

“Integrated Territorial Management and Governance” III Postgraduate workshop of the ESPON/ENECON project, Aalborg University, Aalborg, DENMARK, March 28th, 2014

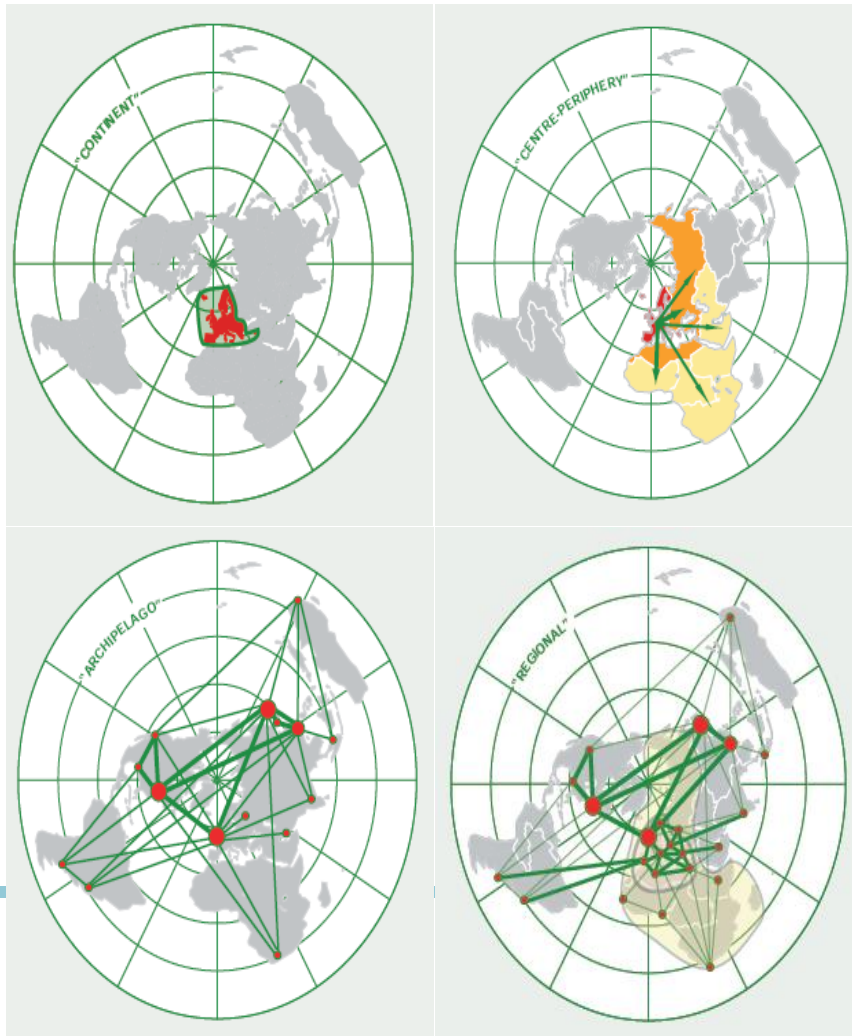
The effects of the border on land-use patterns and their governance in the Finnish-Russian borderlands

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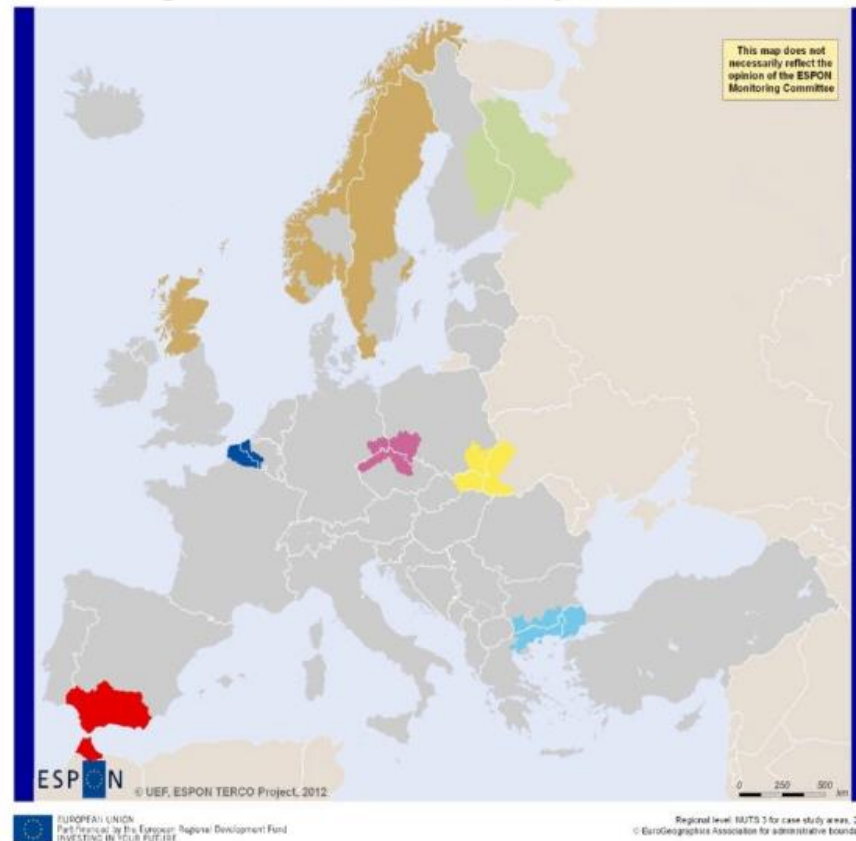
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ESPON in the World project (2006)



