

GUIDANCE

Recommended model for IPA II cross-border cooperation programmes

Following the

**COMMISSION IMPLEMENTING REGULATION (EU) No 447/ of 2014
on the specific rules for implementing Regulation (EU) 447/2014 of 02.05.2014 of
the European Parliament and the Council establishing an Instrument for Pre-
accession assistance (IPA II)**

Recommended model for cross-border cooperation programmes under the IPA instrument

CCI	
Title	IPA CBC PROGRAMME GREECE FORMER YUGOSLAV <i>REPUBLIC</i> OF MACEDONIA
Version	<i>1 st DRAFT</i>
First year	2014
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Eligible from	
Eligible until	
EC decision number	
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NUTS level III regions (or equivalent regions in the non-MS) covered by the cross-border cooperation programme	EL 122: P.U.THESSALONIKI EL 123: P.U.KILKIS EL 134: P.U.FLORINA EL 126: P.U.SERRES EL 124: P.U.PELLA MK 001: P.U.VARDAR MK 005: P.U.PELAGONIA MK 003: P.U.SOUTHWEST MK 004: P.U.SOUTHEAST

SECTION 1 STRATEGY FOR THE COOPERATION PROGRAMME'S CONTRIBUTION TO THE SELECTED THEMATIC PRIORITIES AND THE RELEVANT PARTNERSHIP AGREEMENT AND COUNTRY STRATEGIC PAPER(S)

1.1 Strategy for the cooperation programme's contribution to the selected thematic priorities and the relevant Partnership Agreement and Country Strategic Paper(s)

1.1.1. Description of the cooperation programme's strategy for contributing to the selected thematic priorities and the relevant Partnership Agreement and Country Strategic Paper(s)

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1. Introduction

This document is the proposal for the Operational Programme of the future IPA II Cross-border Programme 2014-2020 between Greece and the former Yugoslav Republic of Macedonia. The Programme is a successor Programme to the IPA- CBC Programme Greece and the former Yugoslav Republic of Macedonia 2007-2013, and will be implemented in the same eligible area located in the west-central of the Balkan Peninsula covering five Nuts III Regions in Greece namely, Thessaloniki, Pella, Kilkis, Serres, Florina and four Nuts III Regions in the former Yugoslav Republic of Macedonia namely Pelagonia, Vardar, Southeast and Southwest. The total budget is 44,390,000 euro and the strategy statement is " to enhance territorial cohesion by improving living standards and employment opportunities with respect to the environment and by exploiting hidden values in tourism"

1.1. Regulatory Framework

During the Programming Period 2014-2020 the EU has introduced three mutually reinforcing priorities: smart, sustainable and inclusive economy. Europe 2020 strategy puts forward three mutually reinforcing priorities:

Smart growth: developing an economy based on knowledge and innovation.

Sustainable growth: promoting a more resource efficient, greener and more competitive economy and

Inclusive growth: fostering a high-employment economy delivering social and territorial cohesion.

It also sets focus on five overarching headline targets that have to be reached by 2020. These targets require a mixture of national and EU action, utilising the full range of policies and instruments available.

In this context the Instrument for Preaccession Assistance (IPA II) is dedicated in supporting political reforms, economic, social and territorial development, enhancing smart, sustainable and inclusive growth, strengthening of research, technological development and innovation capacity, regional integration and territorial cooperation. In that context the IPA II CBC synergies with the aforementioned EU 2020 strategy actions are to be sought.

The European Territorial Agenda describes the European Territorial Cooperation (ETC) and CBC Programmes, as “.... a key factor in global competition... facilitating better utilisation of development potentials and the protection of natural environment”.

In the Commission's working document "Elements for a Common Strategic Framework 2014 to 2020" suggests in Annex II a number of characteristics of cross-border cooperation:

- Support the joint management and promotion of the shared major geographic features;
- Achieving a critical mass for success, especially in the field of innovation and ICT;
- Achieving economies of scale for more efficient investments in services and infrastructure;
- Providing support for the coherent planning of transport infrastructure (including TEN-T) and the development of environmentally friendly and interoperable transport modes in larger geographical areas.

The present IPA Cross-Border Programme Greece / the former Yugoslav Republic of Macedonia is the product of a bilateral "Task Force", responsible for the joint and interactive planning effort between the two countries.

Several EU and National policies are planned and implemented in both neighbouring countries. The Greek Partnership Agreement for 2014-2020 was approved on May 2014 and Sectoral and regional programmes were submitted to the Commission on July 2014. Regarding the neighbouring country and IPA II member the National Programme for the Adoption of the Acquis (NPAA) is the national key document reflecting the main priorities of the EU integration process.

The current IPA CBC Programme Greece -The former Yugoslav Republic of Macedonia 2014-2020, in terms of funding and scope, is a Programme that will focus and emphasize to

issues that concern the eligible cross-border area only, and the analysis of needs assessed, tries to focus on common issues and challenges while funds will be concentrated on a limited number of specific objectives with emphasis on expected results to be achieved.

2. Eligible Areas

According to Article 30a) of the IPA II Implementing Regulation (447/2014), for the purposes of cross-border co-operation between one Member State and one beneficiary countries, the eligible areas for financing shall be NUTS III level regions along borders taking into account potential adjustments needed to ensure the coherence and continuity of the co-operation action, established for the 2007-2013 programming period;

Hence 9 NUTS III regions along the border of the two countries (Florina, Pella, Kilkis and Serres, Thessaloniki on the Greek side and Pelagonia, Vardar and Southeast and Southwest from the side of the former Yugoslav Republic of Macedonia) are included in the eligible area, as the need to ensure coherence and continuity with the present programming period is valid in order to improve the effectiveness of the effort in the cross border area.

The Programme area is characterized by wide geographical economic and environmental diversity. The programme builds on the experience of the current IPA CBC Programme Greece - The Former Yugoslav Republic of Macedonia 2007-2013 and promotes further integration for the crossborder region, as it has been identified by all participating countries as a structured tool to strengthen cooperation through thematic focus, allowing capitalisation of experiences and results achieved so far. This approach has been jointly acknowledged by the European Commission and participating countries and forms the basis of the IPA CBC Programme for 2014-2020.

3. Analysis, needs and priorities for the IPA- CBC programme

The main needs and challenges of the current IPA CBC programme can be grouped in following headings: demography, spatial planning, employment and social development, natural and cultural heritage, transport and accessibility, environment and climate change

3.1. Demography and Spatial Patterns of the Programme Area

The total population of the programme area is 2,182,264 people. 1,399,597 persons (64.14%) live in Greece, and 782,667 (35.86%) live in the former Yugoslav Republic of Macedonia (Eurostat - Demographic Balance 2011). The total area covers 29,259 km², 14,422 km² in

Greece and 14,837 km² in the former Yugoslav Republic of Macedonia (revised data from Greece – former Yugoslav Republic of Macedonia IPA Cross-Border Programme 2007-2013). 49.59% of the total population (1,082,259 persons) live in the NUTS III regions of Florina (56,374), Pella (151,747), Kilkis (98,906), Serres (214,376), Pelagonia (233,952), Vardar (153,880) and Southeast (173,024), 521,403 in Greece and 560,856 in the former Yugoslav Republic of Macedonia. The metropolitan area of Thessaloniki (878,194) gathers 40.24% of the total population in a single NUTS III area, and the Southwest region (221,811) gathers 10.16% of the total population of the eligible areas. Apart from the metropolitan area of Thessaloniki, other major urban centers are Bitola (80,550), Prilep (73,351), Serres (60,254), Veles (57,873), Ohrid (56,520) Strumica (54,676), Kavadarci (38,968), and Kilkis (31,160), Edessa (25,601), Giannitsa (33,795) and Gevgelja (22,846), according to the population census of 2011 in Greece and Eurostat Demographic Balance data of 2011. As a general rule in the former Yugoslav Republic of Macedonia eligible areas, towns tend to be larger with smaller tendencies of suburbanization than in Greece. The population in the Greek eligible area, has decreased the past decade by 10.45%. It is noticeable that although the population in the region of Thessaloniki was reduced by 18.99% in the other Greek crossborder regional units and urban centers it was increased (Kilkis +14.44%, Serres +10.23%, Pella +5.41% and Florina +4.19%), which shows a tendency of decentralisation in the major cities and the upgrading of the small urban centers (Greece population census 2001 and 2011). In the former Yugoslav Republic of Macedonia the population decreased slightly by 0.38% (2002 – 2011). The region of Pelagonia presented the highest reduction (1.76%) followed by Vardar with a small population decrease of approximately 0.42%. On the contrary, the Southeast and Southwest regions presented an increase of their population by 0.94% and 0.12% respectively (Former Yugoslav Republic of Macedonia population census 2002, Eurostat Demographic Balance 2011). Population density ranges from 29 persons/km² in Florina up to the tenfold figure of 238 persons/km² in Thessaloniki. The respective national averages are 82 for Greece and 80.1 for the former Yugoslav Republic of Macedonia.

