

ANNEX

TEMPLATE FOR INTERREG PROGRAMMES

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Strand	A

1. Joint programme strategy: main development challenges and policy responses

1.1. Programme area (not required for Interreg C programmes)

Reference: point (a) of Article 17(3), point (a) of Article 17(9)

Text field [2 000]

The Bulgaria-Turkey CBC area is located in South East Europe and covers 5 NUTS III territorial units (or equivalent), namely: 3 districts on the Bulgarian side – Burgas, Yambol and Haskovo and 2 provinces on the Turkish side – Edirne and Kırklareli.

The border between Bulgaria and Turkey is nearly 288 km long (including three operating border crossings Captain Andreevo – Kapıkule, Lesovo – Hamzabeyli and Malko Tarnovo – Dereköy). The total CBC area covers around 29 000 km². In Bulgaria, it represents 14,99 % of the total country territory, while in Turkey it represents 1,58 %.

The settlement structure of the area is characterized by the presence of 5 medium-large cities: Burgas, Yambol and Haskovo, on the Bulgarian side of the cross-border area and Edirne and Kırklareli on the Turkish side.

To the North-West, the area borders the Eastern Rhodope Mountains and the low branches of the Sakar Mountain in Bulgaria. To the South-West it borders the Aegean Sea in Turkey. To the North-East, the Balkan Range in Bulgaria, to the East – the Black Sea coast and to the South-East, Strandja/Yıldız Mountains.

The water reserves of the CBC area comprised of both surface and groundwater. Maritsa/Meriç River and Tundja/Tunca River are the biggest ones in the region. Strandja/Yıldız Mountains is the richest in water resources in the entire cross-border area, as five rivers take their sources from it. The surface waters are also presented by several big lakes situated both on Bulgarian and Turkish side.

The climate varies from transitional-continental to continental-Mediterranean. The border region is assessed as having rich cultural and natural heritage and a high level of environmental sensitivity in terms of climate change.

1.2. Joint programme strategy: Summary of main joint challenges, taking into account economic, social and territorial disparities as well as inequalities, joint investment needs and complimentary and synergies with other funding programmes and instruments, lessons-learnt from past experience and macro-regional strategies and sea-basin strategies where the programme area as a whole or partially is covered by one or more strategies¹.

Reference: point (b) of Article 17(3), point (b) of Article 17(9)

¹ The narrative below is structured in a way to provide evidence-based summary of the latest socio-economic challenges, developmental setbacks and economic drivers of the CBC area with the aim to define the cooperation programme strategy. The summary, however, confronts data limitation due to the lack of comparable and equivalent NUTS 3 data in both countries. In Turkey, most statistical data are collected on NUTS 2 level. The timeliness and sources of data reveal another methodological concern. It is often the case where important indicators are not evenly present in both territories. When all this limitation occurs, upper spatial scale (NUTS 2-1, nation-level) data are used instead, accounting for comparability (in terms of sourcing, measurement and timeliness), reciprocity and relevancy in the CBC context so as to better capture territorial dimension of sector policies at all governance levels, whose need for that is highlighted in the Territorial Agenda 2030.

1. ECONOMIC, SOCIAL AND TERRITORIAL DISPARITIES

Multifaceted factors collide and shape the specific context of the cross-border cooperation at EU external borders. It is impossible for one to shadow the dividing lines on the EU external borders whose particularities can be traced in every policy domain and institutional setting. One such factor is the diverse history and culture that each of the two countries enjoys, whose diversity, however, often hinders efforts to build inclusive CBC societies and adopt multicultural and multisectoral CBC policies with the aim to promote a lasting prosperity in the region. Another factor is the divergent institutional governance structures in both countries, which often jeopardize attempts to joint and integrated actions and solutions. The simultaneous implementation of the EU enlargement and cohesion policy often gets in conflict while pursuing their individual goals. All these are only a few of the preconditions that determine different strategic focus and implementation approaches in Interreg programs of external and internal borders. While most EU internal programs provide support for solutions to global challenges, the CBC-IPA territories are still confronted with the need to catch up in their socio-economic development. Thus, the main joint challenge of the CBC region for 2021-2027 is to take on a more technological course of development taking advantage of its growth-inducing economic performance, as well as to shrink income inequalities and disparities in access to services of general interest. The latter exhibits weak cross-border institutional context. When it goes together with an absence of carbon free practices, the prospects of the CBC area for territorial cohesion in line with EU objectives (Territorial Agenda 2030; Green Deal) become further challenged. In overall, a number of opposite economic trends have been observed in both sides of the border, thus it creates favourable preconditions for exchange and sharing of knowledge and good practices that will ultimately contribute to the building of cooperative cross-border economic relations.

The carried out Territorial Analysis for programming purposes and its updated version allows for structuring main findings into the following groups of policy areas, viewed from the perspectives of challenges and driving forces for development:

1.1. Opposite demographic trends

The population of the Bulgarian part of the programme area accounts for 10.82% of the country's total population and 49.51% of the total CBC region (Eurostat, 2019). Corresponding data for the Turkish part (TR21 region) are 0.94% of the country's total population and 50.49% of the total CBC region. Turkish side of the programme area enjoys a bigger density population (61 persons per sq. km), while Bulgarian border territory is more sparsely populated (44 persons per sq. km). Distinct demographic disparities between both territories are observed in the natural population change and net migration. In the two sub-indicators for 2019 Bulgaria's values are negative, except for Burgas district whose net migration is positive, while Turkey's data are all positive. Proportion of the population aged 65 years and more in the Bulgarian part of the border area does not favour economic growth – it accounts to 21.2%, while on the Turkish side data illustrates a more favourable proportion – 13.6%. The age group 15-65 is again better represented on the Turkish territory, while the 'below 15 group' enjoys identical proportions in both territories.

Processes that lead to the opposite demographic trends of the programme area are complex; that is why more integrated and focused policy responses are needed to better tackle demographic disparities.

1.2 Poverty and income inequalities

Poverty assessment perspective is offered by Eurostat data² which show that the CBC territory falls within the groups of regions with the highest rate of poverty risk and social exclusion. Nearly one quarter of the total population (BG – 32.8%, TR– 39.8%) were viewed as being at risk of poverty in 2019. ‘The risk of poverty and social exclusion by activity status’ indicator reveals national disparities and imply for some income inequalities across three main groups of persons as follows: employed (BG-16.6%, TR-26,3%), unemployed (BG – 50.6%, TR – 44.9%), retired (BG-34%, TR-8.7%). Bulgaria holds the third highest rate of retired persons in the EU28 at risk of poverty in 2019, while reciprocal data for Turkey place the country in a better position, being below the EU28 (2013-2020) average (16%).

In terms of income inequalities, Eurostat data for 2019 (measured through “income quintile share ratio”³) show, that both countries have a long way to go to catch up with the EU average, especially Bulgaria whose income equalization is worsening.

EU – 28 (2013-2020): 5.22 (2015), 5.09 (2019)

Bulgaria: 7.11 (2015), 8.10 (2019)

Turkey: 8.61 (2015), 8.35 (2019)

The correlation between aging and income inequalities is evident, especially in territories with high rates of retired persons at risk of poverty (Bulgaria). Various social groups bear a disproportionate burden of poverty and income distribution. Therefore, all these aspects call for integrated, multi-sectoral and multi-governance approach to address the root causes of poverty, provide for basic needs for all and ensure that the poor have access to productive resources, including education and training so as to achieve sustainable livelihoods and quality living.

1.3 Weak linkage between education and labour market

Although the share of attained primary and secondary education level in the whole CBC area is slightly above or very close to the national average of the respective country, the share of those who leave the education and training systems reaches alarming proportions. On national level, ‘Early leavers from education and training (% of population aged 18-24)’⁴ (Eurostat indicator) reveal important disparities between both countries:

EU – 28 (2013-2020): 11.2% (2014); 10.3% (2019);

Bulgaria: 12.9% (2014); 13.9% (2019);

Turkey: 38.3% (2014); 28.7% (2019)

Turkey and Bulgaria do not meet the ET 2020 (Strategic framework for European cooperation in education and training) benchmark of 10% share of early leavers from education and training. Despite the observed large share of early educational leavers in Turkey, which makes the country the worst

² https://ec.europa.eu/eurostat/statistics-explained/index.php?title=Living_conditions_statistics_at_regional_level#Poverty_and_deprivation

³ https://ec.europa.eu/eurostat/databrowser/view/ilc_di11/default/table?lang=en

⁴ https://ec.europa.eu/eurostat/databrowser/view/edat_lfse_14/default/table?lang=en

European performer on that indicator, Turkey marks 10% drop of leavers over a period of 5 years, while data for Bulgaria show a slight increase for the same period of time.

In both countries, curriculum development, textbook approval and the framework for assessment practices are all determined centrally. This makes the secondary education not flexible enough to ongoing update to swift technological development, and options for adapting curricula are limited to those of the elective classes and extracurricular activities. This consideration is important when territorial measures for overcoming certain education deficits need to be put in place.

As regards university educational level, which is seen to play an essential role in society, the share of attained tertiary education for the Bulgarian part of the border is from 2 to 5 times lower than the national average, while for the Turkish provinces corresponding data are relatively close to the national ones. There are 2 universities in each of the two sides of the border, including one filial of Trakia University (Stara Zagora) in Haskovo, totalling 5 academic institutions in the CBC area.

More efforts for improvement of graduate employability of Turkish students are needed, however, as visible in the 2020 Education and Training Monitor Comparative Monitoring Report of the European Commission⁵. The country reports lacking results in four directions (1-labour market forecasting, 2-involvement of employers in external QA, 3- incentives for work placements for all students, 4-graduate surveys used systematically) and only *career guidance for all students in HEIs* is covered. In terms of Bulgaria the ‘graduate employability’ indicator is entirely performed.

In overall, Bulgaria and Turkey perform low in adult education. ‘Adult participation in learning’ indicator for 2019, maintained by Eurostat, places Bulgaria (2%) and Turkey (5.7%) at the bottom of the European ranking (EC28: 11.3%).

The transition from education to work is well seen through the NEETs indicator (neither in employment nor in education and training). It focuses on the number of young people who find themselves disengaged from both education and the labour market. Latest national data on NEETs reveal weak transition from education to work exhibiting alarming proportions that call for an urgent need to struggle with the high rate of youth unemployment.

NEETs⁶, 2019

EU average: 13.6%

Bulgaria: 17.5%

Turkey: 30.9% (highest in Europe)

At district level, the employment rate in the Bulgarian part of the programme area is close to the national average. A steady growth of employment rate is observed peaking 70.9% in 2019 by Haskovo district, followed by Burgas (69.4%) and Yambol (63.1%).

⁵ <https://op.europa.eu/en/publication-detail/-/publication/1538f2e6-3907-11eb-b27b-01aa75ed71a1/language-en/format-PDF/source-178475363>

⁶ https://ec.europa.eu/eurostat/databrowser/view/EDAT_LFSE_20/default/table?lang=en

Employment rate of the TR 21 (Tekirdağ, Edirne, Kırklareli provinces) has been sustaining a relatively constant value since 2014 (55-60%). However, in 2019 it marks a slight decrease, as of 2018 (61.4%), dropping down to 58.6%.

In the entire CBC area, most employed are in the service sector, followed by the industry. The least occupied sector is agriculture.

1.4 Inequalities in access to healthcare

The health challenges in CBC border region are mainly related to (1) inequalities in the supply of health services across urban and rural areas, particularly on the Bulgarian side of the border (BG CBC area); (2) the quality of health services, (3) shortages of medical professionals – more on the BG CBC area.

The coverage of health services differs significantly on both sides of the border. The health infrastructure on the Turkish side has larger capacity than that of its neighbouring area. This is best seen through the ‘beds per inhabitants’ ratio. Data for the Bulgarian side of the programme area are below the national average, while the opposite result (above the national average) characterizes the health basis on the Turkish side. Diametrically opposed data appear in the supply of healthcare professionals. Contrary to the perception that more beds require more health personnel, Turkish part of the border area has below-the-national-average ratio ‘inhabitants per physician’, while the Bulgarian side on the border enjoys above-the-national-average availability of healthcare professionals. This is, however, not always an indicator for quality health services. More often it shows structural deficiencies in the health sector.

Income has been defined as a key factor explaining inequalities in access to healthcare: the lower the income, the more unmet medical needs.

In general, cost, distance and waiting time play an important role in explaining problematic access to medical care. Back in 2008 Bulgaria and Turkey were the only European countries who report the highest unmet needs for medical examination due to cost, distance and waiting time (BG-15%, TR-13%)⁷. In 10 year time, the delivery of needed services has been significantly improved with the self-reported unmet needs dropping down to 3% (Bulgaria) and 7% (Turkey).

Reliance on eHealth solutions within the system carries a significant potential for efficiency gains in the system. Bulgaria lags behind in this regard according to the 2019 ESPON targeted analysis on e-health⁸. The report points out that the country has demonstrated a lack of cohesive approach in developing an effective approach towards digitalization of healthcare. This is also confirmed by the latest EC’s market study on telemedicine⁹ which places the country in the group of least developed EU member states in the field of telemedicine reporting lower achievements in telehealth market revenue, use of electronic networks for ePrescription, patient data exchange with healthcare providers, and etc.

⁷ https://ec.europa.eu/eurostat/databrowser/view/HLTH_SILC_13_custom_721389/default/table?lang=en

⁸ https://www.espon.eu/sites/default/files/attachments/Final%20report.%202019%2003%2025_final%20version_0.pdf

⁹ https://ec.europa.eu/health/sites/health/files/ehealth/docs/2018_provision_marketstudy_telemedicine_en.pdf

Overall, e-health in Turkey follows slow-paced course of development, although it has already introduced a National Electronic Health Records (EHR) System, while Bulgaria still has not. Turkey is still in its first phase in e-health applications. Since the announcement of the health transformation program in 2003, many e-health projects have been developed and put into practice. According to the latest ‘Atlas of eHealth country profiles’ (2015) of the World Health Organization, Turkey is placed in a more advanced position than Bulgaria, particularly in the areas of telehealth and e-health legal frameworks.

1.5 Disparities in competitiveness and business environment

The World Economic Forum, which has been measuring competitiveness among countries since 1979, defines it as “the set of institutions, policies and factors that determine the level of productivity of a country”. Productivity is important because it has been found to be the main factor driving growth and income levels. In the 2018-2019 edition of the Global Competitiveness Index (GCI), Bulgaria ranks 49th out of 141 countries analysed, advancing from 51st place in the previous edition, while Turkey is at 72nd globally. It has not moved since the previous edition. The figures from the 2019 edition show that Bulgaria performs better in macroeconomic stability, labour market conditions, financial system and the innovation ecosystem indicators. At the same time the figures for the following pillars show a need for improvement: infrastructure, health, product market and business dynamism. Turkey’s performance is opposite, with significant progress in health, market size and infrastructure, while losing some ground on innovation capability, institutions, product market and labour market.

One of the most frequently articulated problems in performing business activity in Turkey is the lack of available, accessible and diverse finance. Opportunities for ‘second chance’ are also limited, as well as internationalisation practices. A recent OECD study reported that Turkey’s participation in global value chains remains below potential due to inefficient allocation of capital and labour¹⁰.

The enterprise environment in both countries resembles a distinct dual structure. At one extreme there exist a few large modern capital-intensive, resource-based, import-dependent and assembly-oriented enterprises, while at the other extreme there are small and micro enterprises that use very simple and traditional technologies and serve a limited local market. Therefore, an important future course of action that calls for extensive CBC attention is the need for local economic operators to undertake technological transformation being encouraged to incite gradual manufacturing shift from low-technology products to medium- and high tech ones which requires extensive employment of new technologies and solutions.

The number of enterprises from both sides of the border increases every year, along with an increase of their turnover, although data for the latter are available only for the Bulgarian border districts. Micro-enterprises account for 96% of all enterprises. Sectoral specialization of the CBC area is concentrated in the service sector (wholesale and retail trade), followed by construction and manufacturing. In addition, intensive agricultural industrialization takes place in the province of Edirne as it is located at the intersection point of three important rivers (Meriç/Maritsa, Tunca/Tundzha and Arda) which makes the region enjoy fertile lands. Approximately 50% of rice production, 25% of sunflower production for oil, and 3% of wheat production in Turkey takes place

¹⁰ <https://www.oecd-ilibrary.org/sites/9789264309753-8-en/index.html?itemId=/content/component/9789264309753-8-en>

in Edirne. It should be noted that due to its strategic intersection of energy corridors bridging energy suppliers from the east and energy consumers in the west, the pipeline transportation is also well developed in the CBC area. In overall, the CBC area has a high potential for economic diversification enjoying numerous advantages allowing for strong transport, energy, communications and logistics infrastructures.