TERCO - European Territorial Cooperation as a Factor of Growth, Jobs and Quality of Life

Figure 5: TERCO case study areas



TERCO Case Study Areas

Finland-Russia	Belgium-France
Greece-Bulgaria-Turkey	Scotland-Norway-Sweden
Poland-Slovakia-Ukraine	Spain-Morocco
Germany-Poland-Czech Republic	

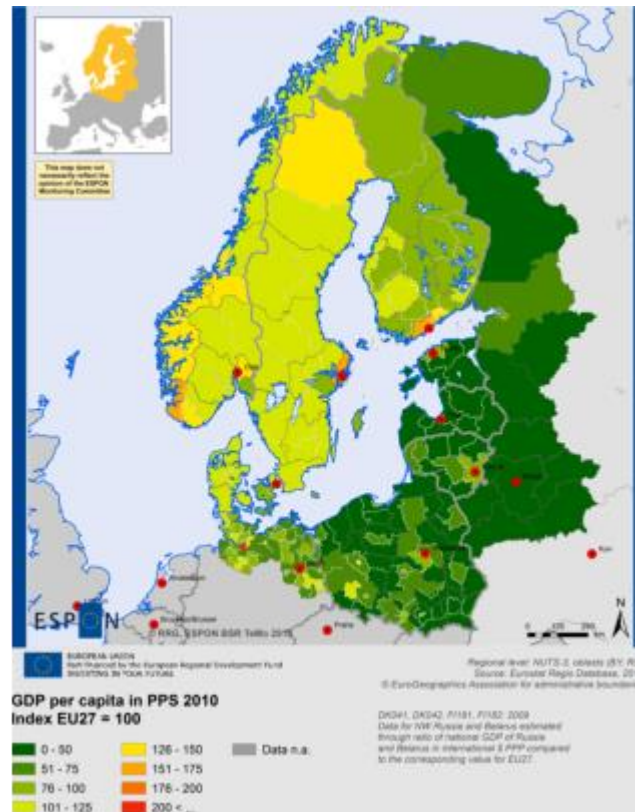
In addition, two more "transcontinental" case studies were carried out:
1. Rosario (Argentina) - Spain
2. Canelones (Uruguay)- the Canary Islands + Diputacion of Barcelona (Spain)

ITAN - European Neighbour Regions

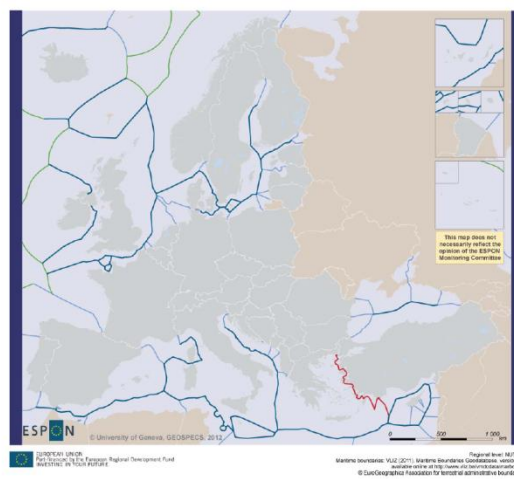
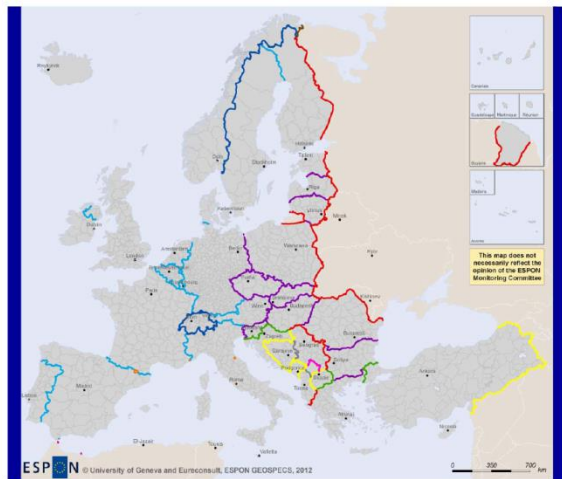
Map 1: the macro-regional map-kit



