



European Neighbourhood & Partnership Instrument

Cross-Border Cooperation (CBC)

Multi-annual Indicative Programme 2011-2013

Table of contents

I. Mid-Term Review of the CBC Strategy Paper	p. 3
1. Introduction	p. 3
2. Overview of CBC cooperation and lessons learned from period 2007-10	p. 3
2.1. Preparation and implementation of the programmes (General remarks, the objectives, expected results, indicators, financial allocations)	p. 4
2.2. The impact of political and social developments in the region on the CBC programmes	p. 6
2.3. Relation to emerging priorities in EU policy	p. 7
2.4. Coherence and complementarity with other programmes	p. 7
2.5. Partnership	p. 8
3. Outcome of the Review	p. 8
II. ENPI CBC Indicative Programme 2011-2013	p. 9
1. General remarks	p. 9
2. ENPI CBC programmes	p. 9
3. Objectives	p. 10
4. Expected results	p. 12
5. Indicators	p. 14
6. Risks	p. 15
7. Indicative financial allocations	p. 16
Annexes	p. 19
Annex 1. Geographical eligibility for the ENPI CBC programmes 2011-13	p.19
Annex 2. Maps of the ENPI CBC programmes	p. 22
Annex 3. Financial allocations for the CBC programmes 2011-2013	p. 23
List of acronyms	p. 24

I. Mid Term Review of the CBC Strategy Paper

1. Introduction

Regulation no 1638/2006 of the European Parliament and of the Council of 24 October 2006 laying down general provisions establishing a European Neighbourhood and Partnership Instrument (referred to as the ENPI Regulation) provides the legal basis for establishing Joint Operational Programmes for Cross Border Co-operation (JOPs), covering border regions of the EU and of the neighbouring countries sharing a common border. The ENPI Cross Border Cooperation Strategy Paper 2007-2013 (CBC SP) adopted in March 2007 outlined the strategic framework for these programmes. This framework was intended to guide local, regional and national authorities from the eligible areas in the preparation of the JOPs and their implementation and monitoring.

Building on the response strategy defined in the CBC SP, the Cross Border Cooperation Indicative Programme (CBC IP) for 2007-2010 proposed to establish 15 CBC programmes covering the EU land borders and sea crossings of significant importance with neighbouring countries as well as the three common sea basins. It also set the overall objectives that the programmes should pursue and the financial allocations of each programme.

The draft JOPs were prepared jointly by local, regional and, to a lesser extent, national, authorities from the eligible areas in close consultation with Civil Society Organisations. These documents were later negotiated with the Commission services and adopted by the European Commission. For this reason, this document (and the previous one) provides only indicative/illustrative proposals for results and indicators with the view of providing orientation to the programme partners who are in the lead in the design, implementation and monitoring of the programmes.

The potential beneficiaries of CBC are those listed in the article 14 of the ENPI Regulation. In addition, as a general rule, they have to be located in the eligible regions as presented in annex 1.

Differently from traditional external assistance programmes, the JOPs are implemented by the Joint Managing Authorities (JMAs) located in Member States¹ and monitored by the Joint Monitoring Committees (JMCs), involving the local partners, and to which the European Commission participates as an observer.

2. Overview of CBC cooperation and lessons learned from period 2007-2010

Of the 15 planned JOPs, 13 were adopted in time, have launched calls for proposals and have selected or are in the process of selecting the projects to be financed. Activities in the period 2007-2010 focused largely on the preparation of the JOPs, reaching an agreement on their content, having them adopted by the Commission and signed by partner countries. By autumn 2010 all thirteen adopted programmes have established their management structures and organised their first calls for proposals (some of the

¹ The “shared management” was the intended mode of programmes’ implementation. Divergences from this model occurred however at the implementation stage. In order not to introduce changes to the ongoing programmes, the full “shared management” principle will be reintroduced in the next programming period.

programmes even the second ones) for the overall sum of nearly EUR 275 million. The response to the calls was excellent and vastly exceeded the available funding.