In terms of business environment, Turkey takes 33th place out of 190 countries in the 2020 World Bank 'Doing Business' ranking, while Bulgaria is ranked 61st. Turkey performs best in 'Protecting minority investors', 'Enforcing contracts' and 'Paying taxes', while lowest scores report in 'Resolving insolvency', 'Starting a business' and 'Dealing with construction permits'. Bulgaria performs worst on 'Starting a business', 'Getting electricity' and 'Paying taxes', while it is ahead in the index on 'Trading across borders' and 'Protecting Minority Investors' (equally ahead with Turkey).

1.6 Disparities in digital and innovation achievements

Throughout the CBC area, positive steps have been taken to expand broadband and increase access to e-business and e-commerce. However, countries' assessments reveal low preparedness of Bulgaria and Turkey for digital transformation. Ever since DESI index¹¹ has been built, Bulgaria has been ranked last in every edition of the index in its all indicators – connectivity, digital skills, use of internet services, integration of digital technologies and digital public services. According to the Turkey's Digitalization Index Report prepared by the Informatics Industry Association (TÜBİSAD), Turkey's digitalization rating rose from 2.94 out of 5 in 2019 to 3.06 in 2020. Turkey, although all the components of the index showed an improvement compared to last year, took place in the "average" category in digitalization within international benchmarking.

The European Innovation Scoreboard 2018 assesses Bulgaria and Turkey as modest innovators. The quadruple and quintuple innovation helix approaches are underdeveloped in both countries. Science, technology and innovation (STI) provide the means for the transition to high value-added products and services. Throughout the CBC area STI outcomes remain modest. A lack of funding for research and development (R&D) limits the potential for innovation, while the wider diffusion of technology does not receive sufficient policy attention. In the future, a more structured link between business and academia would help facilitate the spread of cutting-edge research, while an emphasis on individual innovation could help foster a new creative sector.

Turkey's performance is above the EU average on skills and innovation and comparable to the EU average in entrepreneurship and environment. By contrast, Turkey lags behind the EU in access to finance and internationalisation. Bulgaria follows opposite directions – it performs in line with the EU average on access to finance and internationalisation, while it ranks last in entrepreneurship and skills & innovation and its performance on environment is among the weakest in EU¹². In terms of ICT skills of employees, Bulgaria is doing better, outperforming Turkey and the EU average. This is partly due to the fast growth of the ICT Industry in Bulgaria over the last decade.

The share of knowledge-intensive sectors in the economy of both countries is lower than the EU average which correlates with lower R&D investments and productivity performance. Most jobs are

¹¹ <https://ec.europa.eu/digital-single-market/en/digital-economy-and-society-index-desi>

¹² SBA country profiles https://ec.europa.eu/growth/smes/sme-strategy/performance-review_en

created by new firms emerged in less-productive sectors of the economy. This is evident through the data on the employment in technology and knowledge-intensive sectors (Eurostat *HTEC_EMP_NAT2*), which equalize Bulgaria (4%) with the EU average (4.2%), while Turkey lags considerably behind (1%) being the European country with the lowest employment in technology and knowledge-intensive sectors.

Among the most important preconditions for implementing digital transformation policies and practices is the internet connection and usage. Both countries score almost equally on the use of internet and the share of households with access to the internet at home, yet Turkey performs slightly better than Bulgaria. Mobile broadband penetration is also expanding in both countries. In the 2019 GSMA's publication on The State of Mobile Internet Connectivity Bulgaria and Turkey are placed in the group of advanced countries.

1.7 Underdeveloped year-round tourist infrastructure

The variety of natural and cultural assets in the CBC area is a key precondition for defining target-oriented tourist offer. However, findings indicate a lack of cross-border competitive year-round tourist products.

The programme territory on the Bulgarian side falls under 2 tourism regions: Trakia Region (cultural, health, wine, adventure and ecotourism) and Black Sea Coast Region (maritime, cultural, health, religious, adventure and ecotourism). Burgas district, due to its coast location, contributes to nearly 40% of all beds, nights spent and tourism revenue in Bulgaria. The contribution of Yambol and Haskovo districts is below 1%.

Despite their cultural, historical and natural potentials, Edirne and Kırklareli are not that popular areas for tourist attraction in Turkey, being shadowed by other regions of the country. In terms of summer tourism, the Mediterranean and Aegean coasts, which provide a more favourable climate and well-established tourism superstructure, are more preferred by tourists than the Black Sea coast. Both provinces perform under the national average in all key tourism indicators.

Beside the intensive tourism development of the Black sea coast, there are no other competitive tourism products of the programme area and year-round tourism potentials and opportunities remain untapped and underutilized. The border area has a very rich culture and history. Inhabited by the Thracians in antiquity, the area is famous with a large concentration of ruins of Thracian sanctuaries and sacrificial altars, dolmens and other archaeological objects. The mineral water resources allow a combination of climate and balneo-therapy (Pomorie, Burgas, Haskovo etc.), which could attract many foreign tourists after appropriate promotion. The Strandzha/Yıldız National Parks, the İğneada Floodplain Forests National Park, the Lake Gala National Park with their natural landmarks, megalithic complexes, unique cultural heritage marsh, swamp, lakes and coastal sand dunes, do not yet contribute to the valorisation of regional tourism potential. All these constitute a key prerequisite for development of integrated tourist products, but despite the allocated so far vast Interreg support to individual tourism projects, sustainable integrated and cross-border tourism effect (e.g. year-round CBC tourism products that includes visits to various CBC sites) has not been achieved. Therefore, in spite of the enabling factors and preconditions, tourism in the region recognizes insurmountable weaknesses: underdeveloped tourism product as a whole, underdeveloped network of tourism companies, insufficiently qualified staff in the field of tourism services, poor condition and limited access to natural and cultural-historical heritage sites. In other words, the coexistence of vast and

diverse maritime, mountainous, balneo, and cultural hotspots in the programme area has still not be transformed in a sustainable factor for territorial development despite its potential for that partially exemplified through the existent, yet underdeveloped EuroVelo 13 Iron Curtain Tail corridor passing through Bulgaria and Turkey.

The Covid's impact on tourism raises additional challenges. Along with the need to develop tourism-driven local industries due to untapped tourism potential, parallel multilateral efforts and policy responses to rebuild the tourism linkages with local stakeholders, other economic sectors and natural resources and ecosystems should be strategically comprehended and practically addressed in an integrated and resilient manner.

1.8 High risk of natural hazards and biodiversity loss

The diversity of terrain, climate, ecological, hydrological and pedological (soils in their natural environment) characteristics of the CBC area showcase significant geo- and biodiversity. However, due to extensive industrial production with negative footprint on the environment, various polluting as well as taking into account all the negative climate change implications, the CBC area is at high risk of natural hazards and biodiversity loss. The biggest environmental polluter in the CBC area is the largest oil refining enterprise on the Balkan peninsula – Lukoil Neftohim Burgas AD, which despite the deployment of advanced technological solutions to process hydrogen sulfide, reduce the amount of hazardous emissions into the atmosphere and water, and safely neutralize environmental waste, the company remains one of the biggest polluters in the country/region. The CBC area acts as a strategic intersection of energy corridors bridging energy suppliers from the east and energy consumers in the west; therefore, it bears extensive environmental hazard. On top of all that, the majority of waste water produced in the region flows directly to the rivers causing damages and significant environmental problems. Other key factors expected to adversely affect human health, environment, biodiversity, and economic growth include: (1) frequent floods, (2) powerful convective storms, (3) severe droughts; (4) landslides; (5) increasing frequency of forest fires due to insufficient afforestation, self-ignition of dry grass near forests, careless handling of fire, uncontrolled burning of household waste; (6) relatively high seismic hazard.

The integrity of almost all natural ecosystems in the CBC area, including the bird migration routes – Via Pontica and Via Aristotelis, are currently threatened, due partly to ongoing climatic changes but also to anthropogenic pressures, resulting in habitat degradation and the increasing threat of forest fires. The populations of several rare species continue to decline in size. Currently applied management approaches and strategies do not provide for effective biodiversity conservation. Since the ecological infrastructure in the CBC area is generally assessed as underdeveloped, the absence of ecosystem-based practices and services to deal with various environmental challenges, weakens efforts for addressing climate change issues. Various analyses, assessments, and scenarios by national and international institutions and experts place Bulgaria and Turkey among the countries with a higher risk of climate change.

1.9 Limited preparedness for green transition

Bulgaria's and Turkey's economies are highly energy-intensive. In both countries the main energy source is coal. The National Energy Efficiency Action Plan 2017-2023 of Turkey (NEEAP) has defined energy efficiency as a priority area. The country has important wind, water, geothermal and solar resources to explore the potential of renewable energy. Turkey has been diversifying its energy

mix by increasing investment in these sources. In one decade, installed renewable energy capacity, which was 17,3 GW in 2010, has almost tripled to 49,6 GW by the end of 2020¹³. Turkey figures among the top world performers in installed capacity in 2017, especially in solar, wind, geothermal and hydro-power. Turkey ranks 5th in Europe and 12th in the world in terms of renewable energy installed capacity. The share of renewables in electricity generation installed capacity has exceeded 52%. In 2020, owing to renewable electricity generation, almost 73 million tons of emissions were avoided. The target of Turkey is to add 1 GW of solar and 1 GW of wind power generation into Turkish energy system each and every year over the next decade. The Electricity Energy Market and Supply Security Strategy had a target of 30% by 2023. This target has been exceeded, at almost 44% in 2019. The sector is, however, still in its development phase and the share of renewables is fluctuating, depending on hydropower production and the use of coal and gas.

Bulgaria remains the most energy- and greenhouse gas-intensive economy in the EU by a wide margin. According to the 2030 National Climate Change Adaptation Strategy and Action Plan, emissions from the energy sector in Bulgaria in 2016 decreased by 47.9% compared to the base year (42,386 Gg CO₂e in 2016 compared to 81,320 Gg CO₂e in 1988). Therefore, the country is still on track to achieve its targets for GHG emissions and renewable energy. It is not progressing, though, towards its energy efficiency indicative targets and the gap between the current and target levels of energy consumption is widening.

In terms of resource efficiency, Turkey needs to develop additional economic instruments for special waste streams. The recycling rate of municipal waste is the lowest in Europe – 0.3% in 2018. The country needs to redouble efforts to close its non-compliant landfills and invest in waste reduction, separation and recycling. Zero Waste Project is one such environmental initiative aimed at reduction of waste generation, sorting at source, recycling and saving resources. It is aimed to spread the Zero Waste Project throughout Turkey until 2023, to increase the recovery rate to 35%. The recycling rate is 22,4% in 2020 and it is foreseen to be increased to 35% by 2023. With the new circular economy approach, 3.3 Mton alternative raw material and 1.22 Mton additive fuel have been saved in cement, lime, ceramic, brick and iron and steel sectors as of 2020.”

Although policy actions promoting green transition have been taken in Bulgaria, the country continues lagging behind the EU in all components of the circular economy¹⁴. The scale of resource productivity of Turkey also is far below the EU28’s average. Both countries lack a circular economy strategy. Therefore, there is an urgent call on the two countries to rise to the challenge of promoting and supporting more actively the principles of the circular economy and the related production practices.

1.10 Persistent cross-border migration tensions

The latest wave of large-scale migration to Turkey and the EU, that took place in 2015, has confronted the Bulgarian and Turkish cross-border authorities with an unprecedented situation which required a coordinated approach to handle it. None of the cross-border authorities, however, was prepared to act in such a way. This migrant crisis revealed many areas, of managerial and operational importance, that need further improvement and strengthening the capacity for operational cooperation of the

¹³ <https://www.oecd-ilibrary.org/sites/9789264309753-8-en/index.html?itemId=/content/component/9789264309753-8-en>

¹⁴ <https://ec.europa.eu/eurostat/web/circular-economy/indicators/main-tables>

Bulgarian and Turkish law enforcement authorities to manage migrant flows in a cooperative and humane manner while at the same time preserving domestic stability and safeguarding national security. Although the number of asylum seekers in Bulgaria and the number of international protection applications in Turkey has decreased more than twice since 2017, the number of irregular migrants in both countries grows every year, as ECRE¹⁵ 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 raise 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 2015, would occur ever again. Since the questions of migration importance will continue to be a major issue of concern in Europe and at the border between EU and Turkey, as a candidate country, and the complex nature of mixed flows of economic and other migrants, refugees and asylum seekers will further present additional challenges. 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 multilateral approach to substitute the prevailing ad-hoc responses with cross-border cooperative and durable solutions.

1.11 Joint challenges in a nutshell

- Demographic trends and rising skill shortages suggest that both countries need to invest more and better in the skills of their current and future workforce, as well as to better link education and training with labour market's needs;
- Opposite employment trends – increasing rate on the Bulgarian part of the programme area, while its share is slightly decreasing in TR21. More tailor-made efforts and outreach strategies are needed to improve the employability of low skilled and young people, NEETs in particular
- Observed disparities between the demand and the supply of health services across urban and rural areas and between different income groups; Turkey is more advanced in e-health, while Bulgaria lags behind;
- Vulnerable and disadvantaged groups of people continue to have limited access to services of general interest, therefore integrated measures for service quality enhancement and active economic inclusion of vulnerable persons should be determined with priority and of ICT perspective allowing for more digital solutions;
- Growing level of ICT adoption on the Bulgarian part of the CBC area, while Turkish counterpart is less advanced. Yet, both countries operate in a less digitally transformed environment, which opens room for development of more digitalized solutions across various policy domains;
- Both countries' research and innovation systems are underdeveloped and face a number of structural shortcomings, yet Turkey goes well ahead in R&D intensity, while Bulgaria needs to catch up more firmly and decisively;

¹⁵ European Council on Refugees and Exiles, <https://www.asylumineurope.org/reports>

- The lack of cross-border competitive year-round tourist products hinders the CBC tourism industry development;
- CBC area is at high risk of natural hazards and biodiversity loss due to intensive industrial and anthropogenic pressures;
- High energy consumption, dominance of coal in the total energy supply, insufficiently built renewable energy capacity and underdeveloped circularity models slower the pace of the CBC area to contribute to climate-neutral competitiveness and carbon-free transformation;
- Irregular migration in the Bulgaria-Turkey CBC area is most likely to continue to raise security and humanitarian concerns, yet there have so far not been enough jointly implemented actions of institutional and operational cooperation to strengthen good migration management in the cross-border area in a coordinated and solidarity-based manner.

2. DRIVING FORCES

2.1 Favourable macroeconomic background

Bulgaria and Turkey enjoy macroeconomic stability and growth potential. As per Bulgaria, the country has hovered around 3% since 2016, with total factor productivity the main factor behind its expansion, alongside with growing export market share, increasing cost of labour per unit of output produced and continued integration in global value chains, have underpinned Bulgaria's competitive position. Driven by strong domestic demand and investments, GDP of Turkey has increased by an average of 4.4% over the last 5 years. The structure of the economy improved further and economic integration with the EU remained high. The COVID-19 crisis is however projected to strongly deteriorate the economic outlook of both countries in 2020, in particular as regards GDP growth, public finances and employment. Turkey's economy is more vulnerable due to its high integration in global value chains and dependence on tourism and transport – two of the most heavily affected sectors.

At the CBC level, some discrepancies in the regional GDP pop up. In nominal values, the economic output for 2018 of each of the Turkish CBC provinces is much higher than those of any of the Bulgarian districts. The GDP of Kırklareli (3, 361 mln. euro), for instance is 6 times higher than the GDP of Yambol district (593 mln. euro). The largest economic output in the Bulgarian part of the CBC area is produced in Burgas district (2,644 mln. euro), whose GDP is still less than that of Edirne (3, 096 mln. euro) and Kırklareli (3, 361 mln. euro). From a growth of GDP perspective, Turkish provinces again outperform their Bulgarian counterparts. No indications for economic downturn have been observed in the programme area, on the contrary, the scope of the economic activities has been increasing in each of the CBC regions, yet the CBC economy on the Turkish side of the border is more productive.

