factor by applying the AHP.

In our research we decided to have the expert questionnaire used instead of the SWOT groups' comparison used in the Kangas approach; we built the questionnaire according to the Delphi method, with hierarchies among the groups of items as presented in the SWOT analysis. We decided to use this simple approach due to the high number of items on each window of SWOT and due to the fact that the recommended changes for the financial instrument concern groups of intervention.

Therefore, applying the hierarchies from the experts' dominant opinions on the groups of SWOT analysis of the actual programme from the research area, namely crossborder area Romania-Ukraine-Republic of Moldova, we obtained the following core of intervention as in Figure 1. As presented in this figure, the approach for building a new financial instrument should start from the provisions of strengths in the Guidelines for Applicants. The rules for project implementation and the institutional system have changes on the weak points at the level of the programme objectives. The strategic framework of the new financial instrument at the objectives level, in order to have an economic impact, should make use of the opportunities concerning partnership and cooperation coming from crossborder status, European Union frame and economic opportunities. If we consider the specificity of crossborder programmes, it is focused mostly on partnership and cooperation, where the first topic is economic issues for development. Priority is given to partnership building which means a step towards simplifying future cooperation and help stakeholders focus more on economic strategies and projects.

Figure 1. The simple A'WOT scheme for core strategic changes in a future financial instrument in the research area



Source: own representation

As far as the directed economic influence is concerned, looking at the comparative table of sectors of intervention and the hierarchy of contribution, we can conclude that partly the previous programmes, Neighbourhood Programmes, contributed in a relative matter to economic issues, the economic targeted intervention being widely spread, also difficult to have focus results and measure the impact. The actual programme has an approach at which we will have a closer look and which we shall analyze.

Since both instruments targeted the tourism sector and the results of the programmes by now, we would limit to a large extent the future intervention in this area (Şlusarciuc, 2011; 2013). Also, we consider that the region's infrastructure through the modernization of transport and energy networks should be addressed through the large scale projects agreed at the national level in order to have a real crossborder economic impact. The main focus should be on supporting the SMEs growth, increasing the attractiveness of the area for foreign direct investments, improving the economic performance and competitiveness across the economy, particularly for research and development (Table 4).

Table 4. Comparative table of economic sectors of intervention proposed by the programme acting in the research area and the contribution hierarchy

Previous programmes proposed sectors and the evaluated contribution by the experts	Actual programmes proposed sectors and the evaluated contribution by the experts²
to enhance crossborder cooperation on economic and social policy issues	to develop the existent potential in tourism
development of human resources for local key activities	to improve the region's infrastructure through the modernization of transport and energy networks
expansion and qualification of the tourism services offer	to support of SMEs growth
integration of the neighbouring countries more deeply into European cooperation	to increase the attractiveness of the area for foreign direct investments
development of the professional skills in SMEs management	improving the economic performance
trade and crossborder integrating sectors	improving competitiveness across the economy, particularly for research and development
boosting the local sectors showing a competitive advantage	facilitating the ecologically balanced modernization of agriculture
promotion of cooperation in the fields of transport and energy	
increasing the trade and investment flows	

Source: own representation

In this perspective, the key area of intervention is related to SMEs as beneficiaries of the financial intervention considering that as by now, they could be project beneficiaries and not grant beneficiaries, the main channel of intervention being through business associations firstly, universities secondly and rarely through public institutions.

5. Conclusion

Following previous analyses and research and focusing on the findings presented in the paper concerning the priorities of intervention with regard to a

² The moment of applying the questionnaire during the implementation of the actual programme. The situation will be different (in a positive sense) if applied in 2015, at the end of the implementation period.

new programme in the crossborder area Ro-Ua-Md we have reached three main conclusions:

