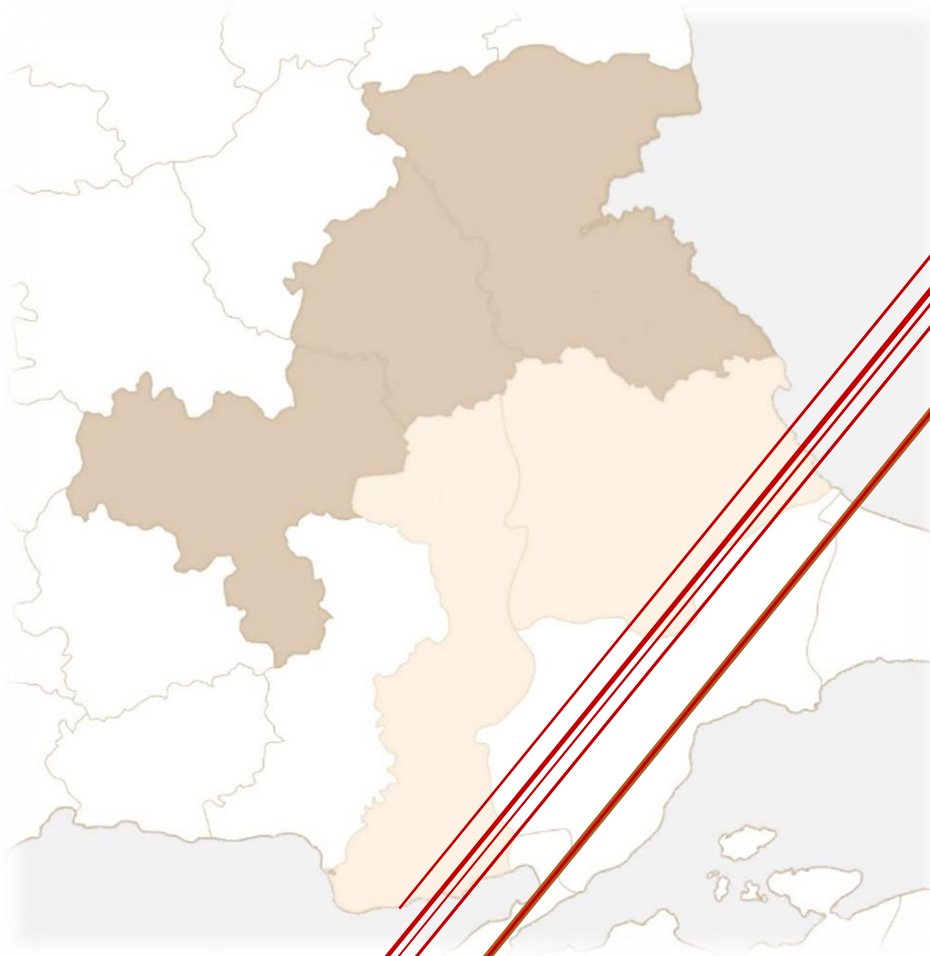




Draft Programme`s Intervention Logic



**INTERREG - IPA
BULGARIA-TURKEY PROGRAMME
2021-2027**

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Introduction

According to the draft cohesion policy legal framework for 2021-2027, the funds shall support 5 general Policy Objectives and 2 Policy Objectives dedicated to Interreg Programmes, namely:

General Policy Objectives:

- A smarter Europe by promoting innovative and smart economic transformation ('PO 1')
- A greener, low-carbon Europe by promoting clean and fair energy transition, green and blue investment, the circular economy, climate adaptation and risk prevention and management ('PO 2')
- A more connected Europe by enhancing mobility and regional ICT connectivity ('PO 3')
- A more social Europe implementing the European Pillar of Social Rights ('PO 4')
- A Europe closer to citizens by fostering the sustainable and integrated development of urban, rural and coastal areas and local initiatives ('PO 5')

Interreg specific objectives:

- A better Interreg Governance (ISO 1)
- A safer and more secure Europe (ISO 2)

Based on the draft Regulations (Council general approach), at least 60% of the ERDF and, where applicable, of the external financing instruments of the Union allocated to each Interreg **strand A, B and D** programme, shall be allocated on a maximum of three of the policy objectives set out in Article [4(1)] of Regulation (EU) [new CPR]. **At least 10%** of the ERDF and, where applicable, of the external financing instruments of the Union allocations to each Interreg **strand A, B and D** programme, **may** be allocated on the Interreg-specific objective of 'a better **cooperation** governance' or on the external Interreg-specific objective of 'a safer and more secure Europe'.