The Gross Value Added (GVA) is another important indicator for the economic output. SMEs made an important contribution to the Turkish 'non-financial business economy' in 2017¹⁶. They accounted for a considerable share (73.9 %) of overall employment, providing almost three out of four Turkish jobs, exceeding the EU SME average employment share of 66.5 % by a large margin. However, their value added share of 53.9 % was slightly lower than the EU SME average share of 56.4 %. In Bulgaria

¹⁶ 2019 SBA Fact Sheet for Turkey

SMEs generate two thirds of total value added and three quarters of total employment in the country, far exceeding the respective EU averages of 56.4% and 66.6%. Annual SME productivity, calculated as value added per person employed, is approximately €12,800. In contrast, the EU average is almost 3.5 times higher, at €44,600. On average, every person employed by a Turkish SME generated only about one quarter of value added, amounting to €10 700, whereas the average for EU SMEs was over four times higher, as indicated above.

At the CBC level, most of the SMEs operate in the service sector whose GVA share shapes the regional specialization, followed by industry and agriculture which only in Edirne and Yambol has proportions above the CBC average. In terms of GVA, industry is more actively present in Kırklareli province, while services significantly dominate in Burgas and Haskovo.

Unemployment is another macroeconomic indicator who indicates favourable economic prospects of the CBC region. Although, unemployment rate of Turkey has been moderately increasing from 9.9% in 2014 to 13.7% in 2019, at CBC level (TR21: Tekirdağ, Edirne, Kırklareli) it is lower than the national average, and it keeps steady rate – 7.6% (2014) and 7.5% (2018). Bulgaria sustains a healthier rate of unemployment, accounting to 4.2% in 2019, well below the EU28 average (6.3%). At CBC level, it has significantly decreased from an average of 12% in 2014 to 5,3% in 2019, yet, it is higher than the national average.

It should also be highlighted that the positive trade exchange practices between Bulgaria and Turkey is a key indicator for growth-inducing bilateral economic relations. Data shows a steadily increasing trend over the last years. Bulgaria is among the first 10 countries in the export and import of provinces Edirne and Kırklareli.

2.2 Potential for integration in international tourism network

One of the European cycle routes, namely EuroVelo 13 Iron Curtain Trail, passes through the CBC area. It gives the possibility of visiting 20 countries starting in northern Finland passing near the Baltic Sea, Germany, Czech Republic, Slovakia-Bratislava, Romania and ending in Bulgaria at the small Black Sea town of Rezovo. Following this route for more than 9,950 km is a living history lesson but also provides a welcome reminder of the peace and reconciliation that have followed the fall of the ‘Curtain’. Another cycling and hiking trail, passes through the CBC area, is the Sultans Trail (known as Tsarigradski Put in Bulgaria and Carski Drum / Carigradski Put in Serbia). The Sultans Trail passing through 8 countries, starts in Viena and its final point is Istanbul.

The Eurovelo routes have a touristic purpose, hence they do not link large cities but aim for places with important natural or cultural heritage. None of the Eurovelo corridor segments passing through Turkey and Bulgaria are developed or at least signalised. Nevertheless, the projects implemented under previous periods of IPA Bulgaria-Turkey Cross Border Cooperation Programme created new cycling routes in the CBC region. Among those the followings were connected to Eurovelo routes. “Active tourism in Strandzha and Sakar” project aimed to comprise a network of biking routes in Strandzha and Sakar mountains. The network includes a ten-day route starting from the most western point of the Bulgarian border at the town of Svilengrad through the Bulgarian part of Strandzha and Sakar, crossing the border at the town of Malko Tarnovo and enters the Turkish part of Strandzha. The route reaches the Black Sea at the village of Kiyıköy and from there they move to the west through the towns of Kırklareli, Edirne and Svilengrad.

2.3 Good regional connectivity and potential for multimodal transport

The CBC area exhibits very good connectivity but its potential for multimodal transport remains underutilized. Through its territory passes one of the core TEN-T network corridors with extensions to third countries - Orient/East-Mediterranean corridor. The region benefits from a Green corridor ensuring unobstructed passage of commodities. This is an important precondition for attracting Foreign Direct Investments (FDI), accessing new markets and improving industrial cooperation and internalization. The Bulgarian CBC region is crossed by the A1 Trakia Motorway from Sofia to Burgas, as well as the A4 Maritsa Motorway from Orizovo Road Junction (Trakia Motorway) to Kapitan Andreevo. Maritsa Motorway connects the regions of Haskovo and Edirne. The analysis of the structure of the road network in the different regions of the Bulgarian part of the eligible area shows that all three districts have relatively high share of motorways and first-class roads built on their territory which is above the national average (18,4), namely 25,8 – for Burgas, 21,6 – for Haskovo and 20,6 – for Yambol.

The O-3 Motorway in Turkey connects the provinces of Edirne and Kırklareli with Istanbul. For the Turkish part of the eligible area the state roads D100, D110, D550, D555 are connecting both provinces to each other and to the motorway. The total length of the province and state roads in Edirne is 676 km and in Kırklareli 537 km (65 174 km total in Turkey).

There are 4 030 km of railway lines in operation on the territory of Bulgaria (2017), of which 436 km are in the cross-border area. The TEN-T Orient/East-Mediterranean network includes the following main lines of the national railway infrastructure passing through the CB region: (1) railway line Kalotina West (Serbian border) — Sofia — Plovdiv — Dimitrovgrad — Svilengrad (Turkish border); (2) line Sofia – Burgas. In the Turkish part of the programme area there are 206 km of railway lines. Planned big scale public investments in transportations in Turkey are focused on high speed train railways and highways. The construction of Halkalı - Kapıkule railway line is expected to start soon. It will connect Europe to Asia passing through İstanbul, Tekirdağ, Kırklareli and Edirne. It is the fourth major railway project financed by the European Union in Turkey whose cost is estimated to be 1.1 billion EUR. The project is expected to be finalised in 4 years.

The air transport of the CBC area is served by the only international civil airport - Burgas Airport, which is included in the comprehensive TEN-T network. Beside passenger terminals the airport also has freight handling, including specialized cargo, completing the intermodal transport functions of Burgas node as a part of the core TEN-T network.

Port of Burgas is the only seaport in Bulgaria included in the main TEN-T network, which has a connection with the Trakia Motorway and the railway line 8, forming one of the destinations of the main TEN-T network. The Bourgas-East and Burgas-East 2 port terminals are for general and bulk cargo, while the Bourgas-West port terminal also handles containers. The Rosenets terminal is a terminal for oil and petroleum products, while the Nessebar is a terminal for passenger services. In addition, there are 4 more local ports of regional importance. In the provinces of Edirne and Kırklareli there are no harbours with national and international importance, only very small ones with local significance, used mainly for fishing – for example Kıyıköy Port at the Black Sea and Keşan Sazlıdere Port at the Aegean sea.

Three cross-border checkpoints (BCCP) are in operation in the area: (1) Kapitan Andreevo-Kapıkule, (2) Lesovo–Hamzabeyli and (3) Malko Tarnovo–Dereköy. The Kapitan Andreevo-Kapıkule BCCP

is among the largest and busiest in the world in terms of number of passengers and amount of cargo passing through it. Most of the trade between Turkey/Middle East and Europe passes through this BCCP. The Lesovo–Hamzabeyli BCCP backs up Kapitan Andreevo-Kapıkule, while The Malko Tarnovo–Dereköy BCCP is used mainly for tourism purposes.

Despite the high potential for development of regional multimodal transport networks, no progress has been achieved on that from either of the two countries.

3. JOINT INVESTMENT NEEDS

The identified joint investment needs reflect outlined territorial disparities, challenges and assets as well as objectives of the Territorial Agenda 2030 which seeks to reinforce solidarity in promoting convergence and reducing inequalities between better off places and those with less prosperous prospects or that are lagging behind.

- Investments for multidimensional integrated territorial measures addressing income gap, the relatively high poverty risk, social inclusion through community-based services and integrated employment, health and social mobile support in the home environment, improved access to and quality of general services for people and enterprises;
- Investments for development and implementation of attractive job prospects and comprehensive digital upskilling programmes, including measures of the silver economy, in order to build a sustainable path towards the 2030 employment target of 78%;
- Investments for improving the quality, labour market relevance, and inclusiveness of education and training, incl. for tailoring education and training to labour market needs;
- Productive Investments aimed at paving the way for green transition, including renewable energy technology research and innovation, application of pilot projects and dissemination of best practices;
- Investments for introduction and dissemination of the ‘tech-with-a-purpose’ approach who would leverage R&I to create the solutions that match the urgency of the CBC environmental and social challenges;
- Investments for strengthening the level of institutional cooperation between law enforcement institutions in the field of migration management.
- Investments for utilization of the CBC potential for integration in international tourism network and for developing all-year-round tourism products with attractive offering of services in the off-peak season

4. COMPLEMENTARIES AND SYNERGIES WITH OTHER FUNDING PROGRAMMES AND INSTRUMENTS

The CBC-IPA III programme between Bulgaria and Turkey complements other funding programmes and instruments. In general, complementarity with the EU Programmes such as Citizens Rights and Values, Erasmus+, ESF+, Horizon Europe, Customs, Digital Europe, and Justice shall be sought. The synergy and cumulative effect of this complementarity can be outlined per CBC-IPA III programme’s priorities, as follows:

PRIORITY 1 ENVIRONMENTALLY-FRIENDLY CROSS-BORDER REGION (energy efficiency, circular economy)

The activities envisaged under *Priority 3: Fair energy transition* of the **Regional Development Programme 2021-2027** will be particularly focused on the development and implementation of innovative products, processes and business models aimed on increasing the resource efficiency of the economy, as well as support and implementation of innovations aimed at high carbon intensity of the economy, productive investments in SMEs, implementing technologies, systems and infrastructures for affordable clean energy, including energy storage technologies, investments in renewable energy and smart and sustainable local mobility, improving the circular economy through waste prevention, reduction, resource efficiency, reuse, repair and recycling. Similarly there are proposed measures promoting the transition to a circular economy under *Priority 1: Integrated urban development* and *Priority 2: Integrated territorial development of the regions*.

Another programme partially focused on these topics is **Environment Programme 2021-2027**. The supported actions are aimed on promoting sustainable water management, transition to a circular and resource efficient economy, prevention of the generation of municipal waste, construction of reuse preparation centres, waste recycling, separate collection and recycling systems, infrastructure measures for collection, disposal and treatment of wastewater, along with reduction of air pollution from domestic heating and transport.

Measures for knowledge sharing, design methodology, innovation labs and pilots, testing and realizing new ideas shall also shape the programme interventions in the circular economy direction. They will stimulate the development of markets for climate neutral and circular products. This is clearly highlighted in **Innovation and Competitiveness Programme 2021-2027**. Complementarity can also be found with the **National Recovery and Resilience Plan of Bulgaria in terms of supporting the development of low carbon economy by implementing measures to contribute to the achievement of Green deal targets**.

The new Interreg IPA III CBC programme will complement the measures envisaged by introducing investments for reducing GHG emissions and development of circular based business models/solutions for the micro, medium and small business, combined with the unique opportunity for exchange of know-how, best practice and information between the relevant local businesses from both sides of the border as a tool to further activate the cross-border exchange and form the basis for deeper cooperation and joint activities.

PRIORITY 2 INTEGRATED DEVELOPMENT OF THE CROSS-BORDER REGION (effective integrated territorial development)

Effective integrated territorial development at a place-based level requires a broad range of economic incentives. A clear connection could be found with **Regional Development Programme 2021-2027** in regard with the proposed actions for encouraging economic activity, infrastructure for healthcare, education, social activities, culture, sports, tourism and cultural heritage, for renovation of residential and public buildings, for sustainable urban mobility, road infrastructure and safety and development of functional connections, along with quality and safe environment, including green investments.

The new Interreg IPA III Programme will provide additional dimension to the territorial approach by extending the cross sectoral investments across the borders, involving partners from both Bulgaria and Turkey to seek solutions to territorial needs based on dedicated territorial strategy.

PRIORITY 3 MORE SECURE CROSS-BORDER (migration)

Pursuing common efforts, cooperation and coordination in the fight against irregular migration and the humanitarian challenges related to the migrants with other authorities from the field, the Interreg IPA III programme will seek synergies and complementarities with the Integrated Border Management Fund (IBMF), the Asylum and Migration Fund (AMF) and the new Internal Security Fund (ISF), to make migration management a regional and EU success. However, it should be noted, that the Interreg IPA III programme will focus on supporting the law enforcement authorities in the cross-border region to tackle the specific security and humanitarian challenges stemming from irregular migration in a cooperative and a solidarity-based manner. Synergies are expected to appear in approaches, standards and codes of conduct when dealing with migrants. Therefore, the new Interreg IPA III programme will generate added value to the strengthening of the border between EU and Turkey, as a candidate county. Furthermore, the '2021 Communication on EU Enlargement Policy' Commission document assesses Turkey as well integrated with the EU market in terms of both trade and investment links. The country is a key partner for the EU in essential areas of joint interest, such as migration, counter-terrorism, economy, trade, energy and transport. The CBC programme provides opportunities for cross-border cooperation in all of the delineated areas where Turkey has made progress, therefore the CBC programme provides significant contribution to the EU enlargement dialogue with Turkey.

Moreover, the programme builds strong synergies with IPA III assistance, whose strategic objective '*Economic, social and territorial development of border areas, fostering the cooperation among national local/regional authorities, associations, non-governmental organisations and enterprises from neighbouring regions*' coincides fully with the strategic and thematic scope of the CBC programme. More specifically, both instruments contribute significantly to the following EU thematic clusters 'Greener and Improved resource efficiency' (TP2 under IPA III and PO2 under the CBC programme), 'Improved business environment and competitiveness' (TP5 and TP8 under IPA III and PO5 under the CBC programme), and 'Improved capacity of local and regional authorities to tackle local challenges' (TP7 under IPA III and ISO 2 under the CBC programme). In addition, the CBC programme:

- complements the IPA III Programming Framework on the civil society dialogue and inter-cultural exchange between civil societies in Turkey and EU (Action #2 - Civil Society) by providing, under priority 2, diverse opportunities for networking across the border;
- complements the IPA III implementation of circularity practices (Action #4 Environment and Climate Change) by providing, under priority 1 and 2, opportunities for networking in circular production processes and development of new circular joint business models
- complements the IPA III support for disaster resilience (Action #4 Environment and Climate Change) by providing opportunities, under priority 2, for joint actions to reduce pollution and provide clean air, water and food and to mitigate and adapt to climate change

- complements the IPA III support for transition to a green economy and digital transformation (Action #7 Smart and Sustainable Economic Transformation) by providing, under priority 2, wide-ranged opportunities for transformation of the CBC economy through measures for digital and energy transition.

- complements the IPA III support for the effective implementation of Turkey's Action Plan on the Fight Against Irregular Migration and promote regular migration (AoS#2 - Supporting Turkey's Efforts for Efficient Migration Management) by funding a joint project of strategic importance aimed at enhancing the institutional coordination for operational cooperation in the field of inland detected illegal migration.

5. LESSONS-LEARNT FROM PAST EXPERIENCE

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 the 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 the 2007-2013 period – under the 3 open calls 374 projects were submitted and 143 contracts signed while in the 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 projects 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 insufficient 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 for 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.

6. MACRO-REGIONAL STRATEGIES AND SEA-BASIN STRATEGIES

Given the fact that the Bulgaria-Turkey programme area includes Black Sea coastal regions (Burgas and Kırklareli), there is a need for strong correlation of programme resources with the Common Maritime Agenda and the Strategic Research and Innovation Agenda for the Black Sea (SRIA).

The Common Maritime Agenda focuses on fields related to the “blue economy”, contributing to the sustainable economic development of the region and especially of the coastal regions (maritime affairs, fisheries and aquaculture, research and innovation, connectivity, environment protection, tourism, education, renewable energy (including ocean energy and offshore renewable energy) and gas hydrates and the development of skills required for a maritime economy).

The Black Sea SRIA Initiative has identified four main pillars on which a new set of research and innovation actions can be developed: Addressing fundamental Black Sea research challenges - Black Sea Knowledge Bridge; Developing products, solutions and clusters underpinning Black Sea Blue Growth - Black Sea Blue Economy; Building of critical support systems and innovative Infrastructures - Key Joint Infrastructure and Policy Enablers; Education and capacity building - Empowered Citizens and Enhanced Blue Workforce.