BSR-TeMo - Territorial Monitoring for the Baltic Sea Region

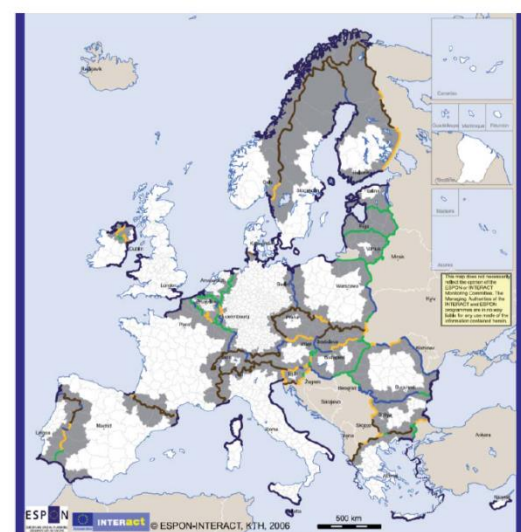


GEOSPECS - Geographic Specificities and Development Potentials in Europe



Types of maritime boundaries

- National maritime boundary between territories without a significant land connection
 - Major disputed maritime boundary
 - Maritime boundary between territories with a land connection
 - 200 nautical mile limit
- ESPON Space
Non-ESPON space



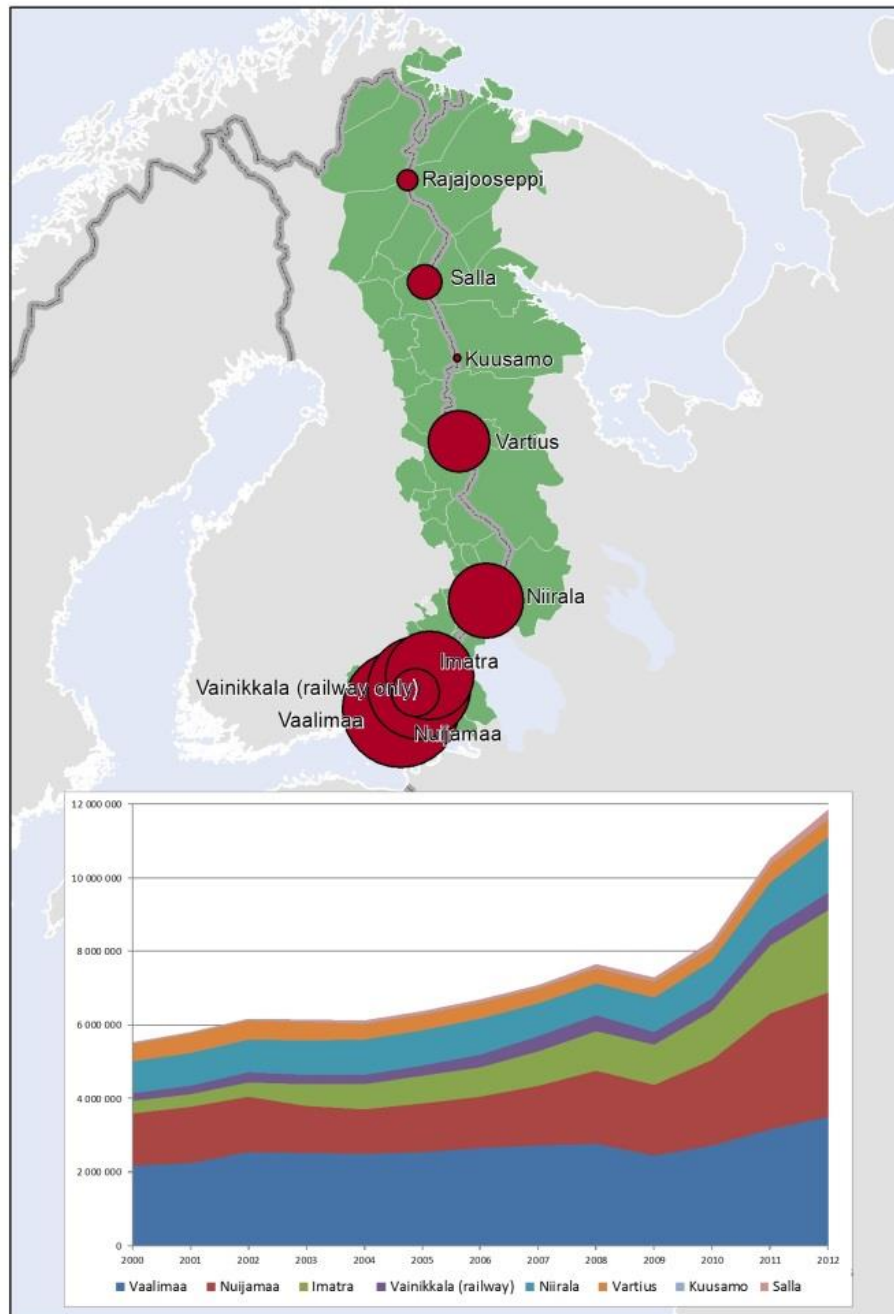
- Type of Border:
- River
 - High Mountains
 - Low Mountains
 - Green
 - Sea border
 - Border Regions