High unemployment rates, both on total active population and on youth is the main common concern as it also leads young and skilled staff to migrate out of the eligible area. According to the “State Statistical Office of the National Statistical Authority” and the “Manpower Employment Organization of Greece”, in 2010 the unemployment rates in the eligible

regions of Former Yugoslav Republic of Macedonia were, 37% in Vardar, 34% in Southwest, 34% in Pelagonia and 12% in Southeast, while the Regions of Central and Western Macedonia presented unemployment 10% and 9% respectively. Unemployment rates raises significantly during the greek economic crisis , and according to Eurostat, the unemployment rates have dramatically increased in Western and Central Macedonia reaching 30% and 26% respectively, in 2012, while in former Yugoslav Republic of Macedonia, the unemployment tends to reduce slightly in some regions like Vardar (36%) and Pelagonia (25%), and increase in others, like Southwest (42%) and Southeast (14%).

Also, a high percentage of the population with high education, especially from Thessaloniki, which has a considerable scientific community, immigrated to countries with stable economies seeking career opportunities, creating the “Brain Drain” phenomenon. The above explains the reduction of the population of those areas by 10.45% the last decade.

The region is characterised by high level of unemployment rates, and on the other hand by highly educated youth as many, large and high level academic institutions with several specialties are located in the eligible area. By analysing demographic data, during the last years, it is obvious, that highly educated people tend to migrate from the eligible area, to find better job opportunities. Small urban centers gain attractiveness as living costs are lower, and highly educated youth, is returning back to rural activities.

3.1.1. The priorities and needs in Employment Sector

Basic needs in the eligible area are

- Decrease unemployment
- Restrain young people from migrating the CB area
- Exploit labour force in small urban centers

The priorities are:

- Exploit crossborder areas' opportunities and human resources and improve the competitiveness of the CB area, while promoting and supporting the creation of new businesses in key economic sectors, with comparative advantages.
- Enhance tensions of human mobility to smaller urban centers, through the exploitation of highly educated youth and revitalization of local economies. By linking academic capabilities with local opportunities and by supporting services and businesses, this priority

will also aim to transpose innovation into business practices and processes. Synergies will also be sought with opportunities provided by other Programme axis, in particular in sectors such as tourism, environment and climate change.

3.2 Social Development

The poverty in the former Yugoslav Republic of Macedonia is estimated at 31% of the population (according to the Commission staff working document for the former Yugoslav Republic of Macedonia 2013 Progress report) . According to the State Statistical Office in the neighboring country, relative poverty has increased from 19 percent in 1997 to around 31 percent in 2011. An estimated 21 percent of the population live below the absolute poverty line (less than €245 per month), and 7 percent are so poor that they cannot get a minimum level of caloric intake. Economic and social differences between cities are also evident and the inequalities between urban and rural centers are further rising .

Analyzed by profiles, most vulnerable groups are multi-member households, bearing in mind the fact that 54% of the poor people live in households with five and more members. The poverty rate for the unemployed is 40.5%. The percentage of long term unemployed has increased steadily since 1996, being a real challenge for employment, labour market and social protection policies with all the negative effects such as deterioration of human capital, discouragement and de-motivation.

The State Statistical Office, in 2009 recorded a high percentage of citizens who live below the poverty line (2.4%-increase compared to 2008). The poor living conditions, low education level, and above all, the long-lasting poverty affect also the health situation of the majority of the poor. Therefore, poverty reduction cannot rely exclusively on the economic policy, but also on complex, well-coordinated national measures in several areas. During the period 2009 – 2011 the per capita GDP in the former Yugoslav Republic of Macedonia regions (State Statistical Office of the Former Yugoslav Republic of Macedonia), increased by 36% in Southeast to 4,200 €, by 18% in Vardar to 3,713 €, by 16% in Southwest to 2,638 € and by 7% in Pelagonia to 3,703 €. On the other hand, the intense financial crisis in Greece reduced the per capita GDP in the Regions of Western and Central Macedonia by 1% and 11%, to 20,000 € and 15,600 € respectively (Eurostat 2009 - 2011).

The poverty in Greece, has occurred during the last few years, due to a long and deep

economic crisis. According to the changes of the Average Taxable Income (ATI) in the eligible regions of Greece the past four years (2009 - 2012), it is clear that a considerable part of the population lives near or below the poverty line (Integrated Approach to Spatial Development 2013, General Secretariat for Investments and Development - Greece). The Regional Unit of Serres is in the worst condition among the Greek eligible regions since it presents an ATI slightly above the poverty line (1.07) , followed by Pella (1.08), Kilkis (1.12), Florina (1.25) and Thessaloniki presenting the highest ATI (1.38) among the Greek eligible regions.

The difference between the per capita GDP of the neighboring regions tend to become smaller. The per capita GDP of those regions is much lower than the average per capita GDP of the EU of 28 countries (23,300 €).

As a result of the economic crisis in Greece and deterioration of government budgets, fiscal measures were put in place with a significant impact in domestic demand.

Moreover regarding Greece public investment fell rapidly regarding the health and social welfare systems (since 2008, total spending on social protection and health fell by 18% according to OECD). Increasing disparities and the risk of poverty are tightened by the Greek economic crisis, lack of personnel in public health and social welfare, pension and wages reductions, while in the neighboring country health and social care are still way underdeveloped. Early childhood care is limited, pensions cover only a small range of the population, and many vulnerable groups exist in the border regions.

3.2.2 The priorities and needs in Social Sector

The current needs of the sector are:

- To take multi-task actions against poverty, by covering basic needs as well as develop services for family care, counselling
- Promote employment and create circumstances and pre-requisites that lead people with ability to work to the labour market
- Initiatives must be taken to provide local networks to act as safety net against poverty and social exclusion

3.3 Environmental Characteristics of the Programme Area

The eligible Programme's area enjoys the benefits of having a vast, varied and mostly unspoilt natural environment. The region has a rich mixture of natural heritage in the form of

flora and fauna, rivers, lakes, wetlands, grasslands, agro-ecosystems and forests.

3.3.1 General description of the environmental heritage

The main characteristics of the programme area along the borderline are the Prespa Lakes with the adjacent plains of Florina and Resen in the west, the mountain range of Voras reaching up to 2.560m, the Axios/Vardar Valley, the Doirani/Dojran Lake and Beles/Belasica mountain range, reaching up to 2.029m in the East. In the south the Gulf of Thermaikos and the Axios/Vardar plain and Delta dominate. The area has fossil fuel reserves in Florina (lignite) and significant deposits of decorative rock (granite, marble, bauxite) as well as mineral and thermal springs.

The main river of the area is the cross-border **Axios/Vardar River**. The river basin which is shared between former Yugoslav Republic of Macedonia and Greece covers almost the entire country of FYROM and outflows into the Aegean Sea (Mediterranean Sea) at Thermaikos Gulf (Greece). According to the Second Assessment of Transboundary Rivers, Lakes and Groundwaters (UNECE, 2011), water is abstracted for irrigation (63%), fishponds (11%) and drinking water (12%), as well as for municipal and industrial uses (15%). There is an overuse of water in many parts of the river basin, mainly for agricultural purposes. Extensive and severe increases in abstraction from the Gevgelija/Axios-Vardar aquifer have resulted in the decline of groundwater levels, reduction in borehole yields, severe reduction of baseflow and springflow locally, and degradation of ecosystems. The main pressure on water resources in terms of quality stems from agriculture. A few industrial installations also affect the aquatic ecosystem. In the former Yugoslav Republic of Macedonia, mining and quarrying activities in the eligible area, are in particular located in the catchment area of river Bregalnica and the heavy metal industry at Veles are additional pressure factors. The treatment and disposal of solid waste and wastewater, and their management at communal level, is also a problem for the eligible area. While there are controlled landfills for solid wastes from big cities, there are also a number of uncontrolled dumpsites for solid waste from the villages. The quality of groundwater had been reported as, in general, very good, and often used for water supply without or with very little treatment in the former Yugoslav Republic of Macedonia. However, the occurrence of nitrogen, pesticides, heavy metals, pathogens, industrial organics and hydrocarbons in the Gevgelija/Axios Vardar aquifer had been reported as well. The transboundary Lake Dojran/Doirani is located in this basin and has been affected by quantity

decrease and quality reduction since the early 1990s due to activities in both countries, such as water abstraction and municipal wastewater disposal. In the eligible area there is also a small part of the **Struma/Strymonas River Basin**, although the Struma/Strymonas River is typically considered to be shared by Bulgaria and Greece. Water is mainly used for irrigated agriculture and water demand is expected to increase significantly (more than 40%) by 2020. Untreated wastewater is an important pressure factor for the eligible area. The construction of wastewater treatment plants has started for settlements with more than 2,000 inhabitants, however there are several settlements in the eligible area that lack wastewater treatment facilities.

The Prespa Lakes basin, and the Ochrida Lake basin are also part of the eligible area. According to the Second Assessment of Transboundary Rivers, Lakes and Groundwaters (UNECE, 2011), abstraction of water throughout the two basin puts a pressure on natural ecosystems. Illegal sand and gravel extraction affect the hydrological regime of the wetlands. Other disturbing activities are non-sustainable (including illegal) hunting and fishing, and introduction of alien fish that affect native fish and invertebrate populations. The abandoning of cattle grazing on littoral meadows has led to the loss of these important habitats, and expansion of the reed beds in Minor Prespa. Lack of, or inadequate municipal wastewater management and sewerage leakages, have an equally important share with regard to nutrient loading in the lake, and exert minor pressure on the underlying Prespa and Ohrid Lakes karst aquifer. Uncontrolled waste disposal in the watershed might be a cause of groundwater, hence lake, pollution. The commercially important fish species in Lake Ohrid, including the famous Lake Ohrid trout, have been over-harvested in recent years, and the populations are in immediate danger. Tourism and recreation need to be developed in a sustainable way, minimizing direct disturbances of the natural ecosystems and pressures through water abstraction and wastewater discharges.