However, as the preparation of the programmes took longer than expected and the real implementation started only in late 2009, the current lessons learned concern mostly the preparation of the JOPs, the establishment of the programme structures and the preparations of the first calls for proposals.

So far it seems clear that the current implementation modality of the programmes, based mainly on approach used in EU external assistance, has turned out to be not suitable for the majority of ENPI CBC programmes. The delays caused i.a. by complicated implementation modalities underline need for changes in the next Financial Period. Another lesson learned is that CBC programmes need more flexible implementation rules. Shared management, as mentioned in the ENPI Regulation, should provide this framework and more responsibility could be given to national authorities implementing the Programmes

2.1 Preparation and implementation of the Joint Operational Programmes

2.1.1. General remarks

The preparation of the JOPs was a very intense exercise because of the novelty of the approach which required that partner countries and regions take direct responsibility for consulting all stakeholders and elaborating the programme documents. The fact that this process was carried out in an “external relations” environment added to the complexity. Politically sensitive issues, with which internal EU CBC programmes are not normally confronted, had to be addressed and long negotiations were necessary with some partner countries.

For the Russian Federation it was very important to co-finance the five land border programmes to which it participates (EUR 103 million) to reflect the “equal partnership”. This was successfully addressed by adapting the Financing Agreements to respond to the Russian Federation’s requirements in terms of control and audit.

In the case of CBC between Morocco and Spain problems related to the geographical eligibility of some territories emerged. As no acceptable solution could be found the two programmes “*Spain-Morocco*” and “*the CBC Atlantic*” were not established. Morocco also decided to opt out from the Mediterranean Sea Basin Programme.

In addition to Morocco, some other countries opted out from Sea Basin programmes for political and technical reasons. This is the case of Turkey in the Mediterranean Sea Basin programme², of Azerbaijan and the Russian Federation in the Black Sea Basin Programme and of the Russian Federation in case of the Baltic Sea Region programme. In spite of that, the Sea Basin programmes, which involve several other partners, have been established and are fully operational.

² The Mediterranean Sea Basin Programme remains “formally” open to the participation of Libya and Algeria which never indicated their wish to opt out. These countries can accede to the programme by accepting its content and signing the Financing Agreements.

Following the adoption of the JOPs by the Commission and the conclusion of Financing Agreements with partner countries, the programme partners have become responsible for the management, control, audit and monitoring of the programmes. They exercise this authority through their decision making bodies – the JMCs and the JMAs responsible for managing and implementing the programmes³.

2.1.2. The objectives

In the preparation of the JOPs, all programmes took as their starting point the four key objectives included in the CBC SP:

- promoting economic and social development in regions on both sides of common border;
- working together to address common challenges, in fields such as, e.g. environment, public health and the prevention of and the fight against organised crime;
- ensuring efficient and secure borders;
- promoting local cross border “people-to-people” actions.

They then analysed the needs of their programme areas and identified the priorities and measures to be pursued under the JOPs because of their relevance for their regions. The draft JOPs were then negotiated with and adopted by the Commission. A more detailed analysis on the way the four objectives have been addressed in the programmes and on their relative weight in terms of financing has led to the following observations:

A.) Socio-economic development of the border regions

This is an area where competences lie at a local level. It is also an area where financing can bring direct benefit to local actors. Therefore local administrations are very keen in devoting a substantial part of the budget to these actions. This objective is addressed through a specific priority in all programmes with an allocation of roughly 30-40 % of the programme budget.

B.) Working together to address the common challenges

Although the measures addressing this objective are of a more general nature, like the socio-economic development, it is an area where local authorities also have competence. As a result it has been addressed through a specific priority in the majority of JOPs and around 25-35 % of the budget is devoted to it.