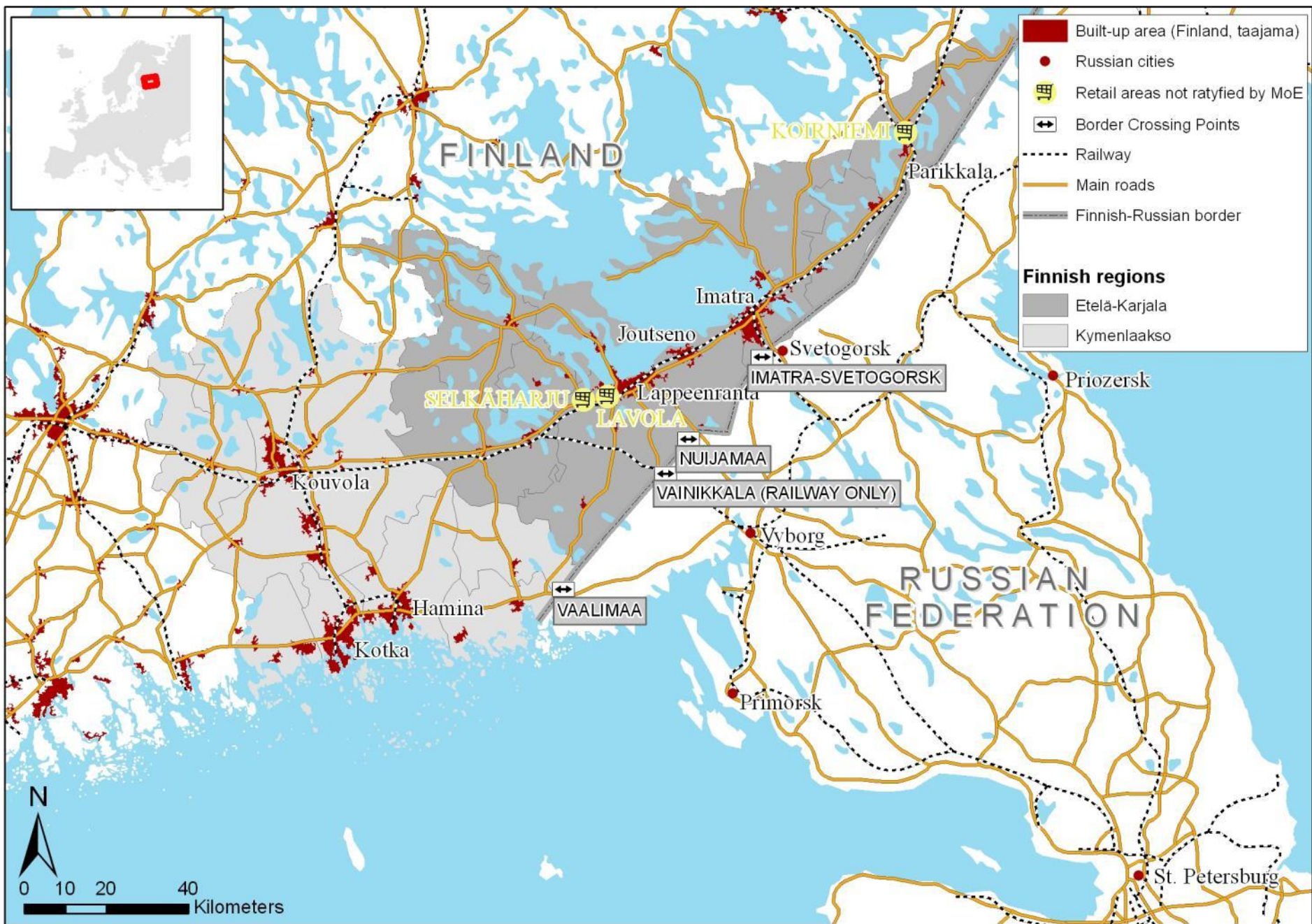
Borders – and their effects

- O'Dowd (2002) identifies four different functions of borders
 - (a) as barriers to interaction – by, for example, inhibiting the transfer of goods, capital, people and labour, but also knowledge, ideas, policy cognitions and planning approaches;
 - (b) as bridges connecting partners;
 - (c) they can be utilised as resources
 - (d) they are symbols of identity.
- Martinez' (1994) classification of border interaction:
 - Alienated borderlands
 - co-existent borderlands
 - Interdependent borderlands
 - Integrated borderlands
- “deep” vs. “shallow” regional integration (De Lombaerde et al. 2008)