In the eligible area there are numerous **protected areas** under International Conventions, European Directives and National legislative frameworks. In 2000 was declared the creation of the transnational Prespa Park, under the auspices of the Ramsar Convention. In Greece, the Prespa National Park (32,700 ha) was designated in July 2009 including Ramsar Site Lake Minor Prespa (5,078 ha) and NATURA 2000 sites. In the former Yugoslav Republic of Macedonia, Lake Prespa is a natural monument and Ramsar Site (18,920 ha), which includes

Strict Nature Reserve Ezerani (2,080 ha). Additionally, large parts of Galicica National Park and Pelister National Park are found within the Prespa Basin. The area is protected as a National Park and as a Special Protection Area under EU Directive 79/409, and also as a RAMSAR wildlife habitat. Other important natural lakes are the Ohrid Lake which has been a UNESCO World Natural Heritage site since 1980, Doirani/Dojran Lake and Kerkini Lake (both RAMSAR wildlife habitats) in the east. Vegoritits Lake considered as a biotope of significant ecological value complementing the water complex of the adjacent lakes of Zazari, Cheimaditis and Petron. The Axios/Vardar delta under along with the adjacent Gallikos, Loudias and Aliakmon rivers with a total area of 11.808 km² is a protected RAMSAR site. In the adjacent area of Thessaloniki there is the National Park of Koronia and Volvi Lakes with several NATURA 2000 sites. The mountains of the area are rich in flora and fauna and there is a large number of protected areas e.g. NATURA 2000 sites in Greece and Emerald sites within the Green Belt Initiative along the borders of the former Yugoslav Republic of Macedonia. The Emerald network includes sixteen sites of special conservation interest. The most important of them are SNR Ezerani on the Prespa Lake, Belchisko Blato, SNR Tikves, NP Galichitsa, NP Pelister and Natural Monuments (Markovi Kuli, Doyran Lake, Demir Kapija, Orlovo Brdo, Alshar, Monospitovo Swamp, Smolare and Kolesino Waterfalls).

The **waste management** is considered to be among the major environmental issues in the eligible area. According to the European Environment Agency (2013) the amount of municipal solid waste generated in former Yugoslav Republic of Macedonia during the period 2003-2011 has grown significantly. In the southwestern part of the country the municipal solid waste was increased from 197 Kgrs per capita in 2003 to 357 in 2011) while only a 0.26 % was recycled or composted. In Greece there is also a gradual increase throughout the years from 416 kg per capita in 2001 to 457 kg per capita in 2010. Although the recycling in Greece has increased by more than 10% over the last 10 years, the organic recycling is still very low at about 1 % and Greece will need to make an exceptional effort in order to fulfill the 50 % target of the Waste Framework Directive by 2020. According to the current trends, Greece is likely to miss the targets of both Landfill and the Waste Framework Directives if it does not intensify efforts towards recycling and diversion of waste from landfill considerably.

The effective **treatment and reuse of wastewater** in the eligible area is one of the major issues of concern since the insufficient treatment of wastewater affects both the life quality of citizens and environmental quality. According to the Multi-annual Indicative Planning Document (MIPD 2011- 2013), the situation in the Programme area and in general in the former Yugoslav Republic of Macedonia is similar to almost all other countries in the region, facing the environmental liabilities from the past. Taking into consideration all existing treatment plants, the total rate of population served by wastewater treatment is estimated at approximately **only 12,5%**. Industrial and urban wastewater is discharged as untreated or insufficiently treated to the Vardar/Axios river, whose pollution is affecting not only the country but also the Aegean Sea. Furthermore, the large cross-border lakes Ohrid, Prespa and Dojran, and on the Greek side the Vegoritis complex with Cheimaditida, Petron and Zazari Lakes are also threatened by wastewater discharges in the catchment areas. Following the 91/271/EEC Directive for urban waste water treatment, the construction of wastewater treatment plants has been started for settlements with more than 2,000 inhabitants, however there are several settlements in the eligible area, especially in environmental sensitive areas, that lack wastewater treatment facilities.

In the area of **climate change**, according to National State-of-the-Art Analysis – for Greece and former Yugoslav Republic of Macedonia (LOCSEE, 2013), both countries undertake activities at several levels: international, regional, bilateral and national for climate change adaptation and mitigation. Agriculture and the energy sector are considered to be the main contributors to the total CO₂-eq emissions, more than 80%, in both Greece and former Yugoslav Republic of Macedonia. In the eligible area fuel combustion and industrial process represent the main sources of CO₂ emissions, waste represents the main source of CH₄ emissions, while the majority of N₂O is attributed to agriculture. According to World Bank estimates, former Yugoslav Republic of Macedonia is among the ECIS countries that are most likely to experience dramatic increases in climate extremes (fifth among the twenty-eight countries analyzed). Climate change is responsible for the increased severity and frequency of **natural disasters**, which have a significant impact on the environment, the economy and the development of the area. According to the South East European Forum on Climate Change Adaptation-SEEFCCA (2012), the consequences from climate change are expected to vary significantly all over FYROM, with explicit implications in the southern part of the country. According to UNDP and WMO (2011) the eligible area is highly exposed to flooding, forest fires, drought, and extreme temperatures. River floods occur in the basins of

the Vardar/Axios, Crna Reka, Strumica/Stymonas, Pcinja, and Bregalnica rivers. Meteorological and hydrological drought is also common in the area. Agriculture and fishery, the base sectors for food production, are among the most vulnerable to climate change due to their high demand for water and narrow climatic niche. The most highly exposed agricultural zones are the Povardarie region (especially in the area of the confluence of the Crna and Bregalnica rivers with the River Vardar), the south eastern portion of former Yugoslav Republic of Macedonia, the southern Vardar Valley in former Yugoslav Republic of Macedonia and Greece, the Kilkis and Pella area, the Skopje-Kumanovo Valley and Ovce Pole. Extreme temperature and heat or cold waves not only have a direct impact on the health of humans and animals (e.g., diseases affecting livestock) but also secondary impacts that can lead to water salinization (eg Axios/Vardar Delta) and desertification as for example in the areas of Vegoritida and Kilkis.

Effective measures of climate change adaptation and mitigation in agriculture, forestry and natural ecosystems will prevent the degradation of natural resources and ensure the sustainability of local economic activities in the eligible area.

For the effective prevention and management of natural disasters it is necessary the improvement of the operational efficiency and capacity of competent authorities in the eligible area, the development of joint networks of cooperation, action and knowhow exchange and the reinforcement of volunteerism as a means of social integration that contributes to the social cohesion by creating bonds of trust and solidarity while providing immediate aid offer in urgent and extreme situations.

3.3.2 The environmental priorities and needs

Based on the analysis of environmental characteristics and the consultation actions the environmental priorities in the eligible area are directly related to the main environmental problems that need to be addressed. These include:

- The danger from natural disasters and especially wildfires, floods and climate change impacts that affect the crossborder area
- The adverse effects of human activities on natural resources and environment due to overexploitation of water resources, unsustainable forestry, fishing, tourism etc
- The pollution and degradation of water bodies and terrestrial ecosystems, through the

increasing volume and disposal of wastes and the low level of recycling and reuse.

- The reduction of biodiversity and the deterioration of wildlife habitats
- The increasing level of climate change threats and impacts that affect natural ecosystems (eg desertification in Vegoritida and Kilkis), biodiversity (eg impacts of species and wildlife habitats), and local economy (eg water stress in agricultural plants, elimination of fisheries).

3.4. Tourism and Cultural Heritage

The cross-border region combines favorable natural resources (mountains, forests, lakes, biodiversity, unique natural forms, geothermal and mineral waters, waterfalls), favorable climate conditions, as well as cultural assets (existing cultural manifestations, festivals, carnivals; churches and monasteries; crafts, authentic local characteristics). These provide opportunities for sustainable development of tourism.

Greece and the Former Yugoslav Republic of Macedonia are two countries, which share common natural heritage such as lakes, reserves, natural parks,. The former Yugoslav Republic of Macedonia is a country of nature characterized by a wealth of lakes and mountains .Three natural lakes, Ohrid-Natural and Cultural World Heritage Site, Prespa and Dojran lake, wine regions (Tikves), lot of churches and monasteries, cultural events as: Ohrid Summer, Struga Poetry Evenings, May Opera Evenings, Wedding ceremony in Galicnik, Strumica and Vevchani's Carnival, Tikvesh vintage are part of the natural and cultural heritage. The eligible area in Greece has rich natural heritage, with numerous rivers, lakes and mountain areas of natural beauty. Notable natural touristic attractions are the lake of Kerkini near Serres, the estuary of River Strimonas, the lakes Pikrolimni and Doiran the lakes Volvi, Koronia and the significant lagoons of Epanomi and Aggelohori near Thessaloniki, the lakes Petron and Vegoritida near Florina and the lake Agra with a dam in Pella. In the area also has interesting caves like "Alistrati " and "Mara" (Serres), the two store cave of Agios Georgios (Kilkis) and the lakeside caves of Florina. The hot springs of Polikastro, Lagada and Loutraki Aridaias are interesting and have many visitors each year.