Blue Growth

Blue Growth strategy supports sustainable growth in the marine and maritime sectors as a whole. It seeks to provide a more coherent approach to maritime issues by increasing coordination among different policy areas in order to enhance the cooperation between coastal EU Member States and EU candidate and potential candidate countries. The strategy consists of three components: 1. Developing sectors that have a high potential for sustainable jobs and growth; 2. Providing knowledge, legal certainty and security in the blue economy, by improving access to information about the sea; integrated maritime surveillance to give authorities a better picture of what is happening at sea; 3. Ensuring tailor-made measures to foster regional cooperation between countries, by support of marine and maritime-related EU-funded projects and initiatives.

The Convention on the Protection of the Black Sea Against Pollution

The Convention on the Protection of the Black Sea Against Pollution was signed in April 1992, and ratified by all Black Sea coastal countries in 1994. Its basic objective is to substantiate the general obligation of the contracting parties to prevent, reduce and control pollution in the Black Sea in order to protect and preserve the marine environment and provide a legal framework for cooperation and concerted action to fulfil this obligation.

EU Maritime Security Strategy, Revised Action Plan 2018

The European Union Maritime Security Strategy (EUMSS), adopted in June 2014, is a strategy to tackle all challenges from the global maritime domain that may affect people, activities or infrastructures in the EU. The EUMSS, revised in 2018, is complemented by an Action Plan designed to drive the implementation of the EUMSS forward.

The 2018 revised EUMSS action plan features, for the first time, a section devoted entirely to regions and sea basins, and four actions dedicated to the Black Sea. These provided for the following: 1) promotion of regional cooperation initiatives (B.3.1); 2) support for the synergies promoted by the Facility for Blue Growth (B.3.2); 3) support for the work done to tackle crime in the Black Sea basin (B.3.3); and 4) efforts to foster multi-stakeholder dialogue in the region (B.3.4). Several factsheets presenting individual regions and sea basins were published, the first one being on the Black Sea, issued in June 2018.

7. PROGRAMME STRATEGY: main development challenges and policy responses

The policy and strategic framework of the programme came out as a result of a three-year long elaboration process. It first started in 2019 with regional consultations on both sides of the border complemented by a parallel study of cross-border territorial needs and potentials - both provided the bottom-up data and trends. During the meetings with the regional stakeholders some well-known territorial challenges have been confirmed as continuing and still unresolved (such as lack of diverse possibilities for work, weak employability skills, high poverty risk and social exclusion, low income, uneven economic and year-round tourism development across the CB area, etc.). At the same time, a number of opposite demographic, health and economic trends across the region have been highlighted - negative net migration in Bulgarian part and positive one in Turkish part; health infrastructure on the Turkish side has larger capacity than that of its neighbouring area; Turkey performs better on skills and innovation and worse on access to finance and internationalisation, while Bulgaria follows completely opposite directions in the same policy areas. Thus, participants suggested programme authorities to look for new programme approaches to overcome sharp sectoral disparities and strengthen the territorial cohesion of the CB area. The need to provide SMEs with equal access to programme resources and perceive the enterprises as change boosters addressing, however, their specific needs, has been unanimously confirmed. This has been also seen as one way to innovate and adapt the programme towards those who mostly need it. The prospects of establishing cross-border added value chains in certain sectors was positively assessed, especially in the energy sector, taking into account the role of the CBC area as a strategic intersection of energy corridors bridging energy suppliers from the east and energy consumers in the west, whose externalities, however, bring extensive environmental hazard to the region. Therefore, participants in the consultations expressed the need for more cross-border coordinated actions in the energy and environmental fields. The topic of migration, which is central to the programme area, has been left for resolving in the hands of the relevant public authorities from both sides of the border. Irregular migration from Turkey to the EU increased in 2019, although the figures continue to be substantially below those recorded prior to the Statement. This is also a partial reflection of the increase in irregular migration towards Turkey in 2019 as compared to previous years. Therefore, in parallel to the public consultations, a separate round of CBC institutional consultations dedicated on migration has been implemented to sort out project ideas of strategic importance. Talks with representatives from the relevant law enforcement institutions from Bulgaria and Turkey from the area revealed that there have so far not been enough jointly implemented actions of institutional and operational cooperation to strengthen good migration management in the cross-border area in a coordinated and solidarity-based manner, despite the continuous topical discussions triggered by the refugee crisis in 2015. Thus, Bulgarian and Turkish law enforcement institutions agreed to develop and propose a joint project of strategic importance aimed at strengthening the level of institutional cooperation in the field of migration management. The March 2016 EU-Turkey Statement continued yielding results, reducing irregular and dangerous

crossings on the Eastern Mediterranean Route to Europe, and remained the key framework for cooperation on migration. The recently proposed New European Pact on Migration and Asylum stresses that in comprehensive partnerships, migration should be built in as a core issue, based on an assessment of the interests of the EU and its partner countries. Turkey sustained its commendable efforts to host around 4 million refugees from Syria and other countries, in what is the largest refugee community in the world. The EU and Turkey continue to provide significant support to refugees and host communities in Turkey, a concrete testimony of EU solidarity. The ‘2021 Communication on EU Enlargement Policy’ document highlights the irregular migration as a key challenge for Turkey and at the same emphasizes on the cross-border cooperation as a critical factor for achieving success in migration management in the region. Therefore, the proposed project of strategic importance under the CBC programme aligns fully with the EU-Turkey relations on enlargement. The outcomes of the CBC programme’s strategic project are expected to further strengthen the EU and Turkish common efforts, cooperation and coordination in the management of irregular migration. A credible enlargement policy is a geostrategic investment in peace, stability, security and economic growth in the whole of Europe.

Furthermore, the strategic and thematic scope of the CBC programme fully corresponds with the IPA III programming framework, as exemplified in sub-section 4. Complementarities and synergies with other funding programmes and instruments of section 1.2. This comes to illustrate that, for example, the decision to provide support for green transition (from energy efficiency and circularity perspectives) to enterprises, as well as the support for institutional cross-border cooperation against inland detected irregular migration, was simultaneously bottom-up (consultations outcomes) and top-down (EU enlargement policy, EU Green Deal) driven and that legitimizes its selection.

Therefore, the programme is expected to contribute to the enlargement process and at the same time to the strengthening of the territorial cohesion taking into account socio-economic opposite trends that are currently undergoing across the CBC area. Having regard to all this, as well as taking into account the need for preservation of cultural, social and economic links between the regions of both countries, the JWG agreed on the following overall objective of the Programme:

To strengthen the territorial cohesion of the Bulgaria-Turkey cross-border region

The programme goal is ambitious – sharp territorial divergences are observed between the programme regions having extreme and opposite ranges of socio-economic development, while the overall economic performance of the CBC area remains low in the EU and below national average. The programme response to this challenge is the delineation of programme priority “Integrated development of the cross-border region” with 65% budget earmarked for (1) achieving sustainable economic growth based on increased competitiveness of the local economy, digital and green transformation, and (2) expanding access and improving quality of services of general interest, incl. reducing pollution and the negative effects of climate change. The implementation of the priority through a dedicated Integrated Territorial Strategy addresses territorial challenges such as high unemployment (particularly youth one) and poverty risk, low income, underdeveloped cross-border tourism, green, digital and networking business opportunities. The integrated development aligns fully with the programme objective, because both concepts precondition strong collaboration and cooperation between territorial actors. The promotion of genuine cooperation under that priority has been done at three levels: programming (JWG), implementation (through Interreg indicators

preconditioning cross-border dimension of the investments) and management (joint committee/strategy board will be set up to participate in the project selection process).

The very selection of PO5 and the largest programme budget share it enjoys (65%), unequivocally reveals that building mutual trust (highlighted accession principle in the Communication from the Commission ‘Enhancing the accession process – A credible EU perspective for the Western Balkans’) and cooperation between territorial actors has been put on central in the programme strategy.

8. HORIZONTAL PRINCIPLES 2021-2027

The new programme period is marked by a new generation of horizontal principles. Their aim is to promote equally important understandings and practices from various policy domains whose cumulative application will ultimately bring more peace, health and wellness for all. The CBC programme will scrutinize each project approved for funding whether it contradicts the principles described here. The EU Charter of Fundamental Rights remains the main principle promoting and ensuring equality and inclusiveness across Europe. The MA will seek to ensure gender balance in the composition of JMC, as well as it will require from project promoters to adhere to EU Charter and provide evidence for that. The MA will take any possible action throughout the preparation, implementation, monitoring, reporting and evaluation of the CBC programme to positively influence poverty eradication, social exclusion and any form of inequality and discrimination by promoting social inclusion and encompassing the principles and objectives of the EU Charter. The concept of sustainable development has never been that broadly covered as it is now embedded in the new programme period. The Regulation (EU) 2020/852 (Taxonomy Regulation) is an important piece of legislation for enabling and scaling up sustainable investment and thus implementing the European Green Deal, including an economy that works for people and ensures a just transition that creates employment and leaves nobody behind. The Do No Significant Harm (DNSH) Principle, promoted by the Taxonomy Regulation, requires from an economic activity to be in full consistency with the environmental objectives set out in Article 9 of the Taxonomy Regulation. The Environmental Assessment (EA) of the CBC programme covers all aspects of the principle and legitimize the programme compliance with it. The EA report confirms that there is no inclusion of activities or types of actions in the CBC programme that could do significant harm, as well as it includes description of the measures concerning monitoring foreseen in Articles 9(1)(c) and 10 (monitoring) of the SEA Directive. In the course of developing the EA report, the Environmental competent body in Bulgaria (the Ministry of Environment and Waters) has concluded that the programme does not need to go through a parallel compliance assessment of the Biological Diversity Act. Nevertheless, a certain programme contribution to EU climate and biodiversity targets is expected, despite that these targets do not compound the main objective of the CBC programme. Furthermore, to ensure maximum adherence to the principles and targets of the Green Deal, each project supported by the programme should have a green component that contribute to at least one of the environmental objectives set out in Article 9 of the Taxonomy Regulation. The holistic dimension of the ERDF and IPA funds is projected in the New European Bauhaus (NEB) principle, which requires from all project promoters and partners to align their infrastructural measures with the surrounding environment in order to provide for harmonious co-existence with nature, social inclusion and accessibility. NEP materialize the new EU initiative whose aim is to lead a whole systemic change of preserving the unique elements of a surrounding environment in terms of aestheticism, sustainability and inclusiveness. Supported projects should ideally contribute to the regeneration of the environment and ecosystem functions and services, climate neutrality as well as the sustainable management and enhancement of cultural

landscapes. All supported by the programme entities and undertakings should strive to ride the digital transformation wave and propose digital solutions under the concept of "one standard for all". The concept gave rise to the e-Cohesion principle which needs more recognition and broader application. However, resolutions to the issue with the different e-standards between Member States and IPA countries are not of MA competence. Nevertheless, the MA and the NA are equally interested and motivated to apply the e-Cohesion principle throughout any suitable aspect the CBC programme management. Strategic public procurement (SPP) is also a horizontal matter of concern that has become an indispensable tool for governments and policymakers. The public procurement (PP) rules have been recently extended to address not only economic objectives (value for money), but also social and environmental goals as well as innovation aspects. Any CBC programme-related PP practice that is going to be carried out on the territory of Bulgaria, regardless of the type of procuring entity, will be aligned with the SPP concept. This is so because the new EU Procurement Directives have been already transposed into the national PP legislation and thus the procuring organization will legally encouraged to achieve greater incorporation of innovative, green and social criteria in awarding public contracts. The Durability of results principle is embedded in the implementation of the programme through regular monitoring practices of supported projects to make sure the provided funding is strongly linked with the sustainability of the achieved results and bring in the desired territorial effect.

1.3. Justification for the selection of policy objectives and the Interreg specific objectives, corresponding priorities, specific objectives and the forms of support, addressing, where appropriate, missing links in cross-border infrastructure

Reference: point (c) of Article 17(3)

Table 1

Selected policy objective or selected Interreg-specific objective	Selected specific objective	Priorty	Justification for selection
<p><i>PO 2 A greener, low-carbon transitioning towards a net zero carbon economy and resilient Europe by promoting clean and fair energy transition, green and blue investment, the circular economy, climate change mitigation and adaptation, risk prevention and management, and sustainable urban mobility</i></p>	<p><i>Promoting energy efficiency and reducing greenhouse gas emissions</i></p>	<p>Environmentally-friendly cross-border regions</p>	<p>The economies of Bulgaria and Turkey are among the most energy-intensive ones in Europe. Despite the progress made in the last ten years, which reported a 17.4% decrease in the energy intensity index, outpacing the average improvement in the EU (14.5%), Bulgaria remains the EU country with the most energy-intensive economy, spending 3.6 times more energy resources per unit of GDP than the EU average energy consumption. The OECD Environmental Performance Review of Turkey for 2019 highlights two main environmental challenges before the country: (1) the highly carbon-intensive economy reliant on fossil fuels and (2) rapidly increasing greenhouse gas emissions. In its Eleventh Development Plan 2017-2023 (EDP), Turkey points out its energy-intensive economic orientation by reporting an increase of 32.4% of the end-use energy consumption and 46% of the primary energy consumption in 2015 as compared to 2005. To achieve a carbon-free transformation, both countries take on identical strategic routes. In its Integrated National Energy and Climate Plan (INECP) the Bulgarian government has laid down the low-carbon pathway of concrete measures in line with the 80 to 95% overall GHG reduction objective by 2050. In line with the EU's energy efficiency priorities, the INECP of Bulgaria has set national targets for achieving a 27.89% reduction in primary energy consumption and a 31.67% reduction in final energy consumption by 2030. The need for Bulgaria to take on vast energy efficiency measures is also recognized in the National Strategy for Small and Medium Enterprises 2021-2027 under the Environment intervention area, measure 6.1 Support the transition to a low-carbon economy by improving the energy and resource efficiency of SMEs and increasing the use of renewable energy sources. Similarly, the National Energy Efficiency Action Plan (NEEAP) of Turkey for 2017-23 aims to reduce country's primary energy consumption by 14% from business-as-usual scenario across several sectors. Turkey is firmly committed to limiting the rate</p>

			<p>of growth of national GHG emissions by applying a sector-led approach. For example, the NEEAP 2017-2023 sets the target of achieving at least 10% reduction in energy consumption of each subsector of the industry. A total of 4.8 billion USD was invested in energy efficiency for the 2017-2020 period. In return, savings of 3.19 million tons of oil equivalent and 1.2 billion USD were achieved cumulatively.</p>
<p>PO 2 <i>A greener, low-carbon transitioning towards a net zero carbon economy and resilient Europe by promoting clean and fair energy transition, green and blue investment, the circular economy, climate change mitigation and adaptation, risk prevention and management, and sustainable urban mobility</i></p>	<p><i>Promoting the transition to a circular and resource efficient economy</i></p>	<p>Environmentally-friendly cross-border region</p>	<p>The ‘take-make-use-dispose’ model that characterizes the linear economy, which is inefficient, costly and depletes natural resources, has gradually given way to closed-loop business models who enjoy the environmentally friendly concept of reusing materials. Bulgaria and Turkey, however, lag behind the EU in all components of the circular economy - resource productivity (e.g. 0.4 euro/kg - BG, 0.7 - TR, 2.3 - EU28), usage of circular material, waste management and competitiveness and innovation, with a better performance of Bulgaria in the waste management field and a made substantial progress of Turkey in wastewater management (2019 OECD Environmental report for Turkey). The report also emphasizes on the need for Turkey to make a more substantial progress in the transition to a low-carbon, circular economy. The data for Turkey of the Eurobarometer 2017 on SMEs, resource efficiency and green market show limited adoption of circular principles in the industry across the country.</p> <p>As far as Bulgaria is concerned, the main assumption of the Integrated National Energy and Climate Plan (INECP) is that the country is fully capable of a shift to using residual and waste biomass, industrial waste and municipal waste, which will boost new circular business models. To achieve sustainable use and management of resources as a condition for transforming the economy from linear to circular and to reduce resource intensity, enterprises will receive support for the introduction of low-carbon, circular technologies and business models, promotion of the efficient use of resources during the entire life cycle of the products, as well as development and implementation of innovations in the field of circular economy according to the Innovation Strategy for Smart Specialization 2021-2027 of Bulgaria (SSSB). The entire Bulgarian part of the CBC area falls under the thematic area Green technologies, circular and low-carbon economy of the new SSSB.</p> <p>Yet, both countries have not developed their National Circular Economy Action Plans. In the absence of national guidance and strategic directions for applying circular solutions in the industry process, the programme will step on the pillars of the new Circular Economy Action Plan of EC.</p>