- Border effects (both 'positive' and 'negative') extend beyond the immediate border

Characteristics of the Finnish-Russian border

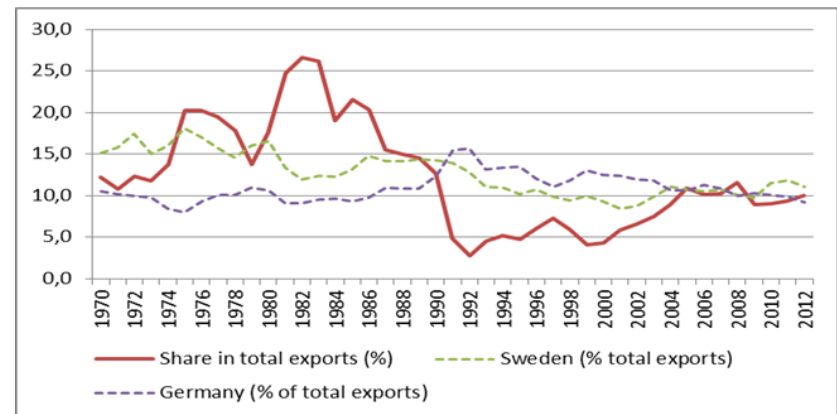
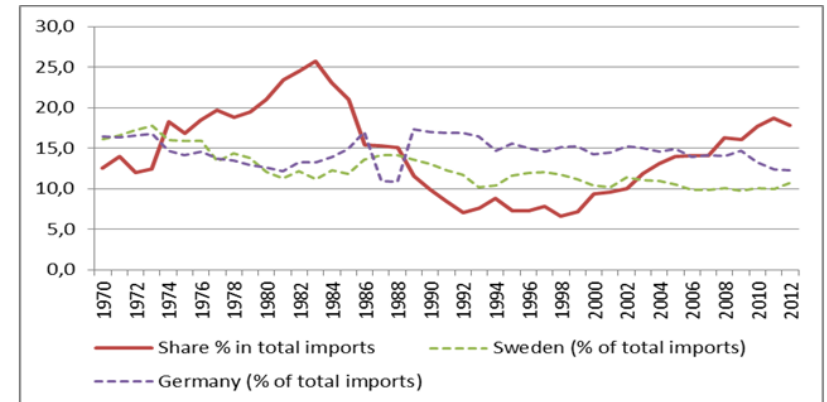
- bilateral trade based on political agreements and strictly regulated group tourism of Soviet times have given way to diverse and market-based economic relations as well as individual tourism
- Increasing permeability since the early 1990s
- 1340km long border with 9 international border crossing stations
- No dramatic change in border regime and border control
- Significant investments in border crossing infrastructure
- From technical assistance to reciprocal co-operation in CBC