Thessaloniki is considered one of the most important places of creation, promotion and development of culture in Europe, with thematic museums of modern art, like the Macedonian Museum of Contemporary Art and the Olympic Museum, the Teloglion

Foundation of Art, the museums of Cinema and Photography, the Museum of Ancient Greek, Byzantine and Post-Byzantine Instruments, the Science Center and Technology Museum and the Museum of Water Supply. The city also has a rich events programme, with the International Film Festival and Demetria being the most distinguished. In other towns like Kilkis, there is a Folklore and a War Museum, in Axioupoli a Museum of Natural History, in Goumenissa a Folklore museum of Alevras, in Serres a Folklore Museum Sarakatsani and in Florina a Museum of Contemporary Art. Cultural events take place in all urban centers of those regions, such as the custom of Anastenarides in Lagadas, the “Prespia” organized in late summer in the regions of Prespa and Florina with cultural events etc

In relation to the monuments of the Christian culture, the eligible cross-border area is characterised by relatively high density of churches and monasteries.

3.4.1 The Tourism and Natural and Cultural Heritage priorities and needs

Quality of touristic services and infrastructure is not satisfactory. There is a great need for improving tourism promotion infrastructure (tourist information centers, marking tourist routes) and ensuring adequate touristic services

Touristic facilities and their management need to be improved substantially. Access to tourist sites need to be extended together with development of the new forms of tourism / new tourism products. There are potentials for exchange of experience and best practices in the sphere of tourism and for promoting joint tourist products.

The results of the territorial (situation) analysis indicate that tourism is a growing sector in the border region but the tourism growth is not associated anyhow with the CB region as a popular tourism destination..

On the other hand, there is an untapped potential and underestimation of niche tourism prospects, such as agro_, eco_, wine-tasting and mountain tourism and activities. Such a potential is significantly correlated with the urgent needs to exploit chances that the border region has.

3.5. Transport and Mobility characteristics in the Cross border area

The Former Yugoslav Republic of Macedonia shares 262 km of its southern border with Greece (taking into consideration land, fluvial and lakes). This is the longest stretch of the

external frontier of the country, accounting for some 31% of the total. It should be noted that the border corridor between neighboring countries is a key link in the north-south corridor connecting Greece to the other Member States of the European Union. The border region is the North-South corridor region of the country: Gevgelija being the main corridor (E-75) and Bitola the secondary (M5). The E-75 North-South road in the Former Yugoslav Republic of Macedonia forms part of the Trans-European Road Network (TEN-T) i.e. Corridor X connecting the Serbia to the north and Greece to the south. Neighboring prefectural units on the Greek side of the border are Florina (in the Region of Western Macedonia) and Kilkis, Serres and Pella (in the Region of Central Macedonia). The prefectural Unit of Thessaloniki as well as Pelagonia are also included in the eligible area. This cross-border area is also the corridor region both South-North (Athens- Thessaloniki- Skopje- Vienna -Prague- Berlin) and East West (Istanbul-Thessaloniki-Igoumenitsa- Brintisi) and Thessaloniki an important Port for both neighboring countries.

In the cross border zone, the drastic improvement of road transport infrastructure, with the completion of the EU co-funded Egnatia motorway along with its vertical axes, has not only raised the traditional remoteness and bad accessibility of this zone; it has also affected drastically trans-border connectivity, as it shortened considerably the time distances between border regions. The improved road infrastructure is expected to have significant effects on spatial interactions between trans-border regions in South-East Europe.

The Egnatia Motorway is, actually, one of the largest transport projects constructed lately in Europe, and it was included among the top priority projects of the Trans European Transport Networks (TENs-T). Through 9 vertical axes, the Egnatia Motorway operates as a collector axis of the Trans-European Network (No7) and the Pan European Transport Corridors that cross SE Europe from North to South. These vertical axes connect the Egnatia Motorway, among others, with Former Yugoslav Republic of Macedonia (towards Skopje).

There is an, emerging but explicit, spatial interaction between several cities and regions because they present high scores in daily or very frequent mobility for work purposes. Such spatial interaction, and, therefore, common spatial planning perspectives, is mostly evident in the trans-border area of Kilkis– Serres – Strumica. The pairs which as expected got high scores in terms of flows are Thessaliniki– Skopje and Thessaliniki– Strumica.

3.5.1. Needs and priorities in the transport sector

High transnational flows, and high quality infrastructure is a valuable asset. Vast investment has been done to build roads. The need nowadays is to improve transport services, diminish cross-passing times through the borders and improve controls.

4. STRATEGY

The following sections describe the identified challenges, and discusses the proposed strategy in more detail:

Strategic choice 1- Promote Employment

Strong economic disparities exist between the two neighboring countries despite large economic crisis during last five years Greece that closed part of the gap. Greek population now faces, shrinkage in wages, household income falls and large percentages of unemployment.

Additionally, brain drain of young and creative people as well as an increase in international market competition, the international economic crisis represent major threats for the further development of the area. Underlying phenomena of demographic change such as the ageing society, shrinking population of the urban center of Thessaloniki and strong economic disparities are being intensified .

The eligible area has several important academic institutions and highly educated work force is a major asset in the area.

The eligible area has several potentials in the agro-food sector, tourism, and small processing enterprises.

The strategic choice is to focus on exploiting challenges and opportunities to support youth and unemployed personnel to create business with a comparative advantage in local and international level. Networking initiatives, new ideas and supporting employment in regards of opportunities created under other priority axis of the programme are supported. An other strategic choice is to create new opportunities through investment and co-operation in tourism and environment, the adaption of ICT innovation, eco-innovation and attract additional investment and private funding within the border area.

Strategic Choice 2: Improve access to social and health care and promote social

inclusion and Community Development

Main issues concern, the improvement of public and NGO's services and equipment, close-co-operation among them, skilled staff and programmes that should address thoroughly and in an holistic way to address needs of vulnerable groups in preventive health care, family care, advisory services, etc. that will also promote creation of new jobs in the field of social care.

Increasing the ideas of community development, and awareness for social offering, motivation to support the community, creation of social networks and mobilisation of possible donors is a key challenge for the border area.

Strategic choice 3-: Touristic Development and better exploitation of cultural and natural heritage

Tourism was identified by the consultation and analysis as a main opportunity to balance regional disparities and job creation. The strategic choice combines internal strengths such as diversity of landscape(mountains and lakes) as well as the natural and cultural heritage with opportunities such as the promotion of niche tourism development (e.g. eco-, religious-winter-gastronomy-wine- tourism) thus valorising the favorable conditions for diversified tourism in the border area.

The cross-border area is characterised by a broad heritage of dense and diverse cultures and natural resources. It can reinforce socio-economic development by strengthening the regional cooperation and cultural events while ensuring sustainability and joint action.

Opportunities rise for common branding in tourism as the Greek economical crisis leads the population of the neighboring areas and the highly populated Thessaloniki to pick destinations nearby, especially in spring, winter and autumn, while at the same time there is an extensive flow of travellers from the neighbouring country and Skopje to visit Northern Greece. Those bilateral touristic flows might be interested in thematic tourism and short stays in the cross-border area.

In order to support the competitiveness and sustainability of tourism (destinations, accommodations, tour operators, services like, excursions, etc.) the challenge is to create a local cross-border touristic "brand". Supporting measures such as city-branding, clustering

and local quality protocols are needed to establish a sustainable and competitive touristic destination.

Strategic choice 4-Improve transport conditions and checkpoints

The geographical location of the cross border area has contributed to the development of international traffic in its territory on Trans National Axes and especially North-South (Corridor X) . Other crosspoints such as Bitola/Niki and Doiran are also important for the development of the area and crossborder mobility.

The main challenges for the transport area and promotion of the economic growth and flows in the three checkpoints of the border area aim to building, enhancing, managing and maintaining transport services, infrastructure and networks to maximize their efficiency, environmental protection, improvement of the safety of journeys.

Cross-border road transport is essential for the development of trade, regional economic integration, tourism, wealth creation and distribution. It also impacts on the welfare of cross border communities and international drivers. Governments, employers and workers and their representatives have a mutual interest in mitigating any possible undesired direct or indirect effects of cross-border traffic and accessibility problems. Delays due to deficiencies in infrastructure, facilities and control procedures at problematic border crossings can have a negative impact on the living and working conditions of drivers, passengers, employees as well as on socio-economic progress, crossborder and international trade, tourism and transport.

Also safety should be increased especially on highways. Traffic controls and the deminishing of road accidents is a key issue especially in Corridor X.

Strategic choice 5- Environmental protection and sustainable management of natural resources

Protected areas and ecosystems in the eligible area include lakes, wetlands, forests, grasslands, agro-ecosystems, transitional and coastal ecosystems. They provide essential services that can be summarized into four categories: (a) Supporting primary and secondary production and biodiversity; (b) Provisioning services, such as food, material, fuel and medicine; (c) Regulating climate and environment, such as carbon sequestration, protection from floods, avalanches or rockfall, water and air quality improvement and disease and pest

regulation; (d) Cultural services, i.e., the protection of spiritually/religious or historically important sites.