C.) Ensuring efficient and secure borders

Integrating this objective in the JOPs was more difficult. This reflects the fact that local authorities have limited competence in this area. As a result several JOPs did not address this objective through a specific priority. However, some of the programmes, especially those on land borders and with larger financial allocations foresaw measures such as investment projects on the border, renovation of the existing crossing points, installation of modern equipment, construction of the sanitary infrastructure or opening of seasonal tourist crossings.

³ Their responsibility was slightly diminished through lack of application of full shared management mode in the programmes. This should change in the next programming period.

D.) Promoting local cross-border “people-to-people” (P-2-P) actions

This objective was addressed in all CBC programmes. This is usually done through a separate priority with its own allocation (usually 10-20 % of the programme’s budget). Some programmes have decided to establish this objective as a horizontal priority implemented under all other priorities and endowed with a special ear-marked allocation.

This analysis carried out in the preparations of the JOPs confirms that all four objectives were relevant even if some JOPs addressed the third objective (“efficient and secure borders”) only indirectly (mainly because National Authorities’ claimed that border management issues were their exclusive competence).

2.1.3. Expected Results and Indicators

The IP 2007-10 identified an indicative list of key expected results for the ENPI CBC component as a whole. They relate to the efficient and timely implementation of the programmes, to the promotion of local ownership, to improved co-ordination between national and local level, to the promotion of prosperity, stability and security in border regions. Progress has been made in all these areas: the programmes have been adopted and are under implementation, the inclusive programming process has fostered ownership, the implementation structures are promoting co-operation between central and local authorities, and the concrete implementation of the actions is expected to have a positive impact on local development. However due to the incurred delays, more time is needed to attain these results and progress will be more visible when the JOPs will be fully implemented (by 2015).

The IP 2007-10 also provided an indicative list of expected results and indicators to be used in the JOPs. This has proved useful in steering the preparation of the programming documents.

Both the results and indicators remain relevant also for the period 2011-13.

2.1.4. The financial allocations

The fact that two programmes have not been established and the decision of the Russian Federation not to take part in the Baltic Sea Programme provide the scope for some limited reallocation of funds.

The reallocation should benefit the Black Sea and the Mediterranean Sea Basin programmes that, because of their very large geographical coverage, are relatively underfunded. Responses to the calls for proposals indicate that within these two programmes there is a good potential for the absorption of additional funds. The balance of funds available after the reallocations is to be used to finance other non CBC activities within the ENPI.

2.2. The impact of political and social developments in the region on the CBC programmes

Since the adoption of the CBC Strategy Paper in 2007, instability in the EU neighbourhood has increased. In August 2008 an armed conflict opposed Russia and Georgia over the control of the Georgian breakaway regions of Abkhazia and South Ossetia. In December 2008 the Israeli-Palestinian conflict escalated with the launch of the “Operation Cast Lead” by the Israeli Army. No significant positive development was

registered in the other protracted conflicts. This situation brought tensions in the preparation and initial stage of implementation of ENPI CBC programmes, and in certain cases led to the non participation of some countries in the programmes (i.e. Russia and Azerbaijan in the Black Sea Basin programme).

Since 2008 Russia has paid increased attention to the EU experience of Regional Policy and territorial co-operation. Russia and the EU signed the Memorandum of Understanding on Regional Policy and the notion of Cross Border Co-operation was included in Russia's own strategic documents. As a result Russia, while being lukewarm on receiving EU assistance in general, was very interested in cross border co-operation. Russian regional authorities engaged in the preparation and implementation of the JOPs and their state budget is providing substantial co-financing of the programmes with their participation.

The regions participating in the ENPI CBC have also been affected by the social and economic developments of the recent years. They include different demographic trends (positive in the Southern Neighbourhood, negative in the EU or Eastern Neighbourhood) and the (negative) impact of the economic crisis which hit Europe and its neighbours in 2009. These developments are being taken into account by the managing authorities of the programmes when designing the calls for proposals. A more in-depth socio-economic analysis of the regions participating in the CBC programmes will be carried out during the preparation for the next programming period (after 2013).