Finnish – Russian Interaction (1): Trade and Investments

- Russia has become the most significant trading partner of Finland
- Import of mineral fuels, timber, etc.
- Finnish investments do not focus on the immediate border



Finnish – Russian Interaction (2): Migration and second homes

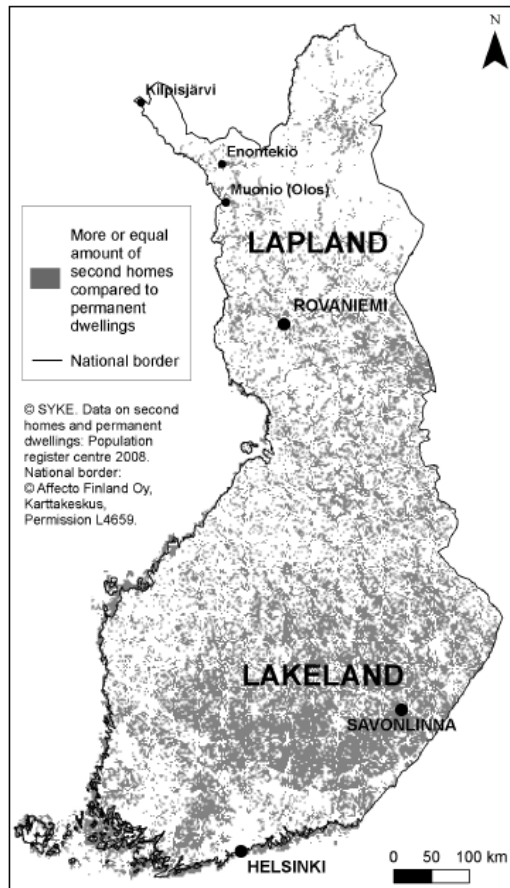
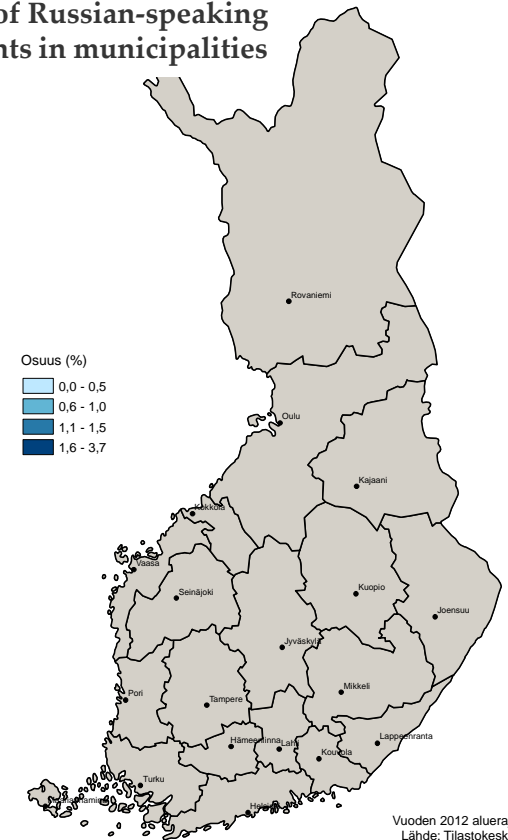


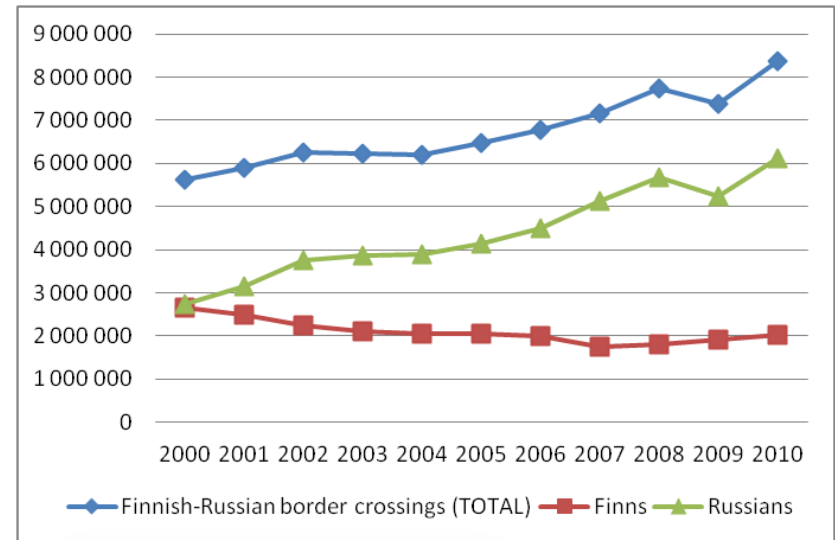
Figure 1. The relationship of second homes and permanent dwellings in 2km x 2km grid in 2007

