

## PROSPECTIVE FORMS OF BELARUSIAN AND POLISH NEAR BORDER COOPERATION

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Cooperation of near-border companies can be considered as effective development strategy in conditions of resource limitation, peculiar to small and medium business. Unlike large companies that use size effect, small and medium entrepreneurial structures have to use diversification of production strategy through establishment of relations and partnership with other companies. Thus cooperation in general and especially cross-border cooperation enables to use the possibility of flexibility and cost reduction combination and increase competitiveness.

Social effect is reflected by formation stratum of Belarusian entrepreneurs and increase of business culture.

The possibility and variety of forms of cross-border cooperation is sufficiently spacious. These can be both long-term forms of cooperation (joint ventures and other forms of business organization) and short-term cooperation limited by realization of certain project.

Within the framework of this work special attention should be devoted to fairly new forms of integration relations like outsourcing and franchising.

Outsourcing in the context of cross-border cooperation can be considered as an effective mechanism of integration processes intensification. Stable demand for the outsourcing services has been an incitement of this sector of international economy intensive development. In conditions of scientific and technological progress and complication of production technologies even the largest structure can't be sustainable and competitive. For small entrepreneurial structures and entrepreneurs starting their business outsourcing is one of the most effective ways to occupy their market niche. Goods and services producers consider outsourcing as purchasing off site functions and business-processes results that company used to carry out by itself. From the viewpoint of outsourcer, i.e. executor in the framework of an outsourcing project, outsourcing is the area of core competencies, the most important interests, application of forces, market share increase. For small entrepreneurial structures elemental outsourcing can be applied. It is advantageous for polish companies to outsource a number of functions to balarusian entrepreneurial structures, because labor costs in this case would be lower than in Poland. In near-border region IT-outsourcing is incident. This is because Belarusian programmers are have sufficiently high qualification level along with more modest requirements for occupation earnings. Brand "belarusian programmers" is already known among foreign IT-companies. The Republic of Belarus has a number of advantages: reasonable price-quality relationship, high professional level of IT-specialists, governmental support, advantageous geographical location, cultural and mentality proximity, system of technical education.

Owing to outsourcing business networks and cooperation of large and small companies on both sides of the border are going to be developed. Innovative outsourcing will increase substantially the quality and quantity of innovations in near-border regions.

Another form of cooperation, which is sufficiently promising but is not essentially used by entrepreneurial structures of near-border belarusian-polish regions, is franchising. It is owed to a number of factors including the factors of legal nature: only in 2006 the additions in Belarusian legislation were introduced and it has become possible to register franchising agreements. Polish franchisors are not highly interested in entering belarusian market. They are likely to be spurned by indeterminacy, immaturity and informational closedness of our market. When speaking about the causes of insufficient activity of belarusian entrepreneurs as franchise buyers, it is associated with, firstly, the lack of capital and the absence of franchising bank credit system; secondly, with insufficient economic literacy and information about that form of business; thirdly, the absence of demonstration effect, when positive experience of colleagues can be impetus to franchise buying.

However franchising development in Belarus has a positive dynamics. Furthermore, near-border regions has great potential in development of franchising in the sphere of hotel business, fast-food, car services, recreation, that traditionally is a domain of small and medium business.

Despite the encouraging tendencies, common conditions for development of the entrepreneurship in the framework of cross-border cooperation remain insufficiently favorable, that reflects in a small quality of joint projects and low level of foreign direct investments. When considering problems in the sphere of polish-belarusian cross-border cooperation, important factors, holding economic cooperation development, are the following:

- Low status of actuality of cross-border cooperation as strategic governmental policy.
- System of tariff and non-tariff barriers (very high custom duty rates on certain kinds of products, quoting and licensing regimes).
- Insufficient development of border and transit infrastructure.
- Complicated passport-custom procedures on existing border terminals, complicated machismo of visa receiving.
- Inconformity of Belarusian partners applications quality to requirements (including the reasons of technical complexities connected to their preparation and execution).
- Different interests of potential partners in neighbor countries.
- Complex, bureaucratic and long-term procedure of projects affirmation from the Belarusian side (necessity of conformation to several normative documents).
- The lack of reformation of Belarusian economy in the sphere of property. At this point there's no most-favored-nation regime in the near-border territories.
- Informational vacuum. Many entrepreneurs don't know about the presence in near-border regions of organizations, stimulating cross-border cooperation, and if they even know about them, they don't receive their help.
- Weak integration of small and medium business into export-oriented production-technological chain.

Obviously, there is the necessity for creation of appropriate conditions for cross-border cooperation and increase of its influence on economy of the regions through integrated approach. The principal share in cross-border cooperation development on the level of entrepreneurial structures is taken by companies' heads, however government of different levels on both sides of the border can influence significantly the intensification of interregional economic relations.

S.Solodovnikov considers difference in institutional matrix and material-technical environment as one of the fundamental reasons of insufficiently developed cross-border cooperation in belarusian-polish euroregions. "While choosing methods and mechanisms of social-economic cooperation of cross-border regions of Belarus and its neighbors it's necessary to take into account communal character of material-technical environment in our country, Russia and Ukraine and non-communal character of this environment in Poland, Latvia and Lithuania" [1]. In order to neutralize these barriers there are essential the following directions of regional policy:

- creation of effective system of population informing on the subject of entrepreneurial activity and possibility of interaction with entrepreneurial structures of neighbor countries;
- carrying of seminars on various forms on entrepreneurial activity along with on the subjects of taxation, registration, credit policy, etc.;

- development of bank credit lines for entrepreneurial projects in the framework of cross–border cooperation.

Implementation of these measures would encourage emergence of new entrepreneurial structures, activation of cross–border cooperation along with taking the near–border economic relations out of the hidden economy.

*References:*

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