1. Territorial analysis

The Territorial Analysis of the Cross-border region identifies the needs and the potential of the area in the following main fields: economic development, transport infrastructure, tourism, environment, human capital, governance etc. The main conclusion of the analysis is that both countries in the cross-border area share, on one hand, many common challenges (e.g. aging population, net migration and increasing irregular migration) and resources to tackle them, as well as enjoy identical performance in key economic indicators such as favourable GDP growth and employment. On the other hand, however, the CBC area is depicted by intra-territorial disparities, spread unevenly across sectors and services, and it faces developmental issues that are difficult to handle if solutions are seek and propose in a fragmented and sporadic manner.

On an industry level, micro-sized enterprises shape the CBC business landscape mainly in agriculture, tourism and retail trade, while small- and medium-sized enterprises drive the performance of the textile, the construction and the food and beverage sectors – all these describe the sectoral concentration of the regional economy which is dominant by the retail trade. The scope and volume of trading in the area is additionally supported by a good regional accessibility allowing for multimodal transport (land, water and air). In particular, the land mode of transportation benefits from a Green corridor ensuring unobstructed passage of

commodities through the CBC area. This is an important precondition for attracting Foreign Direct Investments (FDI), accessing new markets and improving industrial cooperation and internalization. On the other side of the value chain, however, the CBC area exhibits a low R&D intensity and a low degree of high-tech production which makes job and career prospects non-attractive to high-skilled workforce. Therefore, there is a need for adoption of new technologies and management systems in manufacturing which would generate positive impact on employment, labour productivity, value added and competitiveness. In addition, there are few other important areas, being prerequisite for a competitive economic performance on an enterprise level, that need further major improvements. For instance, these may include, but not limited to value-chain cooperation, automated production systems, digital and green transformation, marketing, customer relationships, product-service linkages, new business models, internal competences, etc.

There are also some sectoral disparities across the border, especially in the area of tourism and management of cultural heritages that impede the enhancement of the recreational attractiveness in the region and diminishes overall sector competitiveness due to prevalence of dot-like actions affecting only selected sectoral components. Similar approach to support fails to handle persistent and systematic deficits of the regional economic structure in a consistent and sustainable way. Therefore, there is a need for a strategic methodological shift of the programme intervention in a way to facilitate an integrated development in a number of policy areas of life with an impact on the economic development.

The specifics of the security sector justifies interventions of even more cooperative and integrated mode of action. The refugee influx in 2014-2016 has underlined the need and importance to set up a comprehensive migration management system that preserves domestic security while safeguarding EU fundamental principles, such as solidarity and free movement. Although the number of asylum seekers in Bulgaria and Turkey has decreased more than twice since 2017, the number of undocumented irregular migrants in both countries grows every year, as ECRE¹ stresses out in its 2020 individual country reports. Furthermore, it is expected that irregular migration in the CBC area is most likely to continue to rise security and humanitarian concerns taking into account the continuing social and political instability in the Middle East and Southern Asia. This situation requires adequate institutional and operational response to make sure that no perceived or actual deficiency in the migration management in the transit regions (like Turkey and Bulgaria), that might result in a migration crisis identical to the one of 2016, would occur ever again. Questions of security importance, like the control on the EU external borders, put strong grounds for using a strategic and place-based approach. Moreover, such a complex issue cannot be addressed solely by individual authorities from either side of the border. Rather, it requires a strategic, comprehensive and solidarity-based approach because migration often entails humanitarian and human rights concerns.

¹ European Council on Refugees and Exiles, <https://www.asylumineurope.org/reports>

2. Lessons learnt

Experience in current and previous programming periods

The Bulgaria-Turkey IPA CBC Programme 2007-2013 operated in a wide range of priority areas and covered a variety of sectors, without clear prioritization. Despite the thematic concentration imposed by the EU Regulations in 2014 -2020 period, the areas of intervention defined under INTERREG-IPA CBC Programme 2014 -2020 still remained quite diverse and without any interdependence.