After the review came to an end there were very important political developments in neighbouring countries where pro-democracy movements have put in motion what may be far reaching political reform in several of our southern neighbours.

2.3. Relation to emerging priorities in EU policy

Since 2007, the regional dimensions of the EU cooperation with its neighbours in the areas where the ENPI CBC programmes are active have significantly evolved. All these initiatives - in addition to state level co-operation - encourage further contacts between regional actors and promote activities in the border regions.

The Union for the Mediterranean (UpM) and the Eastern Partnership (EaP) were launched in 2008 and 2009 respectively to enhance regional and bilateral co-operation in the context of the European Neighbourhood Policy. CBC programmes are playing an important role in supporting their implementation. The CBC Mediterranean Sea Basin programme became one of the main tools supporting the regional cooperation between the local actors in the Mediterranean region. The Eastern Partnership also builds on the CBC programmes established on the eastern border of the EU and strengthening of this type of cooperation in Eastern Europe is part of the EaP framework.

The Northern Dimension has gained pace. The scope of co-operation has expanded to include four Sector partnerships (Environment, Health and Social Well Being, Transport and Logistics, Culture) and two initiatives (Business Council and Northern Dimension Institute). The activities to be financed under the Baltic Sea Region Programme and the five Cross Border Co-operation programmes between Russia and the relevant Member States also contribute to the implementation of the Northern Dimension.

The Black Sea Synergy (BSS) has become fully operational and developed a specific political and project-oriented agenda, especially in the environment, transport and energy sectors. This development went hand in hand with the establishment of the regional Black Sea Basin CBC programme, which is an important source of funding for its activities.⁴

The EU Strategy for the Danube Region was launched in December 2010 focussing on connectivity and communication systems, preservation of the environment, prevention against natural risks and reinforcement of the socio-economical development of the region. Synergies with the relevant ENPI CBC programmes already pursuing similar objectives will be exploited.

In response to the momentous changes currently ongoing in the Mediterranean region the High Representative and the Commission have adopted joint Communication launching a **Partnership for Democracy and Shared Prosperity in the Southern Mediterranean**. This partnership is open to those ENP Mediterranean countries committed to free and fair elections and addresses three main challenges: democratic transformation and institution-building; a stronger partnership with the people; and sustainable and inclusive economic development.

The JOPs have also been designed to incorporate the relevant elements of the new horizontal EU policies and the majority of new cross-cutting aspects of the EU policies. These include e.g. climate change and its practical consequences (addressed under objective 2 of the CBC SP: “*common challenges*”), the fight against trafficking of human beings and of drugs, irregular migration (objective 3: “*efficient and secure borders*” and to some extent objective 4 of the CBC: “*People to People contacts*”). The programmes also address in a horizontal way issues like gender equality.

2.4. Coherence and complementarity with other programmes

CBC has a clear and defined territorial focus limited to the EU and Partner countries’ border regions and it addresses a well-defined range of activities which are not directly covered by country or regional programmes under the ENPI Regulation. To ensure complementarity and foster coherence, the CBC Strategy Paper includes a special provision indicating that CBC programmes must be complementary to other EU funded programmes and to other donor activities in the region. These provisions have been included in all JOPs and care is being taken to screen the concrete projects to be financed under the programmes. All relevant Commission Services as well as the EU Delegations in the relevant countries are involved in the screening. A more in depth analysis is carried out for “large-scale projects”.

The same applies to coordination of activities with other potential donors.

Finland, Sweden, Estonia and the Russian Federation have provided national co-financing to the programmes to which they participate (Kolarctic, Karelia, S-E Finland/Russia, Estonia-Latvia-Russia and the Kaliningrad programme). The Russian co-funding amounts to around EUR 103 million, while the MS contribution amounts to around EUR 50 million, of which the majority was provided by Finland. Additional

⁴ In this context also the Romania-Republic of Moldova-Ukraine programme is often mentioned as relevant for the BSS.

funding is provided to the Kolarctic programme by Norway for the projects with Norwegian participation.