The sustainable management of protected areas, ecosystems and biodiversity is necessary for the protection, rehabilitation and conservation of the crossborder natural heritage and the services that they provide to mankind.

The main strategic choices of the Programme, regarding the environmental protection and sustainable management of natural resources, are:

- (1) To protect and restore threatened ecosystems, biodiversity and natural resources through sustainable management/rehabilitation measures
- (2) To reduce the pressures and impacts on environment through effective management, recycling and reuse of solid wastes and wastewaters
- (3) To promote sustainable and innovative forms of nature based economy (ie tourism, agriculture, forestry, fishing) with minimum environmental impacts and within the carrying capacity of the ecosystems;
- (4) To prevent and mitigate natural disasters, risks and hazards with focus on wildfires, floods, and climate change impacts;

4. VISION AND THEMATIC PRIORITIES

By combining the strategic choices the overall aim of the IPA CBC Programme Greece- The former Yugoslav Republic of Macedonia (2014-2020) is: **to enhance territorial cohesion by Improving living standards and employment opportunities with respect to the environment and by exploiting hidden values in tourism**

Such overall objective is the basis of a strategic framework that builds on four IPA CBC thematic priorities identified during programming process as most relevant for the eligible cross-border area:

- **Thematic priority a:** Promoting employment, labour mobility and social and cultural inclusion across borders through, inter alia: integrating cross-border labour markets, including cross-border mobility; joint local employment initiatives; information and advisory services and joint training; gender equality; equal opportunities; integration of immigrants' communities and vulnerable groups; investment in public employment

services; and supporting investment in public health and social services;

- **Thematic priority d:** Encouraging tourism and cultural and natural heritage
- **Thematic priority c:** Promoting sustainable transport and improving public infrastructures by, inter alia, reducing isolation through improved access to transport, information and communication networks and services and investing in cross-border water, waste and energy systems and facilities
- **Thematic priority b:** Protecting the environment and promoting climate change adaptation and mitigation, risk prevention and management through, inter alia: joint actions for environmental protection; promoting sustainable use of natural resources, resource efficiency, renewable energy sources and the shift towards a safe and sustainable low-carbon economy; promoting investment to address specific risks, ensuring disaster resilience and developing disaster management systems and emergency preparedness

Table 1: Justification for the selection of thematic priorities

Selected thematic priority	Justification for selection
<p>1.1.1. a.Promoting employment, labour mobility and social and cultural inclusion across borders through, inter alia: integrating cross-border labour markets, including cross-border mobility; joint local employment initiatives; information and advisory services and joint training; gender equality; equal opportunities; integration of immigrants' communities and vulnerable groups; investment in public employment services; and supporting investment in public health and social services;</p>	<p>The choice of the thematic priority exploits the following strengths and opportunities:</p> <ul style="list-style-type: none"> (+) Trends show that differences in GDP among the neighbouring countries become smaller, thus co-operation in certain sectors of economy might be feasible (+) A raising co-operation among neighbouring countries in several sectors (+) Raising population in Greek smaller urban centers in the crossborder zone as a result of the economic crisis (+) Raising awareness in EU strategies and National Strategies to combat against poverty and social exclusion and to promote volunteerism and participation of local communitites to social and health care <p>The choice of the thematic contributes against the following weaknesses and threats:</p> <ul style="list-style-type: none"> (-) Extremely high rates of unemployment and especially of youth unemployment and long term unemployment (-) A large portion of population in the area are not beneficiaries in pension and healthcare systems (-) Ageing population creating more demands on the healthcare system
<p>d.Encouraging tourism and cultural and natural heritage</p>	<p>The choice of the thematic priority is based on the status and needs analysis in order to exploit the following strengths and opportunities within the programme area:</p> <ul style="list-style-type: none"> (+) The area is well connected to North-East and Central Europe (+) Interesting natural environment, and cultural sites (+) Touristic flows among neighbouring countries (+) Cultural bonds and links in certain thematic itineraries such

	<p>as religious, rural and eco-tourism</p> <p>(+) Links of thematic tourism to unique local products</p> <p>(+) ICT and digital marketing provide chances for contacting directly special interest focus groups</p> <p>The choice of the thematic priority based on needs analysis, was made in order to contribute against the following weaknesses and threats:</p> <p>(-) Touristic flows overpass the crossborder area and do not bring added value</p> <p>(-) There is on branding for the touristic product of the area and interventions as well as organisation is lacking behind</p>
<p>c.Promoting sustainable transport and improving public infrastructures by, inter alia, reducing isolation through improved access to transport, information and communication networks and services and investing in cross-border water, waste and energy systems and facilities</p>	<p>The choice of the thematic priority exploits the following strengths and opportunities:</p> <p>(+) High quality central crossroads of Corridor X (E75) and Egnatia Highway (E90) with frequent flows between the neighboring countries</p> <p>(+) Extended primary transport infrastructure that facilities accessibility</p> <p>(+) Significant and valuable water systems (rivers and lakes)</p> <p>(+) Technology development in ICT might improve communication and information system on the road network and facilitate border controls</p> <p>The choice of the thematic priority contributes against the following weaknesses and threats:</p> <p>(-) Delays due to deficiencies in infrastructure, facilities and control procedures</p> <p>(-) Difficulties in the accessibility of information and communication related to mobility and transport</p> <p>(-) Pollution of surface and ground water bodies</p> <p>(-) Insufficient solid and liquid waste treatment recycling and reuse.</p> <p>(-) Increasing volume of solid wastes from which only a small percentage is recycled or composted.</p>

<p>b. Protecting the environment and promoting climate change adaptation and mitigation, risk prevention and management through, inter alia: joint actions for environmental protection; promoting sustainable use of natural resources, resource efficiency, renewable energy sources and the shift towards a safe and sustainable low-carbon economy; promoting investment to address specific risks, ensuring disaster resilience and developing disaster management systems and emergency preparedness</p>	<p>The choice of the thematic priority exploits the following strengths and opportunities:</p> <ul style="list-style-type: none"> (+) The area has a rich natural heritage with numerous protected areas (+) The ecosystems provide essential services including support of primary and secondary production and biodiversity (+) Close cooperation in the field of adaptation to climate change, reduction of carbon/water footprint and GHG emissions and support of low carbon economy, (+) Networks and Projects under way in the current programming period of the CBC Programme 2007-2013 (+) Increasing interest for sustainable management of natural resources and protection against natural disasters <p>The choice contributes against the following weaknesses and threats:</p> <ul style="list-style-type: none"> (-) The severity of extreme events like drought, heat waves, forest fires and flooding has intensified over the last few decades (-) Protected areas, ecosystems and biodiversity in the eligible area are threatened
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1.2 Justification for the financial allocation

Justification for the financial allocation (i.e. Union support) to each thematic priority in accordance with the thematic concentration requirements (taking into account the ex-ante evaluation).

<p>The selected thematic priorities have been structured into two priority axes, (excluding technical assistance) which reflect the needs and challenges as identified in the consultation phase of the programme area:</p> <p>PA 1: Development and Support of Local Economy</p> <p>Specific Objectives related to Priority a: Promoting employment, labour mobility and social and cultural inclusion across borders through, inter alia: integrating cross-border labour markets, including cross-border mobility; joint local employment initiatives; information and advisory services and joint training; gender equality; equal opportunities; integration of immigrants'</p>
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communities and vulnerable groups; investment in public employment services; and supporting investment in public health and social services;

- **1.1 Promotion of employment and mobility of human resources**
- **1.2 Improvement of health and social investments and services for the support of vulnerable population groups**

Specific Objective related to Priority "d: Encouraging tourism and cultural and natural heritage"

- **1.3 Promotion and protection of natural and cultural heritage to improve the attractiveness and encourage tourism in the cross-border area**

PA 2: Protection of Environment - Transportation

Specific Objective related to Priority "c: Promoting sustainable transport and improving public infrastructures by, inter alia, reducing isolation through improved access to transport, information and communication networks and services and investing in cross-border water, waste and energy systems and facilities"

- **2.1 Improvement of public infrastructures and reduction of isolation by improved access to transport, information and communication networks and services**
- **2.2 Sustainable management, treatment and recycling of wastes**

Specific Objectives related to Priority "b: Protecting the environment and promoting climate change adaptation and mitigation, risk prevention and management through, inter alia: joint actions for environmental protection; promoting sustainable use of natural resources, resource efficiency, renewable energy sources and the shift towards a safe and sustainable low-carbon economy; promoting investment to address specific risks, ensuring disaster resilience and developing disaster management systems and emergency preparedness"

- **2.3 Sustainable management of protected areas, ecosystems and biodiversity**
- **2.4 Prevention, mitigation and management of natural disasters, risks and hazards**

Both priority axis contribute in particular to the "sustainable growth": promoting a more resource efficient, greener and more competitive economy of the **EU 2020** Strategy as eligible activities within the priority will be related to environment protection, risk prevention and management.

The overall programme budget is of EUR 44,390,000 with an EU contribution of EURO

37,731,500, as detailed in section 3 (Financing Plan). The financial allocation to the chosen thematic objectives reflects:

- a) The input provided by the relevant partners in the course of consultations
- b) The experiences of the programming period 2007-2013 in particular relating to preparatory steps for key projects and the continuation of efforts in promising policy areas but also with a close view on the capacity of core actors in certain thematic fields
- c) The estimated financial size of the actions foreseen in each priority axis

Priority axis 1 (Thematic Priority a and b) The planned EU support to priority axis of EURO 17,756,000 corresponding to 40% of the programme budget, of which 25% of the total Programme budget allocated to priority a Promoting employment, labour mobility and social and cultural inclusion across borders through, inter alia: integrating cross-border labour markets, including cross-border mobility; joint local employment initiatives; information and advisory services and joint training; gender equality; equal opportunities; integration of immigrants' communities and vulnerable groups; investment in public employment services; and supporting investment in public health and social services; and 15% of the whole programme allocated to priority d. Encouraging tourism and cultural and natural heritage

A total sum of 11,097,500 which is 25% of the total programme is allocated in thematic priority a. This financial allocation reflects the character of the envisaged soft measures and the need to improve the conditions for business development and to create a better awareness on the business opportunities offered by the region, to reduce unemployment as well as increase the level of employability of special and specific groups and create a better quality of life and enhance social inclusion.

A total sum of 6,658,500 is allocated for priority d, 15% of the entire programme. This financial allocation reflects the expected size of actions facing the needs to improve the valorization of natural and cultural heritage and the tourism attractiveness in the region and to enhance cooperation and networking for sustainable tourism.

The financial allocation to this priority is aligned with the high interest shown by the regional stakeholders in the consultation process. All partner regions expressed their interest in this priority, the potential interest expressed in consultation meetings during programming has been

significant. Stakeholders already have a certain tradition and a growing need of cooperation in the field of natural and cultural heritage development and sustainable tourism development. The broad variety of beneficiaries and approaches in the period 2007-2013 clearly documents the interest for cooperation.

Priority axis 2 (Thematic Priority c and b) The planned EU support to priority axis of EURO 22,195,000 corresponding to 50% of the programme budget, of which 30% of the total Programme budget allocated to priority c and 10% of the whole programme allocated to priority b.

A total sum of 13,317,000 which is 30% of the total programme is allocated to thematic priority c. This financial allocation reflects the character of the envisaged infrastructure and soft measures and the need to improve the conditions for transport development to improve accessibility of the region, and to take action against climate change and risks envisaged.

A total sum of 4,439,000 which is 10% of the total programme is allocated to thematic priority b. This financial allocation reflects the expected size of pilot actions addressing the needs to better protect the environment and biodiversity in the cross-border region, to support joint initiatives related to nature protection and sustainable use of common natural resources.

Priority axis 3(Technical Assistance) The planned EU support to priority axis 4 is of EUR 4,439,000 corresponding to 10% of the programme budget. This funds should help to assure a proper functioning of the necessary programme structures and an efficient management and communication of the programme

Table 2: Overview of the investment strategy of the cooperation programme

Priority axis	Union support (in EUR)	Proportion (%) of the total Union support for the cooperation programme	Thematic priorities	Result indicators corresponding to the thematic priority
1. Development and Support of Local Economy	9.432.875	25%	a	CR04 Participants in employment, including self-employment, upon leaving
				CR01 Inactive participants engaged in job searching upon leaving
	5.659.725	15%	d	1.3.1 Increased number of visitors to the cross-border
				1.3.2 Increase of visits in tourist sites
2. Protection of Environment - Transportation	11.319.450	30%	c	2.1.1 Increased number of cross-border networks for improved access to transport information and communication
				2.1.2 Increased number of interventions for the improvement of public infrastructures and transport systems and mobility
				2.2.1 Increased number of interventions for recycling and reuse of wastes
				2.2.2 Increased level of waste treatment
2. Protection of Environment - Transportation	7.546.300	20%	b	2.3.1 Increased number of interventions for the conservation/rehabilitation of protected areas, ecosystems and biodiversity
				2.3.2 Increased number of interventions for the sustainable management of ecosystem services
				2.3.3 Increased number of joint initiatives promoting climate change adaptation and mitigation
				2.4.1 Increased number of supported interventions in the field of risk prevention

Priority axis	Union support (in EUR)	Proportion (%) of the total Union support for the cooperation programme	Thematic priorities	Result indicators corresponding to the thematic priority
				and management
				2.4.2 Increased number of joint initiatives in the field of risk prevention and management
3. Technical support	4.390.000	10%		

SECTION 2. PRIORITY AXES

(Reference: points (b) and (c) of Article 8(2) of Regulation (EU) No 1299/2013)

Section 2.1. Description of the priority axes (other than technical assistance)

Each of the points under Section 2.1, from 1 to 8, shall be repeated for each priority axis

as follows: PA 1 (2.1.1-2.1.8), as exemplified below, and then continue with PA 2 (2.2.1-2.2.8), PA 3 (2.3.1-2.3.8) etc

(Reference: point (b) of Article 8(2) of Regulation (EU) No 1299/2013)

2.1.1 Priority axis 1

<i>ID of the priority axis</i>	<i>1</i>
<i>Title of the priority axis</i>	1.Development and Support of Local Economy

2.1.3. The specific objectives of the thematic priority and expected results

(Reference: points (b)(i) and (ii) of Article 8(2) of Regulation (EU) No 1299/2013)

<i>ID</i>	<i>1.1</i>
<i>Specific objective</i>	Promotion of employment and mobility of human resources
<i>The results that the partner States seek to achieve with Union support</i>	<p>Expected results aim:</p> <ul style="list-style-type: none"> • to exploit local opportunities to create jobs and enterprises, which either reflect local needs, or exploit comparative advantages in the eligible area. The results will build on existing potential of the region and human resources, with emphasis on highly educated youth. • to the exploitation of new ideas, innovation and new types of business models enables the differentiation of business activities according to the potentials and needs of a specific territory. It is crucial to mobilise internal assets, natural and human resources, in fields where the CB area is specialised. • to increase mobility of human resources from urban to rural areas, aiming to the creation of new types of businesses, which exploit the CB area potentials, in all sectors of economy. • focus towards creating missing links among sectors of economy, enhance innovation and ICT, knowledge transfer, business relations and exports' orientation. • increase the number of new business in self-employment or SMEs, that produce new products and services, with value added for the CB area, or the international markets. • create services and structures, which enhance employment, counselling, mentoring and special advice to candidate investors and entrepreneurs • enhance clustering and networking among

	<p>local business, which will create new job positions</p> <ul style="list-style-type: none"> • promote entrepreneurship, by facilitating the economic exploitation of new ideas and fostering the creation of new firms
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<i>ID</i>	<i>1.2</i>
<i>Specific objective</i>	Improvement of health and social investments and services for the support of vulnerable population groups
<i>The results that the partner States seek to achieve with Union support</i>	<p>Expected results focus on community development, as well as the improvement of living conditions and social participation for specific groups that are facing poverty or disadvantages</p> <p>More specifically:</p> <p>The expected results aim:</p> <ul style="list-style-type: none"> • to create opportunities for everyone to participate fully in the social and economic life of the community, especially for those individuals and families who suffer from multiple social problems, and for young people who want to live and work in the countryside. • to promote equality in accessing employment, for specific groups, such as individuals with disabilities or women who offer care services to children and the elderly etc • to improve accesibility to health care services for the crossborder citizens, without exceptions • to ensure that older people are valued and respected, remain independent, participate as active citizens and enjoy a good quality of life in a safe and shared community.

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<i>ID</i>	<i>1.3</i>
<i>Specific objective</i>	Encouraging tourism and cultural and natural heritage
<i>The results that the partner States seek to achieve with Union support</i>	<p>Expected results are:</p> <ul style="list-style-type: none"> • to improve attractiveness of the touristic product of the border area, the creation of thematic touristic itineraries, the promotion and enhancement of natural and cultural heritage, as well as the networking and cooperation of stakeholders participating in touristic development • to create a diversified touristic all- season product in the cross-border area which enhances the comparative advantages of rural areas and attracts mainly to tourists with special interests, such as eco-tourism, religious-historical tourism, gastronomic-wine tasting tourism, etc. • to foster other sectors of economy along with the touristic product including the environmental preservation, employment and entrepreneurship. • to exploit ICT technologies in promoting touristic products directly to target groups with special interests

2.1.5. Actions to be supported under the thematic priority (by thematic priority)

2.1.5.1. A description of the type and examples of actions to be supported and their expected contribution to the specific objectives, including, where appropriate, identification of the main target groups, specific territories targeted and types of beneficiaries

(Reference: point (b)(iii) of Article 8(2) of Regulation (EU) No 1299/2013)