<p>PO 5 <i>A Europe closer to citizens by fostering the sustainable and integrated development of all types of territories and local initiatives</i></p>	<p><i>Fostering the integrated and inclusive social, economic and environmental local development, culture, natural heritage, sustainable tourism and security in areas other than urban areas</i></p>	<p>Integrated development of the cross-border region</p>	<p>The expected increase in regional disparities and peripheralization, the urban-rural divide and the polarisation around the main urban centres ask for integrated policies and an increasingly important role of the local level in development policies. This emphasises the importance of tailored place-based approaches rather than territorially blind policies with little relation to territorial reality. The selection of the specific objective, that the programme has embedded, has been made with a view to tackle these challenges, accounting as well for compliance with the core priorities of the Territorial Agenda 2030 – to strive for more balanced development and more equal living conditions for all territories addressing demographic and societal imbalances. The selection of the SO has been further justified by the need to place on an equal footing urban and rural areas when it comes to provision and securing services of general interest. Thus, the programme will contribute to the ‘A just Europe’ priority of the Territorial Agenda 2030 by applying a place-based approach, in contrast to the dot-like one. The former is expected to unleash the territorial potential and satisfy identified needs in a more consistent, efficient and sustainable way. This entails the involvement of all actors playing active roles in the border economy, such as SMEs, public authorities, NGOs, special-purpose organizations, etc. and thus allowing for accountable partnerships that are set up to support the prosperity of the border region. Effective integrated territorial development at a place-based level requires a broad range of economic and community-led incentives that foster active collaborations of stakeholders and service providers from both sides of the border. The selected specific objective provide a very good strategic framework to bring business, citizens and authorities together in collective actions that produce shared benefits and widely agreed solutions to common territorial challenges. As far as the implementation framework of PO5 is concerned (in terms of actions to be supported), its concrete parameters will be designed and detailed in the Integrated territorial strategy, whose short description is presented under column “Actions to be supported”.</p>
<p><i>ISO 2: A safer and more secure Europe</i></p>	<p><i>Improving migration management</i></p>	<p>More secure cross-border region</p>	<p>With the increasing refugee population residing in Bulgaria and Turkey as a result of the continuing migration pressure in the CBC area, the need to enhance the institutional coordination for operational cooperation in the field of inland detected illegal migration has become evident. The Regional Directorates of the Ministries of Interior in Haskovo, Bourgas and Yambol (Bulgaria) and the Police departments of Edirne and Kırklareli provinces (Turkey) have been isolated, so far, from the vast EU institutional and financial support in</p>

		<p>the field of illegal migration, which goes mainly to border authorities. Listed above institutions deal with irregular migrants intercepted inside the territory of the respective country (inland detection) in the lack of a comprehensive irregular migration cooperation strategy and capacity to coordinate and implement such a strategy. Therefore, the main purpose of the proposed strategic project is to enhance the coordination of the respective authorities to cope with irregular migration on their mandated territories in a cooperative and a solidarity-based manner. The respective police departments have never performed joint operational cooperation actions that address migration issues. Thus, the level of institutional cooperation between these institutions remains weak which constitutes a risk for the efficient irregular migration management now and in the future. As the 2020 Frontex’s Risk Assessment suggests, any perceived or actual deficiency of migration management systems and their components in transit regions (like Turkey and Bulgaria) can result in much higher pressure towards the EU. Moreover, as the EC states in its “Managing migration in all its aspects” 2018 report, despite the declining number of irregular migrants detected at EU external borders, structural migration pressure remains strong: there is a need to build a system that can withstand future crises. This means moving from ad hoc responses to durable solutions, and all this can be done if key institutional actors are involved in the process, encompassing the two main areas where irregular migration has been detected – at the border and inland. Therefore, in order for the strategic project to provide support for the development and implementation of a fully-fledged irregular migration strategy for cooperation in line with international migrants' rights standards, the DG Customs Enforcement (Turkish Ministry of Trade) may be also partnering the project due to its migration control functions that extend inside the country. Having covered the main areas of an irregular migration detection (IRM), allows us to close the IRM’s cycle and gather its constituting institutions to collectively strengthen their capacity for cross-border operational cooperation in a way to produce durable, cooperative and solidarity-based solutions and action standards. The project builds on the existing strategic documents in the field consisting of (1) Strategy Document and National Action Plan on Irregular Migration 2021-2025 of Turkey, (2) National Security Strategy of the Republic of Bulgaria, adopted by a Decision of the National Assembly on the 14th of March 2018, (3) National Strategy on Migration of the Republic of Bulgaria 2021-2025 and (4)</p>
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			Territorial analysis of the Bulgaria-Turkey cross-border area within the CBC Programme.
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2. Priorities [300]

Reference: points (d) and (e) of Article 17(3)

2.1. Title of the priority (repeated for each priority)

Reference: point (d) of Article 17(3)

Text field: [300]

Priority 1 - Environmentally-friendly cross-border region

2.1.1.1. Specific objective (repeated for each selected specific objective)

Text field: [300]

1.1 Promoting energy efficiency and reducing greenhouse gas emissions

2.1.1.2. Related types of action, and their expected contribution to those specific objectives and to macro-regional strategies and sea-basis strategies, where appropriate

Reference: point (e)(i) of Article 17(3), point (c)(ii) of Article 17(9)

Text field [7000]

The main purpose of the selected policy objective is to support energy efficiency in industrial processes. Industry is the most energy consuming sector in Bulgaria and Turkey. In Bulgaria there is stagnation in this sector in the norm of energy efficiency, and the reasons for this include the lack of significant changes in the industrial structure, as well as the lack of significant improvement in terms of technologies used and production processes (National Recovery and Resilience Plan). As a result, the energy intensity of Bulgarian industry remains the highest in the EU, almost three times higher than the EU average.

According to the International Energy Agency the progress that Turkey has been made on the National Energy Efficiency Action Plan to date has been mixed and additional efforts will be needed to reach the 2023 target of 23.9 million tonnes of oil equivalent (Mtoe) saved with USD 10.9 billion invested. Implementation gaps remain across and within sectors, with policy progress slowed by delays in secondary legislation and lack of demand or incentives for energy efficiency products and services, among other factors.

All this lag far behind the EU energy efficiency achievements and determines the need for the programme support to be focused on the role of the energy-intensive industries (EIIs) in the transformation to a low-carbon economy. The Masterplan for a Competitive Transformation of EU Energy-intensive Industries Enabling a Climate-neutral, Circular Economy by 2050 (EC, 2019) provides the footing for the identification of EIIs. Outcomes of the Territorial Analysis show the dominant role of EIIs such as textile, food and beverages, chemicals, retail trade (identified as EIIs in the EC's Masterplan, 2019) in the CBC sectoral specialization. The EU Green Deal underlines that the need for decarbonisation and modernisation of the EIIs is essential. It is expected that all programme energy efficiency measures and investments can unlock huge energy saving potential of key EIIs in the CBC area and thus contributing to the global decarbonization efforts and practices.

The precise EIIs, however, shall be identified at the stage of drafting the Guidelines for applicants to make the programme support consistent with up-to-date needs.

SMEs show low interest in energy efficiency investments which is a substantial risk for implementation and proper development of the cross-border region in line with the Green deal and national strategic plans. The SMEs in the border regions usually are not sufficiently knowledgeable about the concept of energy efficiency, which is often confused with renewable energy. The energy efficiency awareness is very low among the SMEs. For SMEs, the data and documentation requirements of energy efficiency investments are complex and time consuming.

The lack of knowledge and readiness of local SMEs to actively participate in the transformation to a low-carbon economy justifies a broad support for energy efficiency and reducing greenhouse gas emissions measures. The scarce programme resources, however, call for a more focused approach and prioritization of the SMEs actions in this direction, as well for demarcation from other EU funding programmes pursuing identical objectives. For Bulgaria these are Operational Programme Innovation and Competitiveness (with a focus on renewable energy sources and energy efficiency of publicly-owned building stock) and National Recovery and Resilience Plan (with a focus on SMEs from urban areas).

Non-exhaustive list of activities to be financed includes:

- Investments for reducing GHG emissions and energy consumption in the entire industry life cycle, also by replacing old equipment with new, more energy-efficient;
- Investments for energy efficiency of enterprise-owned building stock, where the production processes take place;
- Investments for implementation of digital solutions for collecting and analyzing data on GHG emissions and energy consumption on an enterprise level with the aim to assist data-driven decision-making;
- Investments for implementation of energy real-time information and management systems and energy end-use applications;
- Conduction of energy efficiency audits, but only as an action (integral part) of projects implementing technological solutions for reducing energy consumption in industrial processes and energy efficiency measures of enterprise-owned building stock;
- Joint development of new and providing access to existing technological solutions for energy efficiency and reduction of greenhouse gas emissions;
- Improving exchange of know-how, best practice and information between the relevant local businesses from both sides of the border in the area of energy efficiency and reduction of greenhouse gas emissions;
- Joint trainings and providing consultancy services to enterprises on energy efficiency;

The specific objective envisages direct support for micro, small and medium-sized enterprises within the meaning of Commission Recommendation 2003/361/EC, where applicable through the means of

Small Project Fund which provides opportunities for simplified application and implementation corresponding to the needs of the enterprises for easy and fast access to support.

The types of actions have been assessed as compatible with the DNSH principle, since they are not expected to have any significant negative environmental impact due to their nature, and they have been assessed as compatible according to methodology of Republic of Bulgaria.

The Black Sea Basin Strategy does not envisage energy-related actions, but the implementation of this specific objective goes in full accord with the environmental aspects of the Strategy.

For INTERACT and ESPON programmes:

Reference: point (c)(i) of Article 17(9)

Definition of a single beneficiary or a limited list of beneficiaries and the granting procedure

Text field [7000]

2.1.1.3. Indicators

Reference: point (e)(ii) of Article 17(3), Article point (c)(iii)17(9)

Table 2: Output indicators

Priority	Specific objective	ID [5]	Indicator	Measurement unit [255]	Milestone (2024) [200]	Final target (2029) [200]
Environmentally-friendly cross-border region	1.1 Promoting energy efficiency and reducing greenhouse gas emissions	RCO16	Jointly developed solutions	solutions	0	12

Table 3: Result indicators

Priority	Specific objective	ID	Indicator	Measurement unit	Baseline	Reference year	Final target (2029)	Source of data	Comments
Environmentally-friendly cross-border region	1.1 Promoting energy efficiency and reducing greenhouse	RCR104	Solutions taken up or up-scaled by organisation	solutions	0		9	MA monitoring system	

	se gas emission s								
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2.1.1.4. The main target groups

Reference: Article point (e)(iii) of 17(3), point (c)(iv) of Article 17(9)

Text field [7000]

The main target groups for the SO 1.1 Promoting energy efficiency and reducing greenhouse gas emissions, are:

- Existing and new MSMEs including those organized as cooperatives and social enterprises;

2.1.1.5. Indication of the specific territories targeted, including the planned use of ITI, CLLD or other territorial tools

Reference: Article point (e)(iv) of 17(3)

Text field [7000]

2.1.1.6. Planned use of financial instruments

Reference: point (e)(v) of Article 17(3)

Text field [7000] N/A

2.1.1.7. Indicative breakdown of the EU programme resources by type of intervention

Reference: point (e)(vi) of Article 17(3), point (e)(v) of Article 17(9)

Table 4: Dimension 1 – intervention field

Priority no	Fund	Specific objective	Code	Amount (EUR)
1	ERDF+IPA fund	1.1 Promoting energy efficiency and reducing greenhouse gas emissions	038 Energy efficiency and demonstration projects in SMEs and supporting measures	1 915 749,00
1	ERDF+IPA fund	1.1 Promoting energy efficiency and reducing greenhouse gas emissions	046 Support to entities that provide services contributing to the low carbon economy and to resilience to climate change, including awareness-raising measures	695 654,00
1	ERDF+IPA fund	1.1 Promoting energy efficiency and reducing greenhouse gas emissions	171 Enhancing cooperation with partners both within and outside the Member State	1 915 750,67

Table 5: Dimension 2 – form of financing

Priority no	Fund	Specific objective	Code	Amount (EUR)
1	ERDF+IPA fund	1.1 Promoting energy efficiency and reducing greenhouse gas emissions	01 Grant	4 527 153,67

Table 6: Dimension 3 – territorial delivery mechanism and territorial focus

Priority No	Fund	Specific objective	Code	Amount (EUR)
1	ERDF+IPA fund	1.1 Promoting energy efficiency and reducing greenhouse gas emissions	18 Cities, towns and suburbs	3 831 499,67
1	ERDF+IPA fund	1.1 Promoting energy efficiency and reducing greenhouse gas emissions	20 Rural areas	695 654,00

2.1.2.1. Specific objective (repeated for each selected specific objective)

Text field: [300]

1.2 Promoting the transition to a circular and resource efficient economy

Reference: point (e) of Article 17(3)

2.1.2.2. Related types of action, and their expected contribution to those specific objectives and to macro-regional strategies and sea-basis strategies, where appropriate

Reference: point (e)(i) of Article 17(3), point (c)(ii) of Article 17(9)

In addition to environmental sustainability, the economic benefits and business relevance of the circular economy are increasingly recognised. Scaling up the circular economy from front-runners to the mainstream economic players will make a decisive contribution to achieving climate neutrality by 2050 and decoupling economic growth from resource use, while ensuring the long term competitiveness of the EU and leaving no one behind. As pointed out in the new Circular Economy Action Plan of EC, EU needs to accelerate the transition towards a regenerative growth model that gives back to the planet more than it takes, advance towards keeping its resource consumption within planetary boundaries, and therefore strive to reduce its consumption footprint and double its circular material use rate in the coming decade. Enterprises from the both sides of the border are not sufficiently equipped with relevant knowledge and skills about the benefits of the use of circular principles in their production processes. A recent study (“Impacts of circular economy policies on the labour market” by the Cambridge Econometrics, Trinomics, and ICF) estimates that applying circular economy principles across the EU economy has the potential to increase EU GDP by an additional 0.5% by 2030 creating around 700 000 new jobs. For citizens, the circular economy will provide high-quality, functional and safe products, which are efficient and affordable, last longer and are designed for reuse, repair, and high-quality recycling. A whole new range of sustainable services, products-service models and digital solutions will bring about a better quality of life, innovative jobs and upgraded knowledge and skills.

The challenges to the industrial sector from the CBC area in the context of double transition objectives are significant, given the unsatisfactory starting points (low levels of digitalisation and resource productivity, very high levels of carbon intensity). Therefore, there is an evident and urgent need for the regional SME to adopt more actively the principles of the circular economy and the related

production practices by making products fit for a climate-neutral, resource-efficient and circular economy and reducing waste across the entire product lifecycle.

In order to enable SMEs to transit to circular economy the following non-exhaustive list of activities is suggested:

- Development of last-longer and suitable for reuse, repair, and recycling products, incl. purchase of relevant technological equipment. Recyclable designs should be comprehensive by keeping the recycling infrastructure in mind. Regulators should match recycling quotas (e.g., EU recycling rate of 75% of packaging waste by 2030) to regional capacities and plan the expansion of the recycling streams in coordination with those quotas.
- Development of new business models based on renting and sharing goods and services (the so-called product-as-service models);
- Development of circular business models to favor the establishment of regional close-loop value chain by employing B2B, B2C and C2C models of cooperation;
- Development of circular biobased business models, solutions and product;
- Supporting measures for knowledge sharing, design methodology, innovation labs/hubs, clustering as approaches to promote circular products and circular production processes;
- Development of regional certification practices that reward regional products based on their different sustainability performance, environmental impact and circularity potential.

The types of actions have been assessed as compatible with the DNSH principle, in the same way as stated beforehand.