2.5. Partnership

In the development of the ENPI CBC strategy, its Mid-Term Review as well as in the elaboration of each individual JOP, the key stakeholders have been consulted through series of open or targeted events, trainings, seminars and conferences (i.a. those organised annually by the INTERACT ENPI), as well as through a network of formal and informal contacts. Additional meetings were organised by the Partners themselves, such as the annual CBC conferences organised by the Russian Federation or the meetings organised by NEEBOR, CPMR and the AEBR⁵.

In addition, frequent discussions were and are taking place with Member States, the European Parliament, the Committee of the Regions, as well as with regional representatives concerning the preparation and functioning of the programmes.

3. Outcome of the review

The Mid Term Review (MTR) confirmed that the analysis carried out in 2006 when the CBC Strategy Paper was drafted, remains valid. The lessons learned so far, the new developments in the region and the EU emerging priorities can be addressed within the existing response strategy. Therefore there is no need to revise the Strategy Paper itself.

The Mid-Term Review also concluded that in the new CBC Indicative Programme for 2011-13:

- the list of programmes and their geographic definition should be updated to reflect the non-establishment of two programmes, the decision of some partner countries not to take part in certain programmes and other minor changes in some territories' participation to the programmes;
- the annual breakdown of the indicative financial allocations for each of the programmes should be updated to reflect their delayed start;
- the indicative allocation of the Baltic Sea programme should be reduced to reflect the decision of the Russian Federation not to take part in the programme and the consequent reduction of the scope of its activities;
- a part of the ENPI funds⁶ becoming available because of the non establishment of two programmes and the reduction of the allocation of the Baltic Sea programme should be used to the benefit of the CBC Black Sea Basin and the CBC Mediterranean Sea Basin Programme.
- the objectives, expected results and indicators defined in the CBC IP 2007-10 remain valid and do not need to be modified.

II. ENPI CBC Indicative Programme 2011-13

⁵ Network of Eastern External Border Regions, Conference of Peripheral Maritime Regions of Europe, Association of European Border Regions.

⁶ The ERDF funds becoming available because of the non establishment of the two programmes have been returned to the ERDF in line with the provisions of Art. 9 of Regulation (EC) No 1638/2006.

1. General remarks

The new Indicative Programme builds on the key elements established in the basic reference documents, including the ENPI Regulation itself, the CBC Strategy Paper 2007-13 and the Indicative Programme 2007-2010, as well as the associated ENPI CBC Implementing Rules. It also reflects the outcome of the Mid Term Review.

2. ENPI- CBC Programmes

The geographic coverage of the programmes to be established under the ENPI CBC programmes was defined in 2007 in reflection of the basic criteria established in the ENPI Regulation and taking account of relevant lessons from past experience, notably with the Neighbourhood Programmes operating in the period 2004-2006. Some adjustments are however needed to reflect the developments since 2007.

For the period 2011-13, the thirteen CBC programmes already adopted will be continued (9 land-border, 1 sea-crossing and 3 sea-basin programmes). The two programmes between Spain and Morocco ("*Spain/Morocco*" and "*the CBC Atlantic Programme*") were not agreed on time and are therefore cancelled and consequently not included in this new IP.

The current programmes are listed in the table 2 below:

Table 2. List of ENPI-CBC Programmes 2011-2013

Land border programmes	Sea crossings programmes
1. Kolarctic programme	10. Italy/Tunisia
2. Karelia programme	
3. SE Finland/Russia	Sea Basin programmes
4. Estonia/Latvia/Russia	11. Black Sea Basin
5. Latvia/Lithuania/Belarus	12. Mediterranean Sea Basin
6. Lithuania/ Poland /Russia	13. Baltic Sea Region
7. Poland/Belarus/Ukraine	
8. Hungary/Slovakia/Romania/Ukraine	
9. Romania/Moldova/Ukraine	

The main changes in the list of countries/regions' participating in the CBC programmes are:

Baltic Sea Region:

The list of eligible regions is updated to reflect the decision of the Russian Federation not to take part in the programme.