<i>Thematic Priority</i>	<i>a. Promoting employment, labour mobility and social and cultural inclusion across borders through, inter alia: integrating cross-border labour markets, including cross-border mobility; joint local employment initiatives; information and advisory services and joint training; gender equality; equal opportunities; integration of immigrants' communities and vulnerable groups; investment in public employment services; and supporting investment in public health and social services;</i>
<p>The indicative actions to be supported under specific objective 1.1 are:</p> <ul style="list-style-type: none">- Promotion of entrepreneurship and employment through the support consulting, coaching, mentoring,- Initiatives to encourage support of unemployed and self employed or managers to innovation, creativity and entrepreneurship;- Awards on innovative ideas- University Students' mini-companies (competitions)- Business, guidance and counseling services (e.g. mentor support and business coaching, YE online portals and web sites, etc.);- Support to joint market initiatives and networking, incl. promotion and marketing campaigns for entrepreneurs.- Planning of integrated actions to support the creation of jobs and enterprises to promote tourism and protect environment in the crossborder area- Networking of public services, authorities and nongovernmental initiatives for the exchange of know-how and the support of employment and entrepreneurship <p>Target groups:</p> <ul style="list-style-type: none">- University Students- Young people (up to age of 29)- Unemployed- Vulnerable groups- Inactive women <p>Potential Beneficiaries</p>	

- All levels of regional/local authorities and their enterprises
- Universities, knowledge / research institutes
- Civil society structure (association/foundation)/ NGOs
- Business support structures and chambers, associations

The **indicative actions** to be supported **under specific objective 1.2** are:

- Cross-border initiatives aimed at combating poverty and social exclusion;
- Mobile units to provide health and social care at rural areas for vulnerable groups, children and the elderly
- Promotion of early childhood care and promotion of equal opportunities for mothers
- Communities development initiatives to support social and family care;
- Supporting vulnerable groups to participate in social life and promote towards the labour market those who are capable to work
- Cross-border initiatives for promotion of health and well-being of young people;
- Promotion of people's participation in social care
- Preventive health programmes
- Networking of services in order to create integrated family care and counselling

Target groups:

- Vulnerable groups
- Unemployed
- Elderly
- Women inactive
- People facing poverty and social exclusion

Potential Beneficiaries

- All levels of regional/local authorities and their enterprises
- Hospitals/social care services/Regional health administration/health and social institutions
- Civil society structure (association/foundation)/ NGOs
- Organisations of volunteers, associations

<i>Thematic Priority</i>	<i>d. Encouraging tourism and cultural and natural heritage</i>
<p>The indicative actions to be supported under specific objective 1.3 are:</p> <ul style="list-style-type: none"> - ICT facilities developed/upgrade; - Establishment of info-centers and/or kiosks to guide potential visitors; - Development of joint GIS platforms; - Joint actions on potential niche tourism activities and/or on the demand for new tourist destinations and experience; - Joint activities to identify tourist products with potential for cross-border branding; - Development of local brand/s based on natural, historical and cultural heritage of the region; - Support for the development of new and innovative touristic products and services to be delivered on sites; - Creating knowledge networks for tourism innovations in the border area; - Multi-lingual on-line touristic platforms; - Visualisation of local brands, incl. 3D visualisation, mobile applications, social networks, tailor-made internet platforms, and other innovative tools; - Identification and application of best practices in tourism promotion; - Organisation (and participation in) of fairs and related activities(i.e. exhibitions, conferences, seminars, road shows, presentations, etc.). - Organization of networking events, incl. online forums, for exchange of good practices in sustainable tourism management; - Surveys on domestic and international demand for cross-border tourism experiences; surveys on quality of services, projects to monitor thematic tourism development and related services, etc.; - Promotion and cultivation of the common traditions of the borderland areas; <p>Target groups:</p> <ul style="list-style-type: none"> - Regions residents - Europe's inhabitants - Youth organisations - Eco-friendly organisations - Associations for the elderly - Touristic organisations/ social and school tourism organisations - NGO's - Sports associations, clubs, school sports teams <p>Potential Beneficiaries</p>	

- All levels of regional/local authorities and their enterprises
- NGOs
- Business support structures and chambers, associations of tourism
- Organisations of volunteers,
- Cultural institutes (museum, library, art gallery, community centres, etc.)
- Exhibition and fair associations

2.2.1 Priority axis 2

<i>ID of the priority axis</i>	2
<i>Title of the priority axis</i>	<i>Protection of Environment - Transportation</i>

2.2.3. The specific objectives of the thematic priority and expected results

(Reference: points (b)(i) and (ii) of Article 8(2) of Regulation (EU) No 1299/2013)

<i>ID</i>	2.1
<i>Specific objective</i>	Improvement of public infrastructure and reduction of isolation by improved access to transport, information and communication networks and services
<i>The results that the partner States seek to achieve with Union support</i>	<p>The specific objective is to improve cross-border mobility and accessibility by improving existing conditions and facilities for transport in the eligible area.</p> <p>The expected results are:</p> <ul style="list-style-type: none"> • upgraded and improved infrastructure, services, information and communication systems • improved cross border accessibility and services • facilitation of mobility for people and goods • facilitation of trade, tourism, wealth creation and distribution • contribution to regional economic integration

<i>ID</i>	2.2
<i>Specific objective</i>	Sustainable management, treatment and recycling of waste
<i>The results that the partner States seek to achieve with Union</i>	<p>The expected results concern:</p> <ul style="list-style-type: none"> • increased percentage of population with

<i>support</i>	<p>improved wastewater treatment</p> <ul style="list-style-type: none"> • increased efficiency of waste recycling and reuse • reduction of the volume of waste to be managed • improvement of environmental and life quality • reduction of pressures and impacts on environment through the effective treatment and reuse of liquid and solid wastes • contribution to the fulfillment of EU landfill, waste and wastewater aquis • improvement of health and safety of citizens in border region
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<i>ID</i>	2.3
<i>Specific objective</i>	Sustainable management of protected areas, ecosystems and biodiversity
<i>The results that the partner States seek to achieve with Union support</i>	<p>Joint and coordinated actions in the border region contribute to the creation of synergic effects in the conservation of environmental resources and the sustainable development of the area. The expected results are focused on:</p> <ul style="list-style-type: none"> • protection and sustainable management of protected areas, ecosystems and biodiversity in the cross-border area • improvement of awareness and environmental education for the conservation of nature • improvement of the conservation status of threatened habitats and species in the cross border area • development and enhancement of environmental friendly economic activities with minimum impacts on natural resources • rehabilitation of degraded ecosystems and restoration of polluted area • fulfillment of the commitments of the two countries under international conventions and agreements on protected areas and biodiversity (RAMSAR Convention,

	<p>UNESCO Convention etc)</p> <ul style="list-style-type: none"> • reduction of GHG emissions and carbon/water footprint of human activities towards a low carbon economy, to address adaptation issues and the impacts of climate change on ecosystems, and to fulfill the EU climate acquis
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<i>ID</i>	2.4
<i>Specific objective</i>	Prevention, mitigation and management of natural disasters, risks and hazards
<i>The results that the partner States seek to achieve with Union support</i>	<p>The specific objective is the improvement of effectiveness of joint cross-border activities for better prevention, mitigation and management of natural disasters and risks.</p> <p>The expected results are:</p> <ul style="list-style-type: none"> • effective prevention, response and resilience to natural disasters and risks, especially forest fires, floods and climate impacts, in order to minimize their impact on the natural and human environment • promotion of public safety and protection of public and private investments • mobilization and capacity building of citizens and volunteers involved in natural disasters mitigation and management • enhancement of operational readiness and effectiveness of public services and competent authorities • early cross-border identification and assessment of emergency situation, and effective disaster management • development of cooperation networks for the management of the cross border threats

2.2.5. Actions to be supported under the thematic priority (by thematic priority)

2.2.5.1. A description of the type and examples of actions to be supported and their expected contribution to the specific objectives, including, where appropriate, identification of the main target groups, specific territories targeted and types of beneficiaries

(Reference: point (b)(iii) of Article 8(2) of Regulation (EU) No 1299/2013)

<i>Thematic Priority</i>	<i>c. Promoting sustainable transport and improving public infrastructures by, inter alia, reducing isolation through improved access to transport, information and communication networks and services and investing in cross-border water, waste and energy systems and facilities</i>
<p>The indicative actions to be supported under specific objective 2.1 are:</p> <ul style="list-style-type: none">• Smart transport systems (including the institutionalization of demand management, toll systems, information systems for monitoring and control)• Improving cross-border road access and mobility• Improving energy efficiency of public buildings and infrastructures <p>Target groups:</p> <ul style="list-style-type: none">- Regions residents- Regional / Local Authorities <p>Potential Beneficiaries</p> <ul style="list-style-type: none">- All levels of Regional / Local Authorities- Educational / Research Institutions- Research Centres- NGOs- Non-profit Organizations <p>The indicative actions to be supported under specific objective 2.2 are:</p> <ul style="list-style-type: none">- Integrated management and volume reduction of solid wastes- Recycling and reuse of solid and liquid wastes- Treatment and reuse of municipal, industrial and agricultural wastes- Monitoring, early warning and decision support systems for the sustainable management of solid and liquid wastes <p>Target groups:</p>	

- Regions residents
- Regional / Local Authorities
- Bodies of solid waste management and recycling
- Enterprises
- Organisations of Volunteers
- Eco-friendly organisations

Potential Beneficiaries

- All levels of Regional / Local Authorities
- Educational / Research Institutions
- Research Centres
- NGOs
- Organizations / Associations of Volunteers
- Non-profit Organizations
- Bodies of solid waste management and recycling