Opposite to limited (even reduced in 2014-2020 period) financial resources, the interest in the programme remained high during both programming periods. In 2007-2013 period – under the 3 open calls 374 projects were submitted and 143 contracts signed while in 2014-2020 period – under the 2 open calls (the 3-rd one is a restricted call for strategic project proposal) 325 projects were submitted and 101 project signed. This comes to show that more than 60% of the project proposals were not financed and that the scattered sectoral investments based on open calls have led on one hand to severe competition and high expectations of potential beneficiaries and on the other hand to fragmented and dot-like interventions, some of which were not directly linked to the actual needs and potential of the cross-border region.

Despite the demonstrated high interest, the low competence of some beneficiaries in terms of project implementation of certain measures and the low level of partnership between public and non-governmental sectors contributed to the lack of capitalization of the project results. In addition exhaustion in generation of project ideas was observed – e.g. increased number of projects, with already financed similar ideas/objectives and in all calls most of the applicants are one and the same organizations/institutions.

Outcomes of the performed mid-term and ex-post evaluations

The Impact Evaluation of the 2007-2013 Programme, as well as the Midterm evaluation of 2014-2020 Programme, showed that, in correspondence to the diversity of the spheres of intervention, a wide number and range of outputs were delivered. From a financial perspective, it was observed a drastic gap between available, requested and contracted funding - on average, the total applied budget has been 435% higher than the available, while 31% of the total requested funding has been contracted. Often, such financial disproportion preconditions weak programme effects in terms of efficiency and sustainability. That is why it is difficult for the programme to bring out benefits for the communities, to intensify its effects for the region and especially its value added achieved through cooperation. In that respect, in order a visible impact to be achieved, a new, more results-oriented approach in the implementation of the future programmes was recommended. It is expected that a better programme focus would strengthen linkages between needs and resources (through directing more funds to most demanded intervention areas) and thus generate proportionate and sustainable (not tentative) effects on the territory.

Conclusions

The above lessons learned from current and previous programming periods show that for avoiding uncoordinated, dot-like investments and ensuring a stronger impact of the programme results, a more strategic approach is desirable, based on the needs and competitive advantages of the CBC region. This can be achieved in the following ways:

- PO5 “a Europe closer to citizens by fostering the sustainable and integrated development of urban, rural and coastal areas and local initiatives” is extremely appropriate to be part of the programme intervention logic. It will give the opportunity the multi-thematic challenges of the border area to be tackled through a territorial development strategy, applying integrated measures across different sectors.
- Pre-defined strategic project/s which will contribute to ensuring a stronger impact of project/s results and will lead to more tangible benefits for the region. (Taking into consideration that Bulgaria and Turkey are among the countries that have been the centre of large-scale migration flows in the recent years, measures in that direction could be financed. Strategic project under ISO2 including concrete actions supporting migration management and enhancing the security of the region could be envisaged.)

In addition, expanding the possible beneficiaries by including SMEs as eligible applicants and providing them with a direct support will on one hand diversify the objectives and respectively the results of the project proposals and on the other hand will expand the economic activities in the region. The support for SMEs may be carried out under PO1 “A smarter Europe”, Specific objective (iii) Enhancing growth and competitiveness of SMEs, through a competitive approach – open calls or other tools which provide possibilities for simplified procedures and cost options, such as the Small Project Fund.

3. Involvement of the relevant partners in the programme preparation (Respecting of partnership principle)

The principle of partnership is a key feature in the implementation of the EU funds, building on the multi-level governance approach and ensuring the involvement of civil society and social partners. The partners that had taken part in the future programme preparation were the most representative of the relevant stakeholders and were nominated as duly mandated representatives, taken into consideration their competence, capacity to participate actively and appropriate level of representation.

Based on the above-mentioned considerations and for the purposes of community-led programme preparation for 2021-2027, as well as in respect of the Commission Delegated Regulation (EU) No 240/2014 of 7 January 2014 on the European code of conduct on partnership in the framework of the European Structural and Investment Funds, a Joint Working Group (JWG) was set up in 2019. The aim of the JWG is on an operational level, to periodically review and make suggestions and proposals to the programming process as well as to approve the main stages of the programme’s preparation and ultimately the final version of a needs-oriented and a focused programme.

The JWG members were nominated in accordance with the relevant institutional and legal framework and respecting the partnership principle. The JWG is composed of a balanced number of representatives of the two partnering countries, including representatives of public authorities (national, regional and local), economic and social partners, relevant bodies representing civil society, including environmental partners, non-governmental organisations, and bodies responsible for promoting social inclusion, gender equality and non-discrimination. The first meeting of the JWG took place on 12th November 2019 in Edirne where Rules and procedures and a Concept note with a timeschedule for the programming process were adopted.

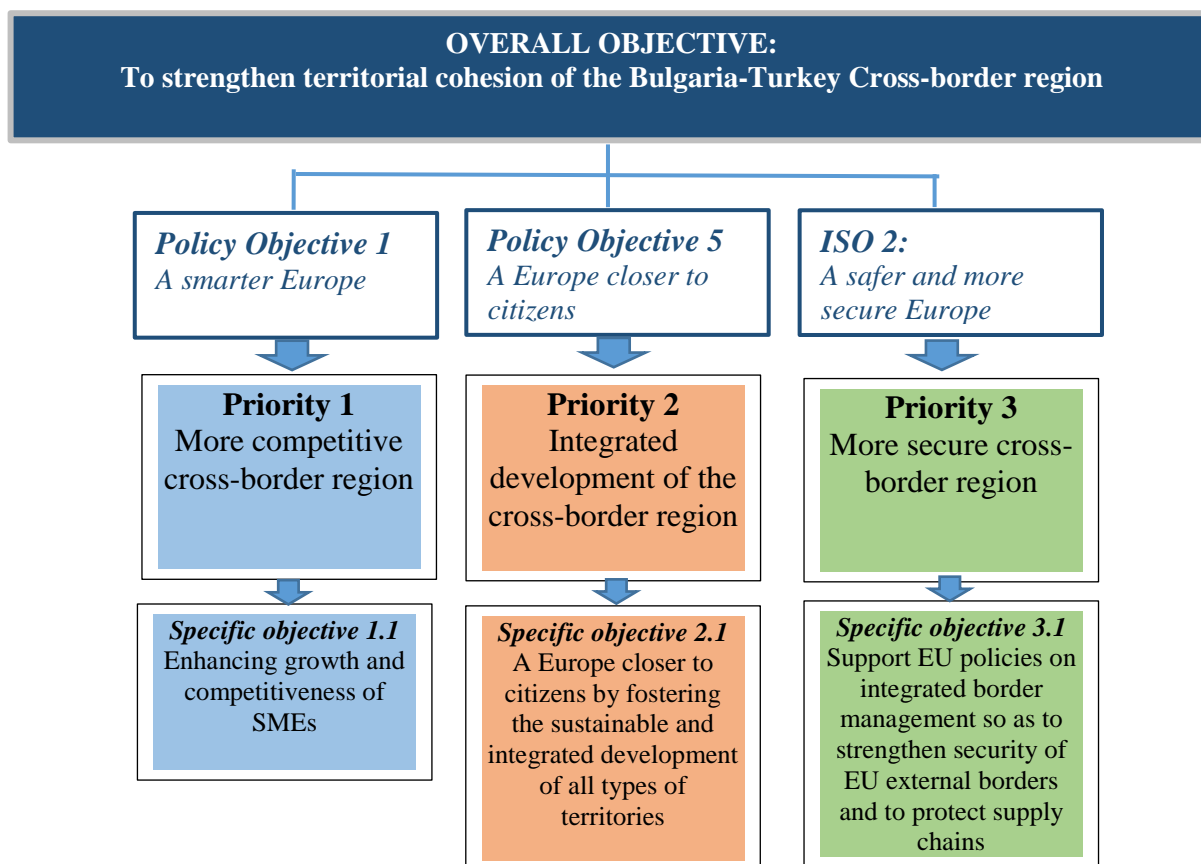
The establishment of the JWG was preceded by a large regional consultation process implemented in both countries. In the period of July-August 2019 six meetings of regional focus groups were conducted in Turkey – 2 in Edirne (on 29.07.2019 and 30.07.2019) and 4 in Kırklareli (on 31.07.2019 and 01.08.2019). Their aim was to identify the local needs and potentials, following the bottom-up approach and to incorporate proposals by the stakeholders regarding the prioritization of policy objectives and possible interventions. Representatives of wide range of relevant stakeholders (more than 100) took part in the meetings – among which local and regional authorities, educational institutions, local business, non-governmental organizations from the CBC region. In addition to the focus groups, a number of interviews with representatives of Turkish institutions, who were not presented in the JWG, were held. The rationale behind the interviewing process was to verify the outcomes of the focus groups and thus to legitimate main recommendations expressed by participants regarding the new programming period. In October 2019, in the city of Burgas, a broad regional consultation meeting, which marked the beginning of the negotiations between the two countries for the programming period 2021 – 2027, was organised. Participants in the meeting were representatives of various stakeholders from the target area – public institutions, socio-economic partners, NGOs. Likewise their Turkish counterparts, Bulgarian stakeholders discussed a number of past and current issues of CBC importance, and particularly what are the most urgent needs in the region and how best to address them.

Thus, as a result of the extensive cross-border regional consultations, the following common territorial challenges, that require dedicated measures under the Programme, were highlighted: unfavourable demographic development (aging population, net migration), massive depopulation in rural areas on the Bulgarian side of the border; outmigration of skilled labour force; low rates of entrepreneurship and R&D intensity; seasonal nature of land tourism and low potential to complement/integrate to the maritime tourism, etc. The regional and local stakeholders expressed willingness for introducing new type of beneficiaries and partnerships (especially through a direct support to SMEs), but also insisted on the sustainability of the previous ones and on capitalizing the experience in cooperation between the two countries. Policy objective 5 ‘Europe closer to citizens’ was supported by the participating stakeholders as the most suitable for implementation of integrated measures that could contribute for solving common and diverse challenges in the border region. Recent migration trends have also drawn the attention of the stakeholders and provoked discussions on what intervention mode would be most appropriate to handle the issues under Specific objective 2 “A safer and more secure Europe” – e.g. a number of individual actions or one strategic project that encompasses key elements of the migration management. Arguments for the benefit of the latter prevailed, and bodies who need an extensive institutional and operational strategic support in the field of migration management turned out to be regional law enforcement authorities. Members of the JWG delegated regional police and other law enforcement authorities from both sides of the border, being represented in the JWG as well, to develop and wrap up the concept of a future strategic project aimed at strengthening their capacities to cope with the most urgent issue in their field of work which is expected to be further clarified and agreed on a later stage of the programming process.

The broad consultations on the preparation of the 2021-2027 Bulgaria-Turkey CBC programme will further continue by establishing a Steering Committee, composed by officials of key stakeholders. Its aim will be to assess and approve the Joint Territorial Strategy of the CBC region – the main pillar for the implementation of the new programme.

4. Draft Intervention logic

The present chart represents the proposal for intervention logic for the new Bulgaria-Turkey IPA CBC Programme (2021-2027).



Indicative distribution of the financial resources (share of the total programme budget)

PRIORITIES	%
P 1: More competitive cross-border region	15%
P 2: Integrated development of the cross-border region	45%
P 3: More secure cross-border region	30%²
Priority Technical Assistance	10%

The proposed above Intervention logic is based on:

- the findings of the territorial analysis;
- lessons learnt;
- regional consultations and interviews
- the restrictions set by the regulations related to the thematic concentration³
- limited budgetary resources⁴,

² Depending on the final provisions of the Interreg Regulation regarding the possible allocation to Interreg specific objective 2 'a safer and more secure Europe'. (these draft provisions are subject to dialogue)

³ Based on the draft Regulations (Council general approach), At least 60% of the ERDF and, where applicable, of the external financing instruments of the Union allocated to each Interreg strand A, B and D programme, shall be allocated on a maximum of three of the policy objectives set out in Article [4(1)] of Regulation (EU) [new CPR]. At least 10% of the ERDF and, where applicable, of the external financing instruments of the Union allocations to each Interreg strand A, B and D programme, may be allocated on the Interreg-specific objective of 'a better cooperation governance' or on the external Interreg-specific objective of 'a safer and more secure Europe'. (these draft provisions are subject to dialogue).

⁴ Based on the draft Multiannual financial framework a general reduction of the Interreg allocation is envisaged, that could potentially influence the budget of the future programme (+ national contribution of 20 or 30%, depending on the final decision)

PRIORITY 1 Competitive border region					
Selected policy objective / Selected specific objective	Justification for selection	Actions to be Supported	Outputs	Results	Target groups /Beneficiaries
<p>PO 1 A smarter Europe SO (iii) Enhancing growth and competitiveness of SMEs</p>	<p><i>Despite below-the-average performance of some key economic indicators, the CBC region enjoys relatively favourable economic development supported by well-developed transport infrastructure. The competitive economic potential of the target area, however, is jeopardised by unfavourable demographic trends, low R&D intensity and low-tech specialisation, prevalence of micro enterprises, etc., as the territorial analysis illustrates. One way to counteract this unfavourable environment is to link financial support with concrete production and service delivering needs in a direct, but at the same time, competitive way. Lessons learnt from past and current periods outline a need for provision of direct support to SMEs, rather than an indirect one, in order to achieve more targeted and results-oriented approach to enhance growth and support competitiveness. The need for direct intervention support to economic operators was also stressed out during the regional</i></p>	<p><i>The following types of operations would be eligible:</i></p> <ul style="list-style-type: none"> - Investments in existing enterprises (as purchase of equipment and technologies, construction works, modernisation of infrastructure, communication networks etc.); - Investments for the establishment of new enterprises (incl. investments in buildings, equipment and systems, wage costs, etc.); - Investments for the development of new products/services, systems and processes; - Investments aimed at increasing employment in an existing enterprise and workforce upskill; - Technological and / or organizational investments aimed at reducing the cost of production/service delivery and any other investment leading to increased enterprise competitiveness; 	<p><i>RCO 01 - Enterprises supported (of which: micro, small, medium, large)</i></p>	<p><i>RCR 01 - Jobs created in supported entities</i></p>	<p><i>Target groups</i></p> <ul style="list-style-type: none"> - existing SMEs - newly established SMEs - R&D institutes / universities - local citizens <p><i>Beneficiaries</i></p> <p><i>SMEs</i></p>

	<p><i>consultations that took place in 2019. The direct support to SMEs will increase their capability to access new markets and expand their economic activities. It could be provided through a competitive approach – open calls and/or other financing tools which provide a possibility for applying simplified costs and procedures (such as Small Project Fund in compliance with Article 24 from ETC Regulation).</i></p>	<ul style="list-style-type: none"> - <i>Investments aimed at increasing productive capacity and/or securing stable minimum production thresholds (quantities) thus allowing the enterprise to access larger markets;</i> - <i>Investments aimed at quality management for improving product/service quality, (incl. improvements in the design of product/service features, improvements in customer after-sales service, improvements in product guarantee, total quality management systems, etc.);</i> - <i>Investments aimed at accessing new markets or market segments;</i> - <i>Investments in marketing and promotion, participation in international fairs, exhibitions and other promotional events, consultation and information services, including e-marketing, communication with clients, etc.;</i> 			
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PRIORITY 2 Integrated development of the CBC region					
Selected policy objective / Selected specific objective	Justification for selection	Actions to be Supported	Outputs	Results	Target groups /Beneficiaries
<p>PO 5 A Europe closer to citizens</p> <p>SO (i) A Europe closer to citizens by fostering the sustainable and integrated development of all types of territories</p>	<p>What has emerged from the territorial analysis and lessons learnt, as well as during the regional consultations, is a need for a strategic methodological shift of the programme intervention in a way to facilitate an integrated development in almost all policy areas of life with impact on the economic development. It is expected that applying a place-based approach, in contrast to the dot-like one, will unleash the territorial potential and satisfy identified needs in a more consistent, efficient and sustainable way. Effective integrated territorial development at a place-based level requires a broad range of community-led incentives that foster active collaborations of stakeholders and service providers from both sides of the border. The selected specific objective provides a very good strategic framework to bring citizens and authorities together in collective actions that produce shared benefits and widely</p>	<p>The actions under this priority will be selected on the basis of a territorial / local development strategy, but in general terms their thematic coverage will not differ substantially from the thematic concentration of the present programme. The strategy shall, in close coordination with the Steering Committee (composed by relevant regional and local stakeholders), identify the needs and propose interventions for their addressing following the SMART approach (specific, measurable, attainable, relevant and time-bound). In close coordination with the Steering Committee, a list of operations to be supported will be established, based on mapping of possible interventions for an integrated development of the region , as well as</p>	<p>RCO 76 - Collaborative projects</p>	<p>RCR 76 - Stakeholders involved in the preparation and implementation of territorial / local development strategy</p>	<p>Target groups:</p> <ul style="list-style-type: none"> - Citizens - Civil society - Local/ regional bodies and authorities, regional structures of central public authorities - NGOs - R&D, academic and training institutions - Social institutions - SMEs <p>Beneficiaries will be identified in the Strategy</p>