Black Sea Basin:

The list of eligible regions is updated to reflect the decisions of the Russian Federation and of Azerbaijan not to take part in the programme.

Mediterranean Sea Basin:

The list of eligible regions is updated to reflect the decision of Morocco and Turkey not to take part in the programme. The programme remains open to the participation of regions from the eligible countries who have not indicated their wish to opt out from the programme (e.g. Algeria, Libya).

The detailed list of eligible territories participating in the ongoing CBC programmes is presented in annex 1 to this document.

3. Objectives

The ENPI CBC programmes continue to be based upon the four key objectives, namely:

- promoting economic and social development in regions on both sides of common border;
- working together to address common challenges, in fields such as the environment, public health and the prevention of and the fight against organised crime;
- ensuring efficient and secure borders;
- promoting local cross border “people-to-people” actions.

In this context the Indicative Programme does not intend to give any definitive or exhaustive listing of possible specific priorities and objectives which may be addressed by any or all of the CBC programmes. The following list provides examples for illustrative purposes only.

Land-border and sea-crossing programmes

Promoting sustainable **economic and social development** in the border areas.

Actions here could include efforts to:

- identify and prepare joint development or planning concepts across the borders;
- support local and regional development undertaken jointly between partners across the border;
- promote cross-border trade, investment, research and tourism;
- improve investment climate and economic infrastructure through preparatory and feasibility studies and where appropriate through small-scale infrastructure projects;
- initiate co-operation in transport, energy and communications through common development plans and where appropriate through small-scale infrastructure projects;
- promote business development and business institutions’ co-operation (e.g. Chambers of Commerce), SME- and trade development;
- improve cross-border labour market and related employment measures;
- create administrative capacity building or support administrative reform;
- improve information exchange on education, training systems and qualifications, to work towards increased comparability of qualifications and their mutual recognition;
- capacity building in research, including through strengthening excellence of research centres and institutions in the border regions.

Working together to address **common challenges**, in fields such as, e.g. environment, public health and the prevention and fight against organised crime; actions here could include efforts in the field of:

- environmental protection, trans-border environmental pollution and risks, including joint planning and monitoring activities as well as possible small-scale infrastructure projects where appropriate;

- setting up emergency preparedness and response measures;
- improving the management of natural resources, including fisheries, waste management and the protection of natural heritage;
- health and social development, including measures to promote co-operation in the monitoring and treatment of communicable diseases, the promotion of public health, and other forms of co-operation between health services and professionals;
- increased co-operation in the fight against organised crime, control of irregular immigration and trafficking in human beings;
- improved accessibility and connection of border areas.

Ensuring **efficient and secure borders** (with the aim that the borders are not a barrier to trade, social and cultural interchanges or regional cooperation); actions here could include:

- improvement of border management operations and coordination of control procedures with a view to facilitating legitimate trade, transit of goods and *bona fide* cross-border movements of persons, including through introduction of best practices on border management, making the border crossing smooth and less strenuous;
- increased transparency and efficiency in trade and border passage, including through the efficient and predictable application of administrative and institutional practices and alleviation of obstacles to the smooth flow of goods and persons, as well as through the enforcement of anti-corruption and integrity measures in the functioning of the border services;
- alignment of procedures and planning of operations at border-crossings in relation to smuggling and trafficking activities, organised crime and irregular immigration;
- assuring efficient and secure veterinary and phytosanitary controls;
- improving infrastructure, facilities and access roads as well as providing equipment at border posts as necessary;
- raising awareness and cooperation among the local administrations and the citizens of border regions on border topics, such as the irregular migration.

Promoting local, “**people-to-people**” type actions; activities here could include support for enhanced cooperation among local and regional authorities, NