# **Cross-Border Transnational Urban Economic Regions**

Europe	
Name/Abbreviation	Countries
Öresund Region	Denmark, Sweden

The "fixed link", a 16km bridge/man-made island/submerged tunnel construction that was inaugurated in July 2000, connects Denmark with Sweden across the Öresund. 9,500 cars with an average of 2.3 passengers as well as 14,800 people being transported by rail cross from one side to the other daily. The Öresund region consists of Copenhagen and an estimated population of 2.4 million on the Danish side and the Malmö/Lund area with 1.1 million inhabitants on the Swedish side. The area covers 20,859 km². In addition to economic cooperation, profiting from the Kastrup International Airport and the CM Port Joint Company, the focus is on "education": 25% of the population received schooling of 13 years or more and there are 50,000 engineers working either in Denmark or Sweden.

#### Vienna-Bratislava

#### Austria, Slovak Republic

The metropolitan region of Vienna and Bratislava (ViBaMer) covers a surface area of 30,000 km² and has a population of 4.5 million. With a distance of 55km, these cities are the national capitals most closely located to each other in the world. After a separation of 40 years, interaction started again after the fall of the "Iron Curtain" in 1989 so that the region (consisting of the *Länder* of Vienna, Lower Austria, Burgenland and the provinces of Bratislava and Trnava) has steadily been converging. With Slovenia joining the EU in 2004, interactions will continue to increase, though transitional agreements will limit labor market mobility until 2011.

The ViBaMer is sometimes expanded to include northern Hungary (the city of Györ), creating the Golden Triangle, or also referred to as the core region of the wider Euroregion Vienna-Bratislava-Prague-Budapest.

# Baltic Sea Region/Finland Gulf

Sweden, Germany, Finland, Estonia, Lithuania, Latvia, Poland, Denmark, Russia, Belarus, Norway

The Baltic Sea Region encompasses (parts of) 11 countries with approximately 150 million inhabitants. In order to reach a higher level of spatial intergration and competitiveness, cooperation in the fields of regional, economic and social interaction and development is fostered. Known as the Northern Dimension (ND), the multilateral economic integration policy targets European Union members, applicant countries, and countries outside the membership process to engage in contractual agreements impacting a variety of fields. The (ND) works to emphasize the cooperation and increase the capabilities of EU programs such as PHARE, TACIS and INETRREG in the financing of cross-border projects.

#### RegioTriRhena

#### Germany, Switzerland, France

The creation of an integrated labor market is the basis for the historically advanced RegioTriRhena which was launched in 1975. It encompasses parts of north-western Switzerland, southern Alsace and southern Baden (Germany), with a total area of 8,700 km² populated by 2.2 million inhabitants. The region is a preferred economic location in the heart of Europe, benefiting from the good availability of skilled labor, excellent transport infrastructure and cluster effects. Full integration is yet to be reached: work permits, different taxation policies and social security regulations being major obstacles which is further complicated by the fact that Switzerland is not an EU member state. Nevertheless, a high degree of functional integration, which constitutes itself in an extensive cross-border labor migration, has been reached.

#### Saar-Lor-Lux (SLLR)

France, Germany, Luxemburg, Belgium

Seventeen partners work in the region of Saarland, Lothringen, Luxemburg and Rheinland-Pfalz to make the vision of a transnational geographic and professional mobility in Europe become a reality. Within Europe, it is the region with the largest number of cross-border commuters (136,000). The cooperation looks back on a long tradition and encompasses economic as well as social aspects. Automotive industry has the highest share in employment in the region (taken over from mining).

### **EUREGIO**

Germany, Netherlands

This region builds on 140 municipalities, cities and districts in the German states of Lower Saxony and Northrhine-Westphalia and the Dutch provinces of Gelderland, Overijssel and Drenthe. It covers an area of about 13,000 km² with a population of 3.2 million. The objective was (and is) to establish cross-border structures in the economic and social spheres in order to lead the region from one characterized by a lack of infrastructure and a dependency on agriculture and textile industry in peripheral regions of their respective countries towards a focus on education (universities and other institutions of higher education), technology, services and tourism. Along with that, a network of small and medium size companies was created that each feature cross-border activities.

# Nisa Euro-region

# Poland, Czech Republic, Germany

The cities of Zittau (Germany), Liberec (Czech Republic) and Jelenia Gora (Poland) are the centers of the area that covers about 12,000 km² and is home to about 1.75 million inhabitants. Starting in 1991, efforts to integrate the countries have been supported by the EU. In the framework of EUREX (euroregional expert groups), four focus areas have been assigned: 1) infrastructure and economy; 2) environment; 3) health and security; 4) people-to-people. Within INTERREG III A and PHARE CBC programs, crossborder cooperation has been intensified.

# Frankfurt (Oder) - Slubice

# Germany, Poland

The border region of Frankfurt-Slubice covers an area of around 10,000 km² and has around one million people. Separated by the Polish-East German border for more than 40 years, cross-border collaboration and social interaction started hesitantly in the 1990s. Economic performance on both sides of the border is weak and unemployment high. The EU and national obstacles pose a considerable burden on transactions across the border. Disparities between the German and the Polish part of the region are not decreasing. Poland's EU accession will remove a number of current obstacles to cross-border integration and leave more scope for active integration to local and regional policy makers. One promising aspect of regional cross-border collaboration is the Viadrina University which was set up explicitly as a common German-Polish endeavour.\*

# **Euregion Meuse-Rhine** (Liège-Maastricht-Aachen)

Belgium, Netherlands, Germany

The Euregion Meuse-Rhine covers an area of around 11,000 km², counts almost 3.8 million inhabitants and shares five different cultures (German, Dutch, Flemish, Walloon and the culture of the German-speaking Community of Belgium). As a laboratory of the European experiment, it can be qualified as "Europe in miniature". In 1991, the Euregion acquired the juridical status of a foundation under the Dutch law. It is the main institutional interlocutor between provincial, regional and national actors in the selection, implementation and management of cross-border initiatives. The main areas for cross-border collaboration are within the areas of economic cooperation, public transportation, environment protection, tourism, training policy and technology partnership. Increased integration has reduced the

disadvantages of peripheral location, but learning and innovation across the border still appear to be weak.\*

#### **NAPAN**

Northern Adriatic Ports Area Network (Trieste, Koper, Rijeka)

Italy, Slovenia, Croatia

The cooperation in this region is mainly between Trieste (Italy) and Koper (Slovenia), with the city of Rijeka in Croatia included at times as two international land borders can be crossed within 30 km. Co-ordinated strategic planning is a necessity where two rather different ways of territorial organization meet. Supported by various EU-sponsored programs, the cross-border cooperation has reached an advanced stage, not least because they facilitated the overcoming of mistrust and improved mutual knowledge and acceptance.

Americas	
Name/Abbreviation	Countries
PNWER Pacific NorthWest Economic Region	USA, Canada

The PNWER was founded in 1991 among legislators, governments and businesses of five American states (Washington, Oregon, Idaho, Montana and Alaska) and three Canadian provinces/territories (British Columbia, Alberta and the Yukon). As a relatively young but dynamic cross-border region, it is the involvement of local civil society in cross-border issues that is its characterizing feature, which holds true for environmental NGOs and associations in particular.

# San Diego-Tijuana

USA, Mexico

The San Diego/Tijuana region comprises San Diego (California) and the *municipios* of Tijuana, Tecate and Playas de Rosarito (Baja California), with a total of around 4 million people. San Diego County grew by more than 30% in the 1980s alone and Tijuana's population has increased by nearly two-thirds in the same time period. Tijuana's growth can partially be attributed to its proximity with the United States, the restrictions for Mexican migrants and commuters to the US labor market, and the consequent growth of trade and development of the *maquiladora* industry along the border. Until recently manufacturing growth has been particularly robust on the Mexican side. There is evidence that the economy of Tijuana is now maturing and the rate of growth in trade and commercial employment is rising while the rate of growth in manufacturing employment is declining.\*

#### El Paso-Ciudad Juarez

USA, Mexico

The El Paso/Texas/USA and Ciudad Juarez/Mexico transnational economic region started out much like its neighbor San Diego/Tijuana did: thriving on the emergence of *maquiladoras*, favored by the 1965 Mexican Border Industrialization Program (BIP). With almost 2 million inhabitants (ca. 600,000 in El Paso, 1.2 million in Ciudad Juarez), they are key international trading centers on either side of the border. While Juarez features a growing number of *maquiladoras* accompanied by an increasing demand for unskilled labor, El Paso has been undergoing an economic transition triggered by the sharp decline of its economic focus, the apparel industry, from a low-skill and low-wage to a more diverse and higher skilled economy, specializing in high-tech enterprises.

#### **Detroit-Windsor**

USA, Canada

The Detroit (Michigan) and Windsor (Ontario) region covers a surface area of 12,386 km² and has a population of about 4.8 million people. Greater Detroit, as the sixth largest metropolitan area in the US, consists of 250 distinct municipalities which are not organized under an over-arching political authority. The same structure applies to Greater Windsor, though its municipalities are dramatically smaller and more rural. The region features similarities with the Öresund Region when it comes to cross-border bridge infrastructure. With the advent of NAFTA, the relationship between the US and Canada has evolved into one of increased economic interdependance which fuels the functional cooperation.

Montevideo-Buenos Aires	Uruguay, Argentina
Iguazu-Foz do Iguaçu-Ciudad del Este	Argentina, Brazil, Paraguay

The Tri-Border region of Argentina, Brazil, and Paraguay includes the cities of Iguazu, Foz do Iguaçu, and Ciudad del Este. They surround Iguazu falls on the Iguazu River, which divides Argentina from Brazil and the Paraná River separates Brazil and Paraguay. Trade links the three cities. For a long time Paraguay's Ciudad del Este enjoyed a taxfree status that made it a large part of Paraguay's re-export economy. Foz do Iguaçu, Brazil, serves as both a major tourist destination because of the falls and as a center of residence for many commuters who work in Ciudad del Este in the financial services sector (55 banks). The latter is the focus of commercial activity in the region. Its population of 240,000 is urban and sub-urban. The re-export of goods (illegal) into Brazil and Argentina has declined significantly since Brazil and Argentina have lowered import duties and the formation of the Southern Cone Common Market (MERCOSUR) in 1995. In 2001 re-exports contributed about \$1.5 billion. This has meant a shift of entrepreneurs into even more illegal activity either exporting knock-off cds and electronics manufactured in Asia or transporting drugs into Brazil. The Paraguayan government would like to turn Ciudad del Este into a maquiladora center. The Tri-border region is largely lawless and considered a hotbed of terrorist funding and money laundering. A highly organized off-shore banking structure in Ciudad del Este helps launder money of everything from illegal cigarettes to terrorist financing. Iquazu and Foz do Iquacu are tourist and residential towns that serve as bases for those rich enough to live there or the approximately 1 million who visit the falls yearly. The Itaipu hydroelectric plant produces enough power to supply almost all of Paraguay and export power to Brazil. The low cost of energy in the area makes the region conducive to industry. The region has the opportunity to grow but is mired in crime and corruption.

#### Asia/Oceania

Name/Abbreviation	Countries
SiJoRi Growth Triangle	
(Singapore, Johor/Malaysia, Riau	Singapore, Malaysia, Indonesia
Archipelago/Indonesia)	

In the beginning, the SiJoRi Triangle was based on bilateral agreements and in 1995 was formally made into a trilateral cooperation between Singapore, Johor and the Riau Archipelago - some sources call it the "original" growth triangle. This area as such came into being as an external effect of growth that spilled over from an advanced economic center, in this case Singapore. One of its strentghs is the strong political support on all sides and the facilitating infrastructure. In 1996, new areas in Indonesia and Malaysia were added and therefore, the area was re-named the Indonesia-Malaysia-Singapore Growth Triangle. It now encompasses about 500,000 km² and 34 million inhabitants.

# **IMT-Growth Triangle**

Indonesia, Malaysia, Thailand

A major regional cooperation initiative in South East Asia started in 1993 with the emergence of the Indonesia-Malaysia-Thailand Growth Triangle (IMT-GT). The triangle consists of the North Sumatra and Aceh provinces of Indonesia, Narathiwat, Pattani, Satun, Songkhla, and Yala provinces in southern Thailand, as well as the northen Malaysian states of Kedah, Penang, Perak and Perlis. In total, this area covers an estimated 160,000 km² with a population of approximately 19 million. The key cooperation in this triangle involves the lowering of transportation and transaction costs to promote foreign direct investment and economic development in the regions. Moreover, the triangle serves as an avenue to reduce costs of production through economies of scale.

# **BIMP-EAGA**

Brunei Darussalam-Indonesia-Malaysia-Philippines East Asian Growth Area Brunei, Indonesia, Malaysia, Philippines

The BIMP-EAGA was first discussed in 1992 and officially launched in 1994. It covers a surface area of 1.54 million km², inhabited by 45.6 million people. The cooperation features no central secretariat and a quadrilateral consensus is not required; in fact, bi- or tri-lateral agreements are encouraged. The cooperation was divided into four clusters, each of which is led by one of the participating countries: 1) transport and infrastructure development, 2) natural resources, 3) joint tourism development and 4) SME development/capital formation and finance services. Among the major accomplishments was the installation of direct air and sea linkages within the area.

# Tumen River Area Development

Russia, China, Mongolia, North Korea

The Tumen River Area Development Program has been supported by the UNDP since 1991. The area spans Yanbian Prefecture (China), Rajin-Sonbong Zone (North Korea), Eastern Mongolia and Primorsky Territory (Russian Federation) with a surface area of 496,946 km² and a population of about 4.8 million. The program aims to establish institutional mechanisms for regional dialogue and further cooperation; the improvement of political relations and stability is expected to attract further investment and economic growth. The vast resources, both natural and human, are being tapped to improve performance in four key areas: transport, investment, environment and tourism.

# **Emerald Triangle**

Cambodia, Laos, Thailand

The Emerald Triangle builds on a shared vision and political commitment as expressed in the *Pakse Declaration on Tourism Cooperation* of 2003. The cooperation wants to facilitate the utilization of combined tourism resources in order to generate economic growth. Two provinces of each participating state are involved: Ubon Ratchathani and Sisaket in northeastern Thailand, Preah Vihear and Odor Meanchey in northwestern Cambodia and Champasak and Salavanh in Laos. In December 2003 the *Emerald Triangle Plan of Action* was created, focusing the efforts on joint research, human resources development, joint marketing and promotion, exchange of personnel and expertise and development of transportation and tourism facilities.

# GMS (Greater Mekong Subregion)

Cambodia, Laos, Myanmar, Thailand, Vietnam, Yunnan Province (China)

240 million people, the majority of them living in rural areas, live in this region with a surface area of 2.3 million km². The Greater Mekong Subregion Program was started in 1992 and set out to promote economic and social development by strengthening economic linkages. The structures are informal, yet almost 100 projects have been identified and prioritized along four focus areas: 1) realization and enhancement of development opportunities; 2) encouragement of trade and investment among the GMS countries; 3) resolve or mitigation of cross-border problems and 4) common resource and policy needs.

#### South China Economic Zone

# Taiwan, Hong Kong, Guangdong

The formation of the South China Economic Zone started in 2002. It consists of Taiwan, Hong Kong and the Guangdong region of China, with a total population of more than 100 million people in an area approximately 220,000 km². The economic cooperation in the zone includes the extension of benefits from tourism in the region, developing key infrastructure facilities as well as integrating high value-added industries. The long term plan of the cooperation intends to develop a rapid transition toward becoming a high-tech region in the world.

#### Pan-Yellow Sea Economic Zone

South Korea, Chinese eastcoast, Japan

The Pan-Yellow Sea Economic Zone is a recent expansion of the Yellow Sea Economic Zone of the 1980s, with the inclusion of Japan into the South-Korea and China original cooperation. The zone includes the western coast of South Korea, China's coastal region from Liaoning to Quangdong, as well as the Kyushu region in Japan. In total, the Pan-Yellow Sea Economic Zone covers more than 750,000 km² with about 300 million people. Cooperation exists specifically in sectors such as the semi-conductor, automobile and steel industries. A network of information exchanges has also been started with the intention to exchange R&D strategies for future economic development of the regions as well as to promote businesses and investment across the borders.

Africa	
Name/Abbreviation	Countries
Livingstone-Victoria Falls	Zambia, Zimbabwe
Siavonga-Kariba	Zambia, Zimbabwe
Beitbridge-Messina	Zimbabwe, South Africa
Plumtree-North East District	Zimbabwe, Botswana
Copperbelt-Shaba	Zambia, Zaire
ZMM-Growth Triangle	Zambia, Malawi, Mozambique

The United Nations Development Pragram (UNDP) launched the ZMM Growth Triangle (ZMM-GT) initiative in May 2001. The triangle covers the area from Mulungu, Zambia's northern port town, to Mozambique's port city of Beira on the Indian Ocean. As such, the triangle includes the regions between the two boundaries: Nakonde, Chipata, Chama and Lundazai districts (Zambia), Chitipa, Karonga, Rumphi, Nkhata Bay and Mzimba districts (Malawi) and most of western Mozambique. In total, the triangle covers an approximate area of 300,000 km², with a population of more than 8 million. The main challenge of the triangle is to enhance trade and private investment in the three countries. Although the private sector plays the main role in enabling faster and deeper economic integration of the three countries, the governments have to support the process by eliminating strict immigration and trade laws, as well as implementing more liberal trade policies.

\* OECD 2003, pp. 147/148

regions in grey are mainly RURAL, which is also suspected of the undescribed African ones

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