The specific objective envisages direct support for to micro, small and medium-sized enterprises within the meaning of Commission Recommendation 2003/361/EC, where applicable through the means of Small Project Fund which provides opportunities for simplified application and implementation corresponding to the needs of the enterprises for easy and fast access to support.

The Black Sea Basin Strategy does not envisage energy-related actions, but the implementation of this specific objective goes in full accord with the environmental aspects of the Strategy.

For INTERACT and ESPON programmes:

Reference: point (c)(i) of Article 17(9)

Definition of a single beneficiary or a limited list of beneficiaries and the granting procedure

Text field [7000]

2.1.2.3. Indicators

Reference: point (e)(ii) of Article 17(3), Article point (c)(iii)17(9)

Table 2: Output indicators

Priority	Specific objective	ID [5]	Indicator	Measurement unit [255]	Milestone (2024) [200]	Final target (2029) [200]
Environmentally-friendly cross-border region	1.2 Promoting the transition to a circular and resource efficient economy	RCO116	Jointly developed solutions	solutions	0	5

Table 3: Result indicators

Priority	Specific objective	ID	Indicator	Measurement unit	Baseline	Reference year	Final target (2029)	Source of data	Comments
Environmentally-friendly cross-border region	1.2 Promoting the transition to a circular and resource efficient economy	RCR104	Solutions taken up or up-scaled by organisation	solutions	0		4	MA monitoring system	

2.1.2.4. The main target groups

Reference: Article point (e)(iii) of 17(3), point (c)(iv) of Article 17(9)

The main target groups for the SO 1.2 Promoting the transition to a circular economy, are:

- Existing and new MSMEs including those organized as cooperatives and social enterprises;

2.1.2.5. Indication of the specific territories targeted, including the planned use of ITI, CLLD or other territorial tools

Reference: Article point (e)(iv) of 17(3)

Text field [7000]

2.1.2.6. Planned use of financial instruments

Reference: point (e)(v) of Article 17(3)

Text field [7000] N/A

2.1.2.7. Indicative breakdown of the EU programme resources by type of intervention

Reference: point (e)(vi) of Article 17(3), point (e)(v) of Article 17(9)

Table 4: Dimension 1 – intervention field

Priority no	Fund	Specific objective	Code	Amount (EUR)
1	ERDF+IP A fund	1.2 Promoting the transition to a circular and resource efficient economy	069 Commercial, industrial waste management: prevention, minimisation, sorting, reuse, recycling measures	347 827,00
1	ERDF+IP A fund	1.2 Promoting the transition to a circular and resource efficient economy	072 Use of recycled materials as raw materials compliant with the efficiency criteria	347 827,00
1	ERDF+IP A fund	1.2 Promoting the transition to a circular and resource efficient economy	075 Support to environmentally-friendly production processes and resource efficiency in SMEs	622 277,36
1	ERDF+IP A fund	1.2 Promoting the transition to a circular and resource efficient economy	171 Enhancing cooperation with partners both within and outside the Member State	622 277,36

Table 5: Dimension 2 – form of financing

Priority no	Fund	Specific objective	Code	Amount (EUR)
1	ERDF+IPA fund	1.2 Promoting the transition to a circular and resource efficient economy	01 Grant	1 940 208,72

Table 6: Dimension 3 – territorial delivery mechanism and territorial focus

Priority No	Fund	Specific objective	Code	Amount (EUR)
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1	ERDF+IPA fund	1.2 Promoting the transition to a circular and resource efficient economy	18 Cities, towns and suburbs	1 592 381,72
1	ERDF+IPA fund	1.2 Promoting the transition to a circular and resource efficient economy	20 Rural areas	347 827,00

2.2. Title of the priority (repeated for each priority)

Reference: point (d) of Article 17(3)

Text field: [300]

Integrated development of the cross-border region

2.2.1. Specific objective (repeated for each selected specific objective)

Reference: point (e) of Article 17(3)

Text field: [300]

2.1 Fostering the integrated and inclusive social, economic and environmental local development, culture, natural heritage, sustainable tourism and security in areas other than urban areas

2.2.2. Related types of action, and their expected contribution to those specific objectives and to macro-regional strategies and sea-basis strategies, where appropriate

Reference: point (e)(i) of Article 17(3), point (c)(ii) of Article 17(9)

Text field [7000]

Priority 2 ‘Integrated development of the cross-border region’ will give the opportunity for the multi-thematic challenges of the border area to be tackled through an Integrated territorial strategy (ITS) in compliance with art. 28 of the CPR Regulation. It is expected that the integrated investments for fostering territorial development in the local economy will bring higher added value and ensure the leverage effect of the ERDF and IPA funds.

The programmes implemented so far have delivered a wide number and range of outputs, but at the same time it was difficult to establish the effect of these and the particular value added of the cross-border cooperation. Therefore, there is a strong need to substitute the uncoordinated and dot-like investments with multilateral- and multi-sectoral- driven solutions in all key policy domains that define the degree of territorial cohesion.

The policy domain that outlines the prospects of territorial economic development is the European Green Deal (EGD) with its three objectives: (1) No net emissions of greenhouse gases by 2050; (2) Economic growth decoupled from resource use, and (3) No person and no place left behind. A just

and inclusive transition is the leading EGD principle that needs urgent implementation across all sectors, but particularly those of high environmental footprint, such as enterprise operations and tourism. The combination of EGD and Territorial agenda 2030 further challenges small and underdeveloped areas to reconsider their territorial obstacles and potential in addressing local needs with globally agreed approaches (decarbonisation, industrial symbiosis, inclusiveness). This is the precise territorial agenda for integrated development of the programme area – to improve today's life with resilient, resource efficient and zero-carbon solutions.

It should be pointed out that for most of the CBC area, especially on Bulgarian side, there is a high risk of poverty, social exclusion, continuous emigration of young people in active age and an increased share of elderly population. Poor employment opportunities in the rural areas lead to concentration of business activities and employment opportunities mainly in the big towns. Economic disparities, mainly between urban and rural areas, exist for all cross-border areas. The regions are relatively isolated from national economies. Among the negative consequences of a world-wide pandemic is the vulnerability of micro and small enterprises, healthcare systems, as well as the downward trends in the tourism sector. Outdated infrastructure related to risk prevention, low level of development of eco-friendly tourism and high degree of vulnerability to climate changes are common weaknesses of the areas. Problems with the road infrastructure still exist and the connections of small cities to main roads are weak.

At the same time the cross-border area is rich with natural resources, cultural and historical heritage. The unused potential leaves a field for future cooperation among stakeholders and integrated development of the territories. Given the fact that the Bulgaria-Turkey programme area includes Black Sea coastal regions (Burgas and Kırklareli), there is a need for strong correlation of programme resources with the Common Maritime Agenda and the Strategic Research and Innovation Agenda for the Black Sea.

All these findings and territorial particularities shape the strategic orientation and focus of the ITS. When designing the strategy, a reasonable level of strategic framework aggregation has been pursued in line with the new programming approaches manifested in the 2021-2027 EU cohesion policy, as well as a means to precondition simplifying implementation. Therefore, the ITS pursues two main strategic objectives, namely:

1. Achieving sustainable economic growth based on increased competitiveness of the local economy, digital and green transformation
2. Development of better access to services of general interest

From a typological point of view the ITS shall support a wide range of actions – research and development activities; creation and dissemination of information, knowledge and skills; trainings; services; networking; policy making; minor renovation, improvement, and maintenance of roads and facilities of public importance; protection and preservation, etc. The cumulative outcomes of all these diverse actions that are going to address broad thematic obstacles and challenges shall produce the integrated effect on territorial development. The non-exhaustive list of actions to be supported includes:

- Joint and cooperative actions for promoting entrepreneurship, digitalization (incl. ICT based management and production solutions, such as Customer Relationship Management (CRM), Customer Data Platform (CDP), Enterprise Resource Planning (ERP)), technological modernization, participation in regional value chains and internationalisation, applying new business and technology

innovation models, upgrading production and outreach strategies, wider adoption and implementation of circularity principles, solutions and models; marketing and research. It will be clearly communicated to potential applicants that under this priority MSMEs will not receive direct support for implementing circular economy models in order to demarcate this support from the one under priority 1. Legal entities other than MSMEs can apply or participate as partners in integrated projects of circular economy significance.

- Upskilling and building new knowledge and skills of local employees and NEETs; development of new or improving existent settings for remote work; adoption of new human resource management practices to deal with younger generations;
- Developing of new integrated regional tourist products where applicable with zero environmental footprint with the aim to overcome the seasonality in the sector, to increase the number of visitors and nights spent, to improve the access and quality of the tourism infrastructure by also strengthening the links between natural and cultural sites, including through enhancing the cycling network; upgrading marketing and branding practices;
- Promoting joint actions for the development of ecosystem practices and services in the management of natural assets with tourism potential;
- Support for actions aimed at wide implementation of consumer-oriented approaches in the provision of services of general interest, as well as by incorporating digital and green solutions for servicing in a cross-border environment;
- Implementation of joint actions to reduce pollution and ecological footprint, and provide clean air, water and food, to mitigate and adapt to climate change and to prevent and mitigate the consequences of natural and man-made disasters.

The types of actions have been assessed as compatible with the DNSH principle, in the same way as stated beforehand.

It should be noted that green and digital solutions will be incorporated as horizontal principles and thus become integral part of all supported, under the ITS, projects. This decision is seen as a programme instrument to promote the new cohesion policy.

The ITS is a multisectoral strategy and the support for the maritime sector has an important, though not a central, role in the projected course for integrated territorial development. Thus, the planned actions under the ITS interact with and are expected to contribute to the Common Maritime Agenda for the Black Sea and The Black Sea Strategic Research and Innovation Agenda (both being components of the EU Blue Growth Strategy) particularly from the view point of boosting new knowledge, improving access to information and ensuring efficient and sustainable management of sea-related activities, incl. aquaculture and tourism, with the aim to sustain healthy marine and coastal ecosystems.

For INTERACT and ESPON programmes:

Reference: point (c)(i) of Article 17(9)

Definition of a single beneficiary or a limited list of beneficiaries and the granting procedure

Text field [7000]

N/A

2.2.3. Indicators

Reference: point (e)(ii) of Article 17(3), Article point (c)(iii)17(9)

Table 2: Output indicators

Priority	Specific objective	ID [5]	Indicator	Measurement unit [255]	Milestone (2024) [200]	Final target (2029) [200]
Integrated development of the cross-border region	2.1 Fostering the integrated and inclusive social, economic and environmental local development, culture, natural heritage, sustainable tourism and security in areas other than urban areas	RCO 116	Jointly developed solutions	solutions	5	20
Integrated development of the cross-border region	2.1 Fostering the integrated and inclusive social, economic and environmental local development, culture, natural heritage, sustainable tourism and security in areas other than urban areas	RCO 87	Organizations cooperating across borders	organisations	15	58

Table 3: Result indicators

Priority	Specific objective	ID	Indicator	Measurement unit	Baseline	Reference year	Final target (2029)	Source of data	Comments
Integrated development of the cross-border region	2.1 Fostering the integrated and inclusive social, economic and environmental local development, culture, natural heritage, sustainable tourism and security in areas other than urban areas	RCR 104	Solutions taken up or up-scaled by organisations	solutions	0		44	MA monitoring system	

2.2.4. The main target groups

Reference: Article point (e)(iii) of 17(3), point (c)(iv) of Article 17(9)

Text field [7000]

The main target groups for the SO 2.1 Fostering the integrated and inclusive social, economic and environmental local development, culture, natural heritage, sustainable tourism and security in areas other than urban areas, are:

- Population in the cross-border region (Population of the Burgas, Haskovo and Yambol districts and Edirne and Kırklareli provinces)
- Local/ regional bodies and authorities, regional structures of central public authorities;
- Civil society;
- NGOs;
- R&D, academic and training institutions;
- Social institutions;
- MSMEs.

2.2.5. Indication of the specific territories targeted, including the planned use of ITI, CLLD or other territorial tools

Reference: Article point (e)(iv) of 17(3)

Text field [7000]

The implementation of Priority 2 ‘Integrated development of the cross-border region’ is planned to be carried out based on a dedicated Integrated territorial strategy (ITS) whose performance will be governed by a Joint Steering Committee/Strategy Board made up of representatives of wide range of stakeholders from both sides of the border. The selected bottom-up approach to implement the Priority 2 is in full compliance with the provisions of Chapter II Territorial Development of the CPR Regulation and Section II Territorial Development of the ETC Regulation.

The ITS is prepared by a Task Force Group (TFG) consisting of stakeholders from the region (representative sample) – municipalities, districts, NGOs, professional organizations, businesses etc. The TFG is supported by external contractor for the drafting of the strategy who takes on the practical writing of the strategy and bears corresponding responsibilities for ensuring compliance with Art. 29 (2) of the CPR and Art. 20 of the ETC. For the elaboration of the ITS’s strategic context, the following strategic documents of regional and local stakeholders were used as a basis:

- Integrated Territorial Development Strategy for the South Central Region (for Republic of Bulgaria);
- Integrated territorial development strategy for the Southeastern Region (for Republic of Bulgaria);
- Eleventh management plan of the region of Thrace 2014—2023 (for Republic of Turkey).

The rest of the work and the decision on the ultimate definition of the ITS thematic focus was placed in the hands of the general public from the area in the form of open consultations (spring 2021). In the period of November-December 2021, a second round of consultations has undergone. Its aim was to collect project ideas from the lowest level of the ladder of citizen participation and community engagement. The collected project ideas will serve as basis for setting up a list of operations. 4 webinars were organized for all interested from both sides of the border allowing participants to engage in discussions of ITS and project ideas matter.

The territorial targeting of the ITS goes to the entire programme area comprising the following types of territories: 1) cities, towns and suburbs, 2) rural areas 3) mountainous areas and 4) islands and coastal areas. The selected territorial focus of the ITS came out as a recommendation of the Territorial analysis (TA) which revealed a number of territorial particularities (identical economic, social and territorial challenges and development potentials across different territories) that lead to and justify such conclusion. The 5 district centres in the CBC region (Burgas, Haskovo, Yambol, Edirne, Kirklareli) are the development centres of the cross-border territory and “knots” of a polycentric settlements’ network. They serve the rest of the territory, realize complex interactions and interdependencies to smaller towns and other settlements. Each of these 5 districts (Burgas district, Haskovo district, Yambol district, Edirne province, Kirklareli province) exhibit the common characteristics of a functional area, but due to their limited geographical coverage it is hard to tailor them with individual investment plans. While operating in these systems, the spatial scope of the ITS may go beyond the formal borders of the CBC region. This comes to illustrate that functional zones

have conditional borders depending on the functional scope of the initiated activity/intervention/measure. Therefore, it can be stated that the ITS's territory favours elaboration and implementation of an integrated response to revealed needs and development potentials, narrowed in scope to cover the feasibility criterion.

The integrated approach to addressing common needs and utilising the existing potentials will be implemented through a multi-sectoral package of measures (grouped in list of operations). The performance of the ITS will be taken on by a Joint Steering Committee/Strategy Board, who will also participate in the selection of operations and cooperate with national EU funding decision-making bodies, like the Regional Development Councils in Republic of Bulgaria. This approach is selected to ensure and testify an unambiguous ownership of the ITS by local stakeholders.

2.2.6. Planned use of financial instruments

Reference: point (e)(v) of Article 17(3)

Text field [7000]

N/A

2.2.1.7. Indicative breakdown of the EU programme resources by type of intervention

Reference: point (e)(vi) of Article 17(3), point (e)(v) of Article 17(9)

Table 4: Dimension 1 – intervention field

Prio rity no	Fund	Specific objective	Code	Amount (EUR)
2	ERDF+ IPA fund	2.1 Fostering the integrated and inclusive social, economic and environmental local development, culture, natural heritage, sustainable tourism and security in areas other than urban areas	013 Digitising SMEs (including e-Commerce, e-Business and networked business processes, digital innovation hubs, living labs, web entrepreneurs and ICT start-ups, B2B)	943 000,00
2	ERDF+ IPA fund	2.1 Fostering the integrated and inclusive social, economic and environmental local development, culture, natural heritage, sustainable tourism and security in areas other than urban areas	016 Government ICT solutions, e-services, applications	1 886 000,00
2	ERDF+ IPA fund	2.1 Fostering the integrated and inclusive social, economic and	021 SME business development and internationalisation,	943 000,00

		environmental local development, culture, natural heritage, sustainable tourism and security in areas other than urban areas	including productive investments	
2	ERDF+ IPA fund	2.1 Fostering the integrated and inclusive social, economic and environmental local development, culture, natural heritage, sustainable tourism and security in areas other than urban areas	028 Technology transfer and cooperation between enterprises, research centres and higher education sector	943 000,00
2	ERDF+ IPA fund	2.1 Fostering the integrated and inclusive social, economic and environmental local development, culture, natural heritage, sustainable tourism and security in areas other than urban areas	058 Adaptation to climate change measures and prevention and management of climate related risks: floods and landslides (including awareness raising, civil protection and disaster management systems, infrastructures and ecosystem based approaches)	943 000,00
2	ERDF+ IPA fund	2.1 Fostering the integrated and inclusive social, economic and environmental local development, culture, natural heritage, sustainable tourism and security in areas other than urban areas	059 Adaptation to climate change measures and prevention and management of climate related risks: fires (including awareness raising, civil protection and disaster management systems, infrastructures and ecosystem based approaches)	3 000 000,00
2	ERDF+ IPA fund	2.1 Fostering the integrated and inclusive social, economic and environmental local development, culture, natural heritage, sustainable tourism and security in areas other than urban areas	067 Household waste management: prevention, minimisation, sorting, reuse, recycling measures	1 886 000,00
2	ERDF+ IPA fund	2.1 Fostering the integrated and inclusive social, economic and environmental local development, culture, natural heritage, sustainable tourism and security in areas other than urban areas	083 Cycling infrastructure	943 000,00

2	ERDF+ IPA fund	2.1 Fostering the integrated and inclusive social, economic and environmental local development, culture, natural heritage, sustainable tourism and security in areas other than urban areas	134 Measures to improve access to employment	943 000,00
2	ERDF+ IPA fund	2.1 Fostering the integrated and inclusive social, economic and environmental local development, culture, natural heritage, sustainable tourism and security in areas other than urban areas	136 Specific support for youth employment and socio-economic integration of young people	471 500,00
2	ERDF+ IPA fund	2.1 Fostering the integrated and inclusive social, economic and environmental local development, culture, natural heritage, sustainable tourism and security in areas other than urban areas	146 Support for adaptation of workers, enterprises and entrepreneurs to change	943 000,00
2	ERDF+ IPA fund	2.1 Fostering the integrated and inclusive social, economic and environmental local development, culture, natural heritage, sustainable tourism and security in areas other than urban areas	158 Measures to enhancing the equal and timely access to quality, sustainable and affordable services	943 000,00
2	ERDF+ IPA fund	2.1 Fostering the integrated and inclusive social, economic and environmental local development, culture, natural heritage, sustainable tourism and security in areas other than urban areas	165 Protection, development and promotion of public tourism assets and tourism services	3 471 500,00
2	ERDF+ IPA fund	2.1 Fostering the integrated and inclusive social, economic and environmental local development, culture, natural heritage, sustainable tourism and	166 Protection, development and promotion of cultural heritage and cultural services	943 000,00

		security in areas other than urban areas		
2	ERDF+IPA fund	2.1 Fostering the integrated and inclusive social, economic and environmental local development, culture, natural heritage, sustainable tourism and security in areas other than urban areas	167 Protection, development and promotion of natural heritage and eco-tourism other than Natura 2000 sites	943 000,00
2	ERDF+IPA fund	2.1 Fostering the integrated and inclusive social, economic and environmental local development, culture, natural heritage, sustainable tourism and security in areas other than urban areas	171 Enhancing cooperation with partners both within and outside the Member State	948 843,89

Table 5: Dimension 2 – form of financing

Pri ori ty no	Fund	Specific objective	Code	Amount (EUR)
2	ERDF+IPA fund	2.1 Fostering the integrated and inclusive social, economic and environmental local development, culture, natural heritage, sustainable tourism and security in areas other than urban areas	01 – Grant	21 093 843,89

Table 6: Dimension 3 – territorial delivery mechanism and territorial focus

Pri ori ty No	Fund	Specific objective	Code	Amount (EUR)
2	ERDF+IPA fund	2.1 Fostering the integrated and inclusive social, economic and environmental local development, culture, natural heritage, sustainable tourism and security in areas other than urban areas	18 Cities, towns and suburbs	5 273 460,98
2	ERDF+IPA fund	2.1 Fostering the integrated and inclusive social, economic and environmental	20 Rural areas	5 273 460,97

		local development, culture, natural heritage, sustainable tourism and security in areas other than urban areas		
2	ERDF+IPA fund	2.1 Fostering the integrated and inclusive social, economic and environmental local development, culture, natural heritage, sustainable tourism and security in areas other than urban areas	21 Mountainous areas	5 273 460,97
2	ERDF+IPA fund	2.1 Fostering the integrated and inclusive social, economic and environmental local development, culture, natural heritage, sustainable tourism and security in areas other than urban areas	22 Islands and coastal areas	5 273 460,97

2.3. Title of the priority (repeated for each priority)

Reference: point (d) of Article 17(3)

Text field: [300]

More secure cross-border region

2.3.1. Specific objective (repeated for each selected specific objective)

Text field: [300]

3.1 Improving migration management

Reference: point (e) of Article 17(3)

2.3.2. Related types of action, and their expected contribution to those specific objectives and to macro-regional strategies and sea-basis strategies, where appropriate

Reference: point (e)(i) of Article 17(3), point (c)(ii) of Article 17(9)

A strategic project connected with 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 will be targeted to the priority More secure border region under INTERREG Specific Objective 2: A safer and more secure Europe. Project partners will be Haskovo Regional Directorate of Ministry of Interior, Burgas Regional Directorate of Ministry of Interior and Yambol Regional Directorate of Ministry of Interior from Bulgarian side and Governorship of Edirne and Governorship of Kırklareli from Turkish side.

With the increasing refugee population residing in Bulgaria and Turkey as a result of the continuing migration pressure in the CBC area, the need to enhance the institutional coordination for operational cooperation in the field of inland detected illegal migration has become evident. The Regional Directorates of the Ministry of Interior in Haskovo, Bourgas and Yambol (Bulgaria) and the Law Enforcement departments of Edirne and Kırklareli provinces (Turkey) have been isolated, so far, from the vast EU institutional and financial support in the field of illegal migration, which goes mainly to border authorities. The above listed institutions deal with irregular migrants intercepted inside the territory of the respective country (inland detection) in the lack of a comprehensive irregular migration cooperation strategy and capacity to coordinate and implement such a strategy.

The project activities envisaged within this project are relevant to the Specific Objective: Improving migration management as they are aimed at enhancing the abilities of law enforcement officers on both sides and increasing the cross-border effect at the same time, which will all contribute to the specific objective. Planned trainings will enhance knowledge about regulations on international and European level and also increase language skills that will play an important role in diminishing barriers due to language. Supply of specialized equipment will provide law enforcement officers with the equipment necessary for more effective counteraction to irregular migration. The project will help to build a system in case a future crises and change the way of reaction from ad hoc responses to durable solutions, and all this can be done if key institutional actors are involved in the process, encompassing the two main areas where irregular migration has been detected – at the border and inland.

The indicative type of actions to be supported are related to:

- Conducting trainings, exchange of experience and good practices, study visits in order to improve institutional cooperation and capacity;
- Measures for the enhancement of the security in urban and suburban areas of the cross-border region;
- Delivery of specialised equipment/devices to improve the technical capabilities and enhance the physical capacity of the law enforcement officers/departments in the cross-border region.

The types of actions have been assessed as compatible with the DNSH principle, in the same way as stated beforehand.

For INTERACT and ESPON programmes:

Reference: point (c)(i) of Article 17(9)

Definition of a single beneficiary or a limited list of beneficiaries and the granting procedure

Text field [7000]

2.3.3. Indicators

Reference: point (e)(ii) of Article 17(3), Article point (c)(iii)17(9)

Table 2: Output indicators

Priority	Specific objective	ID [5]	Indicator	Measurement unit [255]	Milestone (2024) [200]	Final target (2029) [200]
More secure cross-border region	3.1 Improving migration management	RC O81	Participations in joint actions across borders	participations	91	367

Table 3: Result indicators

Priority	Specific objective	ID	Indicator	Measurement unit	Baseline	Reference year	Final target (2029)	Source of data	Comments
More secure cross-border region	3.1 Improving migration management	RC R85	Participations in joint actions across borders after project completion	participations	0		50	MA monitoring system	

2.3.4. The main target groups

Reference: Article point (e)(iii) of 17(3), point (c)(iv) of Article 17(9)

Text field [7000]

The actions supported under this priority are envisaged to bring benefits to the following target groups:

- Population in the cross-border region (Population of the Burgas, Haskovo and Yambol districts and Edirne and Kırklareli provinces);
- Visitors in the cross-border region;
- Migrants and asylum seekers;
- Public authorities and service providers;

- Enterprises;
 - Potential investors and local economic operators;
 - Law enforcement authorities in the border region;
- Potential Beneficiaries:
- Regional Directorates of the Ministry of Interior in Haskovo, Burgas and Yambol;
 - Law Enforcement department in the Edirne and Kırklareli province;
 - Other law enforcement authorities.

2.3.5. Indication of the specific territories targeted, including the planned use of ITI, CLLD or other territorial tools

Reference: Article point (e)(iv) of 17(3)

Text field [7000]
N/A

2.3.6. Planned use of financial instruments

Reference: point (e)(v) of Article 17(3)

Text field [7000]
N/A

2.3.7. Indicative breakdown of the EU programme resources by type of intervention

Reference: point (e)(vi) of Article 17(3), point (e)(v) of Article 17(9)

Table 4: Dimension 1 – intervention field

Priority no	Fund	Specific objective	Code	Amount (EUR)
3	ERDF+IPA fund	3.1 Improving migration management	174 Interreg: border crossing management and mobility and migration management	1 691 756,72

Table 5: Dimension 2 – form of financing

Priority no	Fund	Specific objective	Code	Amount (EUR)
3	ERDF+IPA fund	3.1 Improving migration management	01 – Grant	1 691 756,72

Table 6: Dimension 3 – territorial delivery mechanism and territorial focus

Priorty No	Fund	Specific objective	Code	Amount (EUR)
3	ERDF+IPA fund	3.1 Improving migration management	18 Cities, towns and suburbs	1 691 756,72

3. Financing plan

Reference: point (g) of Article 17(3)

3.1 Financial appropriations by year

Reference: point (g)(i) of Article 17(3), points (a)-(d) of Article 17(4)

Table 7

<i>Fund</i>	<i>2021</i>	<i>2022</i>	<i>2023</i>	<i>2024</i>	<i>2025</i>	<i>2026</i>	<i>2027</i>	<i>Total</i>
<i>ERDF (territorial cooperation goal)</i>	0	2 437 702	2 476 859	2 516 799	2 557 537	2 119 228	2 161 613	14 269 738
<i>IPA III CBC¹⁷</i>	0	2 514 285	2 582 360	2 616 772	2 669 137	2 277 519	2 323 152	14 983 225
<i>Neighbourhood CBC¹⁸</i>								
<i>IPA III¹⁹</i>								
<i>NDICI²⁰</i>								
<i>OCTP²¹</i>								

¹⁷ Interreg A, external cross-border cooperation.

¹⁸ Interreg A, external cross-border cooperation.

¹⁹ Interreg B and C.

²⁰ Interreg B and C.

²¹ Interreg B, C and D.

<i>Interreg funds</i> ²²								
Total	0	4 951 987	5 059 219	5 133 571	5 226 674	4 396 747	4 484 765	29 252 963,00

3.2 Total financial appropriations by fund and national co-financing

Reference: point (f)(ii) of Article 17, points (a)-(d) of Article 17(4)

²² ERDF, IPA III, NDICI or OCTP, where as single amount under Interreg B and C.

Table 8

Policy objective No or TA	Priority	Fund (as applicable)	Basis for calculation EU support (total eligible cost or public contribution)	EU contribution (a)=(a1)+(a2)	Indicative breakdown of the EU contribution		National contribution (b)=(c)+(d)	Indicative breakdown of the national counterpart		Total (e)=(a)+(b)	Co-financing rate (f)=(a)/(e)	Contributions from the third countries (for information)		
					without TA pursuant to Article 30(5) CPR (a1)	for TA pursuant to Article 30(5) CPR (a2)		National public (c)	National private (d)					
2	Priority 1	ERDF	Total eligible cost	3 171 052,89	2 882 775,36	288 277,53	559 597,58	559 597,58	0,00	3 730 650,47	0,85			
		IPA III CBC ²³	Total eligible cost	3 296 309,50	2 996 645,00	299 664,50	581 701,69	581 701,69	0,00	3 878 011,19	0,85			
		Neighbourhood CBC ²⁴												
		IPA III ²⁵												
		NDICI ²⁶												
		OCTP ²⁷												
		Interreg funds ²⁸												
5	Priority 2	ERDF	Total eligib	10 305 921,89	9 369 019,90	936 901,99	1 818 692,11	1 818 692,11	0,00	12 124 614,00	0,85			

²³ Interreg A, external cross-border cooperation.

²⁴ Interreg A, external cross-border cooperation.

²⁵ Interreg B and C.

²⁶ Interreg B and C.

²⁷ Interreg B, C and D.

²⁸ ERDF, IPA III, NDICI or OCTP, where as single amount under Interreg B and C.

			le cost									
		<i>IPA III CBC</i>	Total eligible cost	10 787 922,00	9 807 201,82	980 720,18	1 903 750,95	1 903 750,95	0,00	12 691 672,95	0,85	
		<i>Neighbourhood CBC</i>										
		<i>IPA III</i>										
		<i>NDICI</i>										
		<i>OCTP</i>										
		<i>Interreg funds</i>										
<i>ISO 2</i>	Priority 3	<i>ERDF</i>	Total eligible cost	792 763,22	720 693,84	72 069,38	139 899,40	139 899,40	0,00	932 662,62	0,85	
		<i>IPA III CBC</i>	Total eligible cost	898 993,50	817 266,82	81 726,68	158 645,92	158 645,92	0,00	1 057 639,42	0,85	
		<i>Neighbourhood CBC</i>										
		<i>IPA III</i>										
		<i>NDICI</i>										
		<i>OCTP</i>										
		<i>Interreg funds</i>										
	Total	All funds	Total eligible cost	29 252 963,00	26 593 602,74	2 659 360,26	5 162 287,65	5 162 287,65	0,00	34 415 250,65	0,85	
		<i>ERDF</i>	Total eligible cost	14 269 738,00	12 972 489,10	1 297 248,90	2 518 189,09	2 518 189,09	0,00	16 787 927,09	0,85	

		<i>IPA III CBC</i>	Total eligible cost	14 983 225,00	13 621 113,64	1 362 111,36	2 644 098,56	2 644 098,56	0,00	17 627 323,56	0,85	
		<i>Neighbourhood CBC</i>										
		<i>IPA III</i>										
		<i>NDICI</i>										
		<i>OCTP</i>										
		<i>Interreg funds</i>										
	Total	All funds	Total eligible cost	29 252 963,00	26 593 602,74	2 659 360,26	5 162 287,65	5 162 287,65	0,00	34 415 250,65	0,85	

4. Action taken to involve the relevant programme partners in the preparation of the Interreg programme and the role of those programme partners in the implementation, monitoring and evaluation

Reference: point (g) of Article 17(3)

Text field [10 000]

The entire programme cycle, including the programme preparation, implementation, monitoring and evaluation, has been designed to ensure the active involvement of the relevant partners.

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. As part of the process of preparation of the programming and in line with a bottom-up approach, a wide consultation process involving public authorities, civil society representatives, social partners and business took place. The documents related to programming like Cross-Border Orientation Paper, territorial analysis, intervention logic, etc. were published on the programme website and made available to the public.

1. Regional consultations

The preparation process of the Interreg-IPA CBC Bulgaria-Turkey Programme started in 2019 with regional consultations and meetings where the new elements for the programming period 2021-2027 have been presented. The consultations and meetings were held in the period August – October 2019, both on Turkish and Bulgarian territory. 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) and a broad regional consultation meeting in Bulgaria (in October 2019 in Burgas). The aim of the conducted regional consultations was to identify the local needs, following the bottom-up approach. The meetings were dedicated to the regional and local stakeholders as they can easily highlight the challenges and potentials of the given territory. The main aim was to incorporate proposals by the stakeholders regarding the prioritization of policy objectives and possible interventions.

During the regional consultations the following main issues were highlighted that require dedicated measures under the Programme, namely: negative demographic development, massive depopulation in rural areas; migration of skilled labour force high degree of vulnerability to climate changes; seasonal nature of tourism sector; outdated infrastructure related to risk prevention; underdeveloped road, touristic and ecological infrastructure. The regional and local stakeholders expressed willingness for introducing new partnerships but also insist on the sustainability of the previous ones and on the experience in cooperating with the neighbouring country. Policy Objective 5 ‘Europe closer to citizens’ was supported by the participating stakeholders.

Based on the statistical data gathered at the programme level as well as results of the regional consultations, the territorial analysis of the programme area was prepared.

2. Joint working group on programming (JWG)

The programming process continued with establishment of the Joint Working Group for strategic planning and programming (JWG) in November 2019. The JWG steers the programming phase and ensures the quality and effectiveness of the Programme preparation in accordance with the applicable European Union legal framework. It plays a key role in the organisation of the dialogue with the relevant stakeholders, feeding in the results of the national and regional consultations, etc. The JWG is responsible for the approval of the final draft of the Programme and its amendments in the consultation phase with the European Commission. The JWG is composed respectively of Bulgarian and Turkish delegations in which national, regional and local representatives from both countries are participating. At the first meeting of the JWG (on 12th of November 2019) the rules of procedure of the JWG and Concept paper for Cross-border cooperation Programme between Republic of Bulgaria and Republic of Turkey 2021-2027 were approved. At its second meeting (on 24th of September 2020) the JWG approved the Territorial analysis and Intervention logic of the future programme. On 24th of February 2021 via written procedure the JWG approved the revised Intervention Logic of the programme (after the amendment of the draft regulations) and gave a mandate to the Managing Authority and National Authority to elaborate and present the proposal for the Programme document. On the online meeting on 14.09.2021 the JWG approved the First draft of the Interreg-IPA CBC Programme Bulgaria - Turkey 2021-2027.

3. Task force (TF) on the elaboration of the Integrated territorial strategy for the CBC region

In connection with the elaboration of a territorial strategy for integrated measures and selected programme priority within the scope of Policy Objective 5 "Europe closer to the citizens" under the cross-border cooperation Programme between Bulgaria and Turkey for the period 2021-2027, a Task Force was set up. The TF includes representatives of the local stakeholders – local authorities, business, NGOs, etc. and has supporting functions during all steps of the elaboration of multiannual Strategy for Integrated Territorial Development for the period 2021-2027, with the aim to meet the needs of the INTERREG - IPA CBC Programme Bulgaria – Turkey 2021 – 2027 to contribute to a sustainable economic development of the region. The main responsibility of the TF is to collaborate with the Consultant during the elaboration of the Territorial strategy for integrated measures under PO5 “Europe closer to citizens” and to feed in results of dialogues with relevant stakeholders, databases, expert positions etc.

The broad consultations on the preparation of the 2021-2027 Bulgaria-Turkey CBC programme will further continue by public consultations for the Strategy for Integrated Territorial Development and Environmental Assessment Reports for the Programme and strategy.

4. Implementation, monitoring and evaluation

As soon as the INTERREG-IPA CBC Programme Bulgaria-Turkey 2021-2027 is approved by EC, the Joint monitoring committee will be established (within three months after the approval of the Programme in accordance with Article 28 of Regulation (EU) 2021/1059). The

composition of the monitoring committee shall be agreed by the participating countries and shall be in compliance with the provisions of Article 29 of Interreg Regulation. The composition of the JMC will respect the principles of partnership and multi-level governance and will include public authorities (regional, local and other); economic and social partners; representative of civil society, such as environmental partners, non-governmental organisations, and bodies responsible for promoting social inclusion, fundamental rights, rights of persons with disabilities, gender equality and non-discrimination; research organisations and universities and etc. The JMC shall also involve stakeholders from the regional consultations and members of the JWG. The approach will ensure closing the loop and continuity in the process of projects identification, monitoring of the implementation and evaluation of the programme. The JMC will be duly informed about the activities of the Technical Assistance.

The main competencies and responsibilities of the Monitoring committee will be set up in accordance with Article 30 of the Regulation (EU) 2021/1059.

The Programme will continue to promote transparency by publishing all important documents for consultation on the Programme's website. All interested parties will be invited to send observations. An important role in the implementation of PO 5 will belong to the governing body of the Integrated Territorial Strategy of the CBC area, who will work closely with the JMC of the Programme in order to ensure the successful implementation of PO 5.

5. Approach to communication and visibility for the Interreg programme (objectives, target audiences, communication channels, including social media outreach, where appropriate, planned budget and relevant indicators for monitoring and evaluation)

Reference: point (h) of Article 17(3)

Text field [4 500]

The Programme will take stock of good practices in communication from the previous period and show a flexible approach to reach out the targeted audience. All these are translated into the following communication objectives:

- to make the programme known, attractive and easily approachable;
- to support beneficiaries in project implementation;
- to ensure wide acknowledgement of the EU support in developing the programme area.

The main focus of the communication activities addresses the potential applicants, the beneficiaries, the stakeholders and the institutions involved in the implementation.

The communication and visibility actions will reach a large audience from the eligibility area, both geographically and thematically, and will follow the programme objectives. The target

groups are: - (Potential) beneficiaries: public authorities, SMEs, NGOs, R&D, education and training institutions and other joint cross border structures.

- Other stakeholders - national, regional and local authorities, business, social, tourist, cultural, sport associations and stakeholders of mainstream programmes;

National/ regional/local media from both countries.

The mix of communication channels takes into account the programme's thematic objectives. There are both the digital and traditional instruments:

Communication Channels: 1. Digital

Website;

Social media (Facebook and YouTube);

E-events (meetings, workshops, conferences, seminars, trainings);

PR activities (newsletters, E-brochures, Visual Identity Manual)

2. Traditional

PR activities (press releases, publications, interviews, shows, short videos)

Signalling (plates with the Programme logo at the building entrance and of the MA, NA, JS, flying the EU flag);

3. Events/trainings

Meetings, workshops, conferences, seminars and trainings

Local Events for celebration of European Cooperation Day

Website

Like a main source of information, the new website will retain the main structure as the one from the 2014-2020 period.

Social media

The Programme will use Facebook and YouTube as the main social media channels. In order to reach maximum audience MA will use Search Engine Optimization (SEO) and ads in Google (Google Ads), Facebook and YouTube.

eLearning webinars

MA will pay special attention to online education and will ensure the accessibility of the information to the interested parties who can't be present physically at the events. If necessary, all possible below-the-line (BTL) events will be transferred online.

PR activities

Press releases will be prepared and disseminated to local/regional/national media.

E-Brochure/newsletters will be published and distributed via Social Media and Programme website.

Infographics will be used for visual presentation of complex information in a quick and clear manner.

Press events will be organised mainly on-the-spot.

Photos from the events and the projects will be used in preparation of publications, promotional materials, videos and slideshows.

Videos – Short event movies will be produced to promote the Programme during the whole Programming period.

Promotional Materials - promotional banners/gifts/gadgets will be distributed during public events

Events & meetings

Human interaction is essential for building trust and allowing cooperation. As a tool to reach beneficiaries and influencers, the events will address the participants to take action.

Special attention will be paid to new types of beneficiaries such as MSMEs in terms of wide information campaigns on the funding opportunities and partner matching events.

Another important element is dedicated to the PO 5 strategy being the Priority with the highest budget share. Communication activities will start during the elaboration of the strategy through a wide participatory approach involving all stakeholders. The elaboration of the list of operations will be carried out in a transparent manner based on the consultation with potential project promoters.

Trainings

Trainings are provided for beneficiaries on issues related to the implementation of the projects.

BUDGET

- the planned budget is equal to or greater than 0,3% of the total budget of the programme²⁹.

MONITORING AND EVALUATION

²⁹ The precise budget of the communication measures shall be included later, after the total budget of the programme is approved by EC.

MA will inform the JMC once a year on the progress in the implementation of the communication actions.

All actions will be regularly evaluated internally and results will be presented for approval and guidance to the JMC. Data for the evaluation of the communication objectives will come from surveys, internal statistics, project reports and website analytics. Evaluation of the communication strategy will be also part of the overall programme's evaluation measures.

Type of activities	Output indicator	<i>Target 2027</i>	Result indicator	<i>Target 2027</i>
Events	<i>No of events for potential applicants / beneficiaries / stakeholders / general public</i>	28	<i>Overall usefulness of the event for attendees (survey)</i>	75% CSAT score
	<i>No of participants in the events</i>	1300		
Publications	<i>No of publications (including Social media)</i>	350	<i>Overall usefulness of the publications for readers (survey)</i>	75% CSAT score
Programme website	<i>No of visits</i>	70000	<i>Overall usefulness of the site/page for readers (survey)</i>	75% CSAT score
Social media	<i>No. of followers/ subscribers</i>	700	<i>No. of shares, likes, views, comments and hashtag mentions</i>	1000

6. Indication of support to small-scale projects, including small projects within small project funds

Reference: point (i) of Article 17(3), Article 24

Text field [7 000]

The programme allows for projects of limited financial volume to be implemented in compliance with Art.24 of the ETC Regulation.

The programme will provide direct support to regional SMEs to meet new challenges arising from the new EU policy courses of development related with green transition, namely energy efficiency and circular economy. The programme will devise the support to enterprises in full respect of the legally defined support framework which requires a strict application of the de-minimis rules (Regulation (EU) 1407/2013). The corresponding legal provisions impose financial limitations (EUR 200 000 for each undertaking over a 3-year period) on SMEs projects

that are eligible for programme funding. Therefore, the support for enterprises under Priority 1 'Environmentally-friendly cross-border region' (20% of the programme budget) will go under the form of small-scale projects for up to EUR 200 000 per undertaking (that includes beneficiaries and partners).

The support to SMEs through a small project fund (as defined in Article 25 of the Regulation (EU) 2021/1059 on ETC) is considered an option whose feasibility will be examined and applied if applicable. Possible selection of SPF as an operation will be at the discretion of the JMC.

7. Implementing provisions

7.1. Programme authorities

Reference: point (a) of Article 17(6)

Table 10

Programme authorities	Name of the institution [255]	Contact name [200]	E-mail [200]
Managing authority	Ministry of Regional Development and Public Works Territorial Cooperation Management Directorate Republic of Bulgaria	Desislava Georgieva, Director of Territorial Cooperation Directorate	D.G.Georgieva@mrrb.government.bg
National authority (for programmes with participating third or partner countries, if appropriate)	The Directorate for EU Affairs within the Ministry for Foreign Affairs of Republic of Turkey	Bulent Ozcan, Director General to the Directorate General of the Financial Cooperation and Project Implementation at the Directorate for European Union Affairs	bozcan@ab.gov.tr
Audit authority	Executive agency Audit of European Union Funds, Ministry of Finance	Lyudmila Rangelova, CGAP Executive Director	aeuf@minfin.bg
Group of auditors representatives	Board of Treasury Controllers, Ministry of Treasury and Finance, Republic of Turkey	Murat Erinç Bayrakci Deputy Head of Audit Authority	erinc.bayrakci@hmb.gov.tr
Body to which the payments are to be made by the Commission	National Fund Directorate, Ministry of finance	Manuela Milosheva, Director of the Directorate	natfund@minfin.bg

7.2. Procedure for setting up the joint secretariat

Reference: point (b) of Article 17(6)

Text field [3 500]

In accordance with Article 46 (2) of Regulation (EU) 2021/1059, the Managing Authority in cooperation with the National Authority should set up a Joint Secretariat (JS) with staff, taking into account the programme partnership.

The Joint Secretariat assists the Managing Authority and the Monitoring Committee in carrying out their respective functions. The JS also provides information to potential beneficiaries about funding opportunities and assists beneficiaries and partners in the implementation of operations. Where appropriate, it also assists the audit authority.

Based on the positive experience gained in the previous two programming periods, the programme will keep the existing location of the Joint Secretariat in Haskovo, Bulgaria, with a branch office in Edirne, Turkey. This will ensure smooth transition between the programmes 2014-2020 and 2021-2027 and quick launch of calls for proposals. The Haskovo and Edirne offices have entirely functional and experienced management structures with audited working procedures that can be easily updated.

Staff recruitment should take into account the programme partnership and the recruitment procedures will follow the principles of transparency, non-discrimination and equal opportunities. Recruitment of the new employees (main and branch office) shall be organised through a public procedure, ensuring balanced number of experts from the two countries. The selection procedure will be carried out by MA or NA in accordance with the relevant national legislation. The staff number and the job descriptions will be subject of approval by the JMC. The JS will have a staff fluent in English as well as in one of the official languages of the partner countries (Bulgarian or Turkish).

The Joint Secretariat will be funded by the technical assistance budget.

7.3 Apportionment of liabilities among participating Member States and where applicable, the third or partner countries and OCTs, in the event of financial corrections imposed by the managing authority or the Commission

Reference: point (c) of Article 17(6)

Text field [10 500]

According to art. 69 (2) of Regulation (EU) 2021/1060 - CPR, Partnering Countries shall ensure the legality and regularity of expenditure included in the accounts submitted to the Commission and shall take all required actions to prevent, detect and correct and report on irregularities including fraud. Each partner State shall be responsible for investigating irregularities committed by the beneficiaries located on its territory. Financial correction shall consist of cancelling all or part of the support from the Funds to an operation or programme where expenditure declared to the Commission is found to be irregular. Financial corrections shall be recorded in the annual accounts by the managing authority for the accounting year in which the cancellation is decided.

The managing authority shall ensure that any amount paid as a result of an irregularity is recovered from the lead or sole partner. Partners shall repay to the lead partner any amounts unduly paid. Special provisions regarding the repayment of amounts subject to an irregularity shall be included both in the contract to be signed with the lead partner and in the partnership agreement to be signed between the beneficiaries.

If the lead partner does not succeed in securing repayment from other partners or if the managing authority does not succeed in securing repayment from the lead partner, the partnering country on whose territory the beneficiary concerned is located shall reimburse the managing authority the amount unduly paid to that partner. Where the partnering country has not reimbursed the managing authority any amounts unduly paid to a partner, those amounts shall be subject to a recovery order issued by the Commission which shall be executed, where possible, by offsetting to the respective partnering country.

The managing authority shall be responsible for reimbursing the amounts concerned to the general budget of the Union, in accordance with the apportionment of liabilities among the participating countries as laid down in the cooperation programme and as detailed in the bilateral Memorandum of Implementation.

In accordance with article 104 of Regulation (EU) 2021/1060 – CPR, the Commission has the right of making financial corrections by reducing support from the Funds to a programme and effecting recovery from the partner States in order to exclude from Union financing expenditure which is in breach of applicable Union and national law, including in relation to deficiencies in the effective functioning of the management and control systems.

In case of any financial corrections by the Commission, the two partnering countries commit to recover the amount proportionally with the approved project budgets and performed activities by respectively Bulgarian and Turkish beneficiaries affected by the financial correction. In case of financial corrections by the Commission, due to random or anomalous irregularities, the two partner States commit to investigate on a case by case basis. The financial correction by the Commission shall not prejudice the partner countries' obligation to pursue recoveries under the provisions of the applicable European Regulations.

The bilateral Memorandum of Implementation between the partnering shall provide for detailed provisions with regard to the apportionment of liabilities and debts recovery.

8. Use of unit costs, lump sums, flat rates and financing not linked to costs

Reference: Articles 94 and 95 of Regulation 2021/1060³⁰⁺ (CPR)

Table 11: Use of unit costs, lump sums, flat rates and financing not linked to costs

Intended use of Articles 88 and 89	YES	NO
From the adoption the programme will make use of reimbursement of the Union contribution based on based on unit costs, lump sums and flat rates under priority according to Article 94 CPR (if yes, fill in Appendix 1)	<input type="checkbox"/>	<input checked="" type="checkbox"/>
From the adoption the programme will make use of reimbursement of the Union contribution based on financing not linked to costs according to Article 95 CPR (if yes, fill in Appendix 2)	<input type="checkbox"/>	<input checked="" type="checkbox"/>

³⁰⁺ OJ: Please insert in the text the number of the Regulation contained in document ... [2018/0196(COD)].