The % share of Russian-speaking inhabitants in municipalities



Finnish – Russian Interaction (3): Russian tourism in the Finnish borderlands

- From 1 million border crossings in the early 1990s to 12 million in 2012, with Russians constituting now over 80% of that figure
- mainly for shopping purposes, but also leisure tourism and second homes
- Russians spent € 1.2 billion in Finland in 2012 (2011: 0.86, 2010: 0.68 billion)
 - ... looking for lower prices and/or quality (tax-free)
- Significant investments in retail infrastructure pose challenges to the land-use planning system in the border regions



(<http://barentsobserver.com>; rajaliikenne.fi)





The spatial impacts of increasing interaction with Russia

- significant investments for Finland to reap the benefits of this new territorial setting → no major land-use conflicts
 - New and improved border crossing stations
 - (High-speed) rail (Allegro, planned inter-regional connection)
 - Road network (E18 corridor)
 - Harbour investments
- Recently, however, the *spatial impacts* of *dramatically increasing Russian (shopping) tourism* in the border regions have moved centre stage



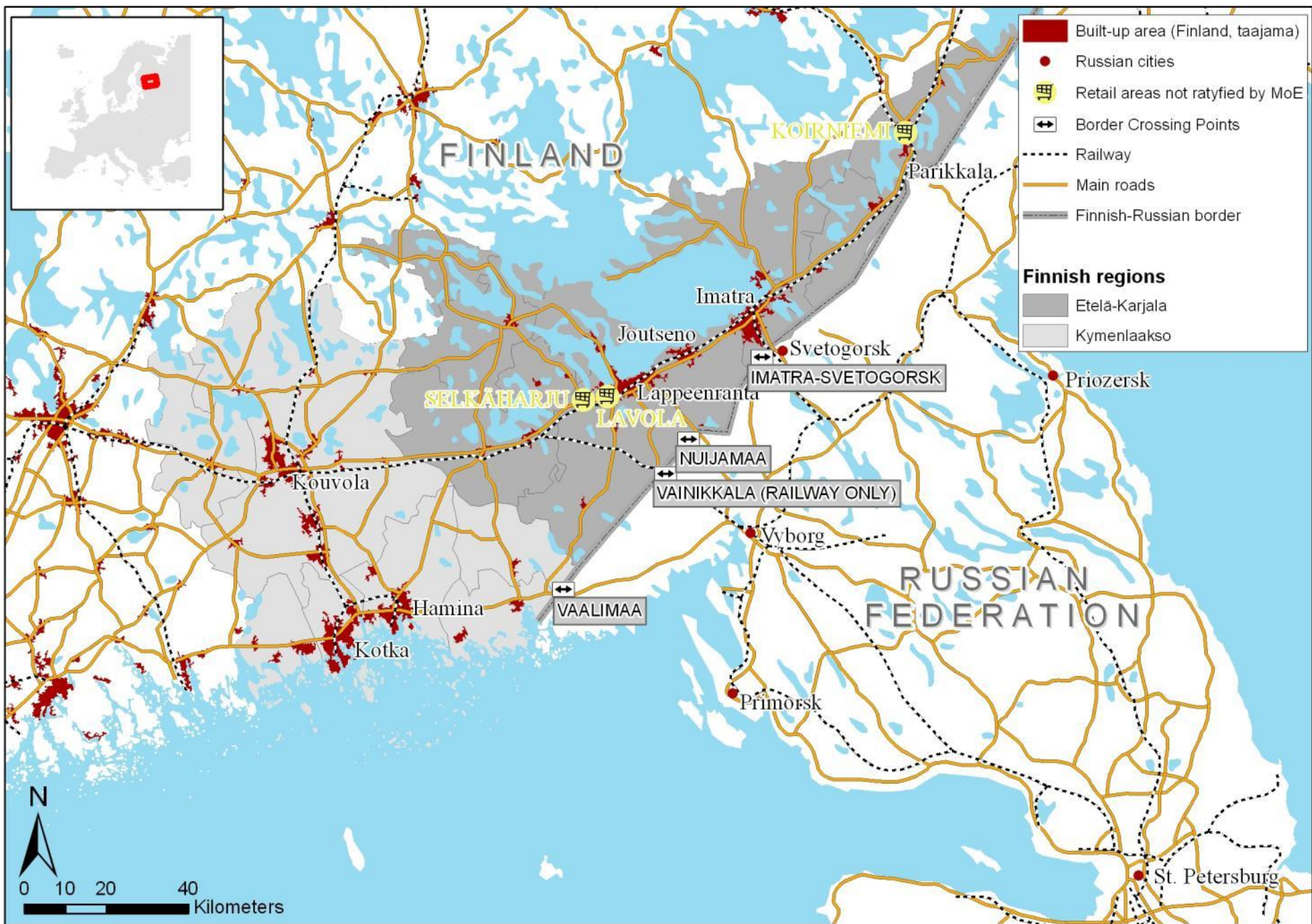
Finnish Land-Use Planning in a Nutshell

- Finland has traditionally strong local government (municipalities) and a strong national level
- accession to the European Union in 1995, strengthened the regional level → 20 Regional Councils: responsibility for both regional development and regional planning in their respective regions
- System of hierarchical plans
 - Regional land-use plan the most important plan
- No national plan, but regional land-use plans have to be ratified by the Ministry of the Environment → based on the legal principles set out in the Land Use and Building Act and guided by National Land-Use Guidelines (NLUG)
- NLUG increasingly emphasises environmental sustainability
 - compact or coherent city approach
 - actively discouraging greenfield developments and the development of shopping facilities outside urban centres and far away from public transport connections
- “[o]nly a rational urban structure will have the potential to curb climate change, improve the viability of communities and save on costs.” (foreword to the revised NLUG)



Planning by the Book or for Demand? – the case of Etelä-Karjala

- Stringent planning controls on large retail developments (over 2000m²)
- Regional Council proposed large retail developments outside the existing urban centres in the regional land-use plan, supported by studies predicting strong growth of Russian shopping tourism (mainly by car). Reasoning:
 - the number of Russian visitors is rising all the time
 - distinct lack of development land for large retail within the existing urban areas