	<i>agreed solutions to common territorial challenges.</i>	<i>identifying target groups and potential beneficiaries. The operations from the list shall be grouped, prioritized and time-bound (based on a transparent and clear methodology).</i>			
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PRIORITY 3 More secure and connected border region					
Selected policy objective / Selected specific objective	Justification for selection	Actions to be Supported	Outputs	Results	Target groups /Beneficiaries
<p>ISO 2: A safer and more secure Europe</p> <p><i>Support EU policies on integrated border management so as to strengthen security of EU external borders and to protect supply chains</i></p>	<p><i>Migration issues are likely to continue to rise concerns of various matter (safe, security, humanitarian). The negative political, social and economic impact that the recent refugee crisis has put on the regional, national and EU level, has called for joint strategic actions to make sure that a migration crisis, identical to the one of 2016, would occur never again. Therefore, there is a distinct need for enhancing the institutional capacity and operational cooperation of authorities mandated to manage migration in the CBC area. The present idea for a strategic project of the Regional Directorates of the Ministry of Interior in Haskovo, Burgas and Yambol and the Police department in the Edirne and Kirklareli</i></p>	<p><i>The “Increasing the capacity of law enforcement authorities on the territories of Haskovo, Burgas and Yambol Districts together with Edirne and Kirklareli Province in the field of migration management for ensuring a safer and more secure Europe” strategic project aims at strengthening the capacity of the law enforcement institutions from both sides of the border to tackle irregular migration in a cooperative and a solidarity-based manner. The objective is viewed to be achieved by:</i></p> <ul style="list-style-type: none"> <i>- Conducting training needs, skills and competency gaps analysis in the field of</i> 	<p><i>RCO 87 - Organisations cooperating across borders</i></p> <p><i>RCO 88 - Projects across national borders for peer-learning to enhance cooperation activities</i></p>	<p><i>RCR 80 - Secured public and living environment</i></p> <p><i>RCR 86 - Stakeholders/ institutions with enhanced cooperation beyond national borders</i></p>	<p><i>Target groups:</i></p> <ul style="list-style-type: none"> <i>- Migrants and asylum seekers;</i> <i>- Public service providers;</i> <i>- Citizens;</i> <i>- Visitors;</i> <i>- Local economic operators;</i> <i>-Border authorities</i> <p><i>Beneficiaries:</i></p> <p><i>Regional Directorates of the Ministry of Interior in Haskovo, Burgas and Yambol and the Police department in the Edirne and Kirklareli province along with other law</i></p>

	<p><i>province in the field of tackling irregular migration is proposed as a response to the above-mentioned and as a reflection of the EU's Agenda on Migration. An official Bulgaria-Turkey governmental basis for operational cooperation in tackling irregular migration has been laid down in March 2016 by signing a Protocol for implementation of the EU-Turkey Statement between the two countries, therefore the need for concrete cooperative actions in that field has now been on the agenda.</i></p>	<p><i>migration management and protection of human rights;</i></p> <ul style="list-style-type: none"> - <i>Developing thematic training programs to best address the identified needs and conduction of field trainings (in areas such as prevention, investigation and counteraction of crime, EU legal instruments and practices related to the migration management, integrity and ethical codes of conduct, protection of vulnerable migrants, language courses, and etc.);</i> - <i>Exchanging experience and good practices to increase operational cooperation and to strengthen cross-border coordination;</i> - <i>Setting up a fully-fledged joint training centre that will prepare authorities to act in a cooperative and humane manner;</i> - <i>Delivering specialised equipment/transport means/devices/software to improve the technical capabilities of the project authorities;</i> - <i>Preparing and implementing joint operations, including</i> 			<p><i>enforcement authorities</i></p>
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		<i>surveillance measures, through innovative methods and technologies for the enhancement of the security in areas along the Bulgarian- Turkish border.</i>			
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