<i>Thematic Priority</i>	<i>b. Protecting the environment and promoting climate change adaptation and mitigation, risk prevention and management through, inter alia: joint actions for environmental protection; promoting sustainable use of natural resources, resource efficiency, renewable energy sources and the shift towards a safe and sustainable low-carbon economy; promoting investment to address specific risks, ensuring disaster resilience and developing disaster management systems and emergency preparedness</i>
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The **indicative actions** to be supported **under specific objective 2.3** are:

- Sustainable management, conservation and restoration of protected areas, threatened ecosystems and species
- Environmental education and awareness for the protection of the environment
- Sustainable exploitation of ecosystems services
- Adaptation and mitigation of climate change impacts on natural resources and environment

Target groups:

- Regions residents

- Regional and Local Authorities
- Management Bodies of Protected Areas
- Stakeholders

Potential Beneficiaries

- All levels of Regional and Local Authorities
- Educational / Research Institutions
- Research Centres
- Organizations of volunteers
- NGOs
- Non-profit Organizations
- Management Bodies of Protected Areas

The **indicative actions** to be supported **under specific objective 2.4** are:

- Improving the operational efficiency of public administration and public services in natural disasters management
- Mobilization of citizens and support of volunteering to increase disaster resilience and emergency preparedness
- Cross-border networks of co-operations for the effective prevention and management of natural disasters, risks and hazards
- Development of early warning and disaster management systems

Target groups:

- Affected population of the CB region
- All levels of regional/local authorities
-

Potential Beneficiaries

- All relevant local and regional structures for dealing with emergency situations
- Fire Services
- Educational / Research Institutions
- Research Centres
- Organizations of volunteers
- NGOs
- Non-profit Organizations

SECTION 3 FINANCING PLAN

(Reference: point (d) of Article 8(2) of Regulation (EU) No 1299/2013)

3.1 Financial appropriation from the IPA (in EUR)

(Reference: point (d)(i) of Article 8(2) of Regulation (EU) No 1299/2013)

Table 15

Fund	2014	2015	2016	2017	2018	2019	2020	Total
<i><3.1.1 type='S' input='G'></i>								
<i>IPA</i>	887.800	2.219.500	6.214.600	8.434.100	8.878.000	8.878.000	8.878.000	44.390.000

3.2.1 Total financial appropriation from the IPA and national co-financing (in EUR)

(Reference: point (d)(ii) of Article 8(2) of Regulation (EU) No 1299/2013)

1. The financial table sets out the financial plan of the cooperation programme by priority axis.
2. The financial table shall show for information purposes, any contribution from third countries participating in the cooperation programme (other than contributions from IPA and ENI)
3. The EIB¹ contribution is presented at the level of the priority axis.

Table 16: Financing plan

Priority axis	Basis for calculation of Union support (Total eligible cost or public eligible cost)	Union support (a)	National counterpart (b) = (c) + (d))	Indicative breakdown of the national counterpart		Total funding (e) = (a) + (b)	Co-financing rate (f) = (a)/(e) (2)	For information	
				National Public funding (c)	National private funding (d) (1)			Contributions from third countries	EIB contributions
<i>Priority axis 1</i>	1.Development and Support of Local Economy	15.092.600	2.663.400	2.663.400	0	17.756.000	85%	0	0
<i>Priority axis 2</i>	2. Protection of Environment - Transportation	18.865.750	3.329.250	3.329.250	0	22.195.000	85%	0	0
<i>Priority axis 3</i>	3.Technical Support	3.773.150	665.850	665.850	0	4.439.000	85%	0	
Total		37.731.500	6.658.500	6.658.500	0	44.390.000	85%	0	0

(1) To be completed only when priority axes are expressed in total costs.

(2) This rate may be rounded to the nearest whole number in the table. The precise rate used to reimburse payments is the ratio (f).

¹ European Investment Bank

3.2.2 Breakdown by priority axis and thematic priority

(Reference: point (d)(ii) of Article 8(2) of Regulation (EU) No 1299/2013)

Table 17

Priority axis	Thematic priority	Union support	National counterpart	Total funding
<3.2.B.1 type='S' input='G'>	<3.2.B.2 type='S' input='G'>	<3.2.B.3 type='N' input='M'>	<3.2.B.4 type='N' input='M'>	<3.2.B.5 type='N' input='M'>
1. Development and Support of Local Economy	a	9.432.875	1.664.625	11.097.500
	d	5.659.725	998.775	6.658.500
2. Protection of Environment - Transportation	c	11.319.450	1.997.550	13.317.000
	b	7.546.300	1.331.700	8.878.000
3. Technical Support		3.773.150	665.850	4.439.000
TOTAL		37.731.500	6.658.500	44.390.000

5.7 Involvement of partners

(Reference: point (c) of Article 8(4) of Regulation (EU) No 1299/2013)

Actions taken to involve the partners referred to in Article 5 of Regulation (EU) No 1303/2013 in the preparation of the cooperation programme, and the role of those partners in the preparation and implementation of the cooperation programme, including their involvement in the Joint Monitoring Committee

<5.6 type='S' maxlength='14000' input='M' Decisions=N>

Participation of partners in the preparation of the programme.

The entire programme cycle, embracing the programme preparation, implementation, monitoring and evaluation alike, has been designed to ensure the active involvement of the relevant partners. As presented above, partners have been involved in the programming process, primarily through:

-Meetings of the Task Force and Joint Working Group;

- Consultations with the stakeholders – local and regional authorities, central and regional offices of national institutions, Chambers of commerce and industry, NGOs, Academic institutions etc;

-Internet based consultations. More specifically, the entire methodology and timeline of consultations, is described analytically, hereinafter;

a) Questionnaire Design. Duration : From May 27th to June 01st 2014

Major objective was to develop a Questionnaire structure that meets the criteria of

a) Minimize time needed to fill in the questionnaire, in order to maximize response rate
b) A prescribed response format, to enable rapid completion of the questionnaire
c) an Explanatory text following the priorities for better understanding,
d) Web format to ensure internet functionality.

b) Data Collection. Duration: June From 02nd to 20th 2014

For both country sides, the questionnaires addressed to as many as possible stakeholders. The sample included National and Regional public authorities, local public authorities, development agencies, other public bodies, universities/research institutions, chambers or other professional bodies, enterprises, non-governmental organizations, COOPs and stakeholders that already implementing similar projects.

A wide database consisting of potentially beneficiaries and stakeholders addresses gathered from:

1. Managing Authority.
2. JTS.
3. EU Delegation – Skopje.
4. Expert's data.

Thus, more than 600 email addresses were built – up and refined. B. The deadline for completing the questionnaire was Friday, 20th June 2014.

Using a special email address created for this occasion from Managing Authority, namely <http://cbc-ipa2.eu/>, **623** questionnaires were sent on unique recipients. Approximately 100 mails failed due to invalid email addresses or user's mailboxes exceeded capacity. Thus, the effected email sent meets the number of 524 unique recipients.

Pursuing emails, major stakeholders were contacted, via phone; more than 90 contacts had been held; **74** of them successfully. By the end of the above mentioned procedure, the answers gathered figured up to 100.

Data qualitative and quantitative analysis was held, using adequate software (SPSS) in order to improve outcome for decision making, using statistical and analytical tools such as standard deviation, mean, normalization cumulative percentages, percentile equivalents, Z-scores, T-scores, standard nines and percentages in standard nines.

c) Workshops **Dates: June 24 – 30**

Managing Authority, EU Delegation and Task Force of Operational Programme Greece – The Former Yugoslav Republic of Macedonia 2014 – 2020 organized two (02) workshops, one (01) in Greece (Kilkis) and one (01) in Former Yugoslav Republic of Macedonia (Bitola).

The main role of these workshops were:

- 1) A Presentation of questionnaires' methodology, data collection from questionnaires, objectives and priorities for Operational Programme Greece – The

Former Yugoslav Republic of Macedonia 2014 – 2020.

2) Feedback from the participants of workshops.-

3) A stakeholders involving interactive game.

d) Public consultation phase A; Data analysis and evaluation **Date delay: 07 July 2014**

Upon completion of public consultation Phase A procedure, the gathered information was processed and analyzed. Multiple criteria analysis were used for the prioritization of thematic objective and investment priorities.

e)O.P. Format and Structure **Date delay: 21 July 2014.**

Taking into account the consultation process, and MA guidelines, the structure and the format of the IPA II template, a draft for forthcoming Operational Programme Greece – The Former Yugoslav Republic of Macedonia 2014 – 2020 was conducted including priorities, objectives, expenditure categories and fund allocation, result and output indicators, which was fully completed, was submitted to Managing Authority and to the Task Force Members and ex ante evaluators

Public Consultation Phase C

Date: from 23rd July to 10th August 2014.

On 23 of July 2014 the First draft OP IPA CBC 2014-2020 was submitted to Managing authority for working consultation. Over the period 21th – 28th of July 2014 the First draft OP IPA CBC 2014-2020 was also consulted with the Task force and Joint working group members.

Public consultation – phase C refers to the Draft Operational IPA CBC Programme Greece – The Former Yugoslav Republic of Macedonia 2014 – 2020 in order to collect stakeholders' opinions, were the draft Op and a questionnaire were published on the internet.