1. The approach for building a new financial instrument should start from the provisions of strengths in the Guidelines for Applicants. The rules for project implementation and the institutional system have changes on the weak points at the level of the programme objectives. The strategic framework of the new financial instrument at the objectives level, in order to have an economic impact, should make use of opportunities concerning partnership and cooperation coming from crossborder status, European Union frame and economic opportunities.
2. If we consider the specificity of crossborder programmes, they are focused mostly on partnership and cooperation, where the first topic is related to economic issues for development. Priority is given to partnership building which represents an important step in simplifying future cooperation and should help stakeholders focus more on economic strategies and projects.
3. As far as both previous programmes targeted the tourism sector, we would limit to a great extent future intervention in this area. Also, we consider that the region's infrastructure through the modernization of transport and energy networks should be addressed through the large scale projects agreed at the national level in order to have a real crossborder economic impact. The main focus should be on supporting the SMEs growth, increasing the attractiveness of the area for foreign direct investments, improving the economic performance and improving competitiveness across the economy, particularly for research and development. In this perspective, the key area of intervention is related to SMEs as beneficiaries of the financial intervention. Until now, they could only be project beneficiaries and not grant beneficiaries, the main channel of intervention being through business associations firstly, universities secondly and rarely through public institutions.

The research findings give a good premise for shaping a better future model of financing instrument of the crossborder projects in the Romania-Ukraine–Republic of Moldova area for economic development and long term cooperation.

References

- Giusti, S. and Penkova, T. (2010), EU Policy toward Ukraine and Belarus: Diverging Paths? in F. Bindi, *The Foreign Policy of the European Union: Assessing Europe's Role In The World*, Washington: Brookings Institution Press.
- Grisham, T. (2009), The Delphi technique: a method for testing complex and multifaceted topics, *International Journal of Managing Projects in Business*, Vol. 2, No. 1, pp. 112-130.

Haukala, H. (2011), The European Union as a Regional Hegemon: The Case of European Neighbourhood Policy, in R. Whitman, *Normative Power Europe, Empirical and Theoretical Perspectives*, New York: Palgrave Macmillan, pp. 45-64.

Hudak, V. (1996), *Building a New Europe – Transfrontier Cooperation in Central Europe*, Prague: Institute for EastWest Studies.

Huntington, S. P. (2011), *The Clash of Civilizations and the Remaking of World Order*, New York: Simon & Schuster.

Jyrki Kangas, M. P. (2001), A'WOT: Integrating the AHP with SWOT Analysis, *Proceedings – 6th ISAHP 2001 Berne*, Berne.

Herrschel, T. (2011), *Borders in Post-socialist Europe: Territory, Scale, Society*, Surrey: Ashgate Publishing Limited.

Leibenath, M. (2008), Exploring the Gaps: Sustainability as a Challenge for Crossborder Governance in Central Europe in M. Leibenath, E. Korcelli-Olejniczak, & R. Knippschild, *Crossborder Governance and Sustainable Spatial Development: Mind the Gaps!*, Berlin: Springer Verlag.

Moisescu, G. (2008), *Politici transfrontaliere ale Uniunii Europene*, PhD thesis. Chișinău: Universitatea Liberă Internațională Moldova.

Popa, N. (2006), Regiunile de cooperare transfrontalieră, surse de stabilitate sau de conflict?, *Geopolitica*, Vol. 4, No. 20, pp. 23-34.

Șlusarciuc, M. (2011), Phare crossborder grants and changes in the crossborder economy, *The USV Annals of Economics and Public Administration*, Vol. 11, No. 2(14), pp. 110-118.

Șlusarciuc, M. (2013), Challenges of the cross-border cooperation programmes at the Eastern border of the European Union, in Pascariu, G. C., Frunza, R. and Moga, T. L. (eds.), *The EU as a model of soft power in the Eastern neighbourhood*, Iași: Editura Universității „Alexandru Ioan Cuza”, pp. 438-448.

Tassilo, H. (2011), *Borders in Post-socialist Europe: Territory, Scale, Society*, Surrey: Ashgate Publishing Limited.

Volkhart, V. (2007), The European Neighbourhood Policy: An Economic Perspective, in Johannes, V. and Kai Olaf, L. (eds.), *European Neighbourhood Policy: Challenges for the EU-Policy Towards the New Neighbours*, Opladen&Farmington Hills: Barbara Budrich Publishers, pp. 117-128.