 - most of the proposed retail development sites would not be used by the residents from the surrounding areas but by Russian tourists who nearly all arrive by car
- Ministry of the Environment decided not to accept several areas for development set out by the Regional Council, reasoning the same as in any other Finnish region:
 - not enough people live in the surroundings areas and that
 - the proposed retail areas are not accessible by light traffic and public transport, and
 - implementation/construction dates have not been defined.
- Lack of prior co-operation and negotiation between the Regional Council and the Ministry → result of legalistic planning tradition, one-size-fits-all model?
- Planning for the 'status quo'?
- the regional council resorted to the option of producing a 'phased regional land use plan' to achieve a planning solution, process is ongoing



Perspectives on Russian Shopping Tourism and its Implications for Land-use Planning

- external development pressures appear to clash with the national planning system
- land-use planning department of the Regional Council of Etelä-Karjala is facing pressure from both below and above
- The perspective taken on the future development of Russian visitor numbers can have important impacts on the way in which retail and leisure investments, land-use planning and transport planning are carried out and governed now and in the future
- Two opposing perspectives
 1. current growth could be attributed to - potentially temporary – price and quality differences on each side of the border and that, as such, Russian shopping tourism might be a short-lived phenomenon
 2. Russian visits in Finland could be seen as part and parcel of a wider and longer-term interaction and integration process between the two countries, which naturally takes place in the regions immediately adjoining the common border, such as Etelä-Karjala – “history repeating itself?”

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- Ministry of the Environment
 - focuses almost exclusively on the legalistic aspects national framework of the regional land-use plan process and strives to apply the same logics and rules across the entire country (also includes a political dimension)
 - Regional Council of Etelä-Karjala
 - Russian (shopping) tourism are distinctly regionally specific and are closely inter-connected with land-use planning in the region. From this perspective, a fundamental question is whether Russian (shopping) tourism has a long-term and sustainable future in Finland and, thus, whether planning should take into account forecasted growth in this sector or not.
 - Exogenous factors:
 - Visa-free travel? (EU-Russia)
 - More border crossing stations? (Finland-Russia)
 - Development of the exchange rate?

And Finally....

The future geopolitical climate?!

Thanks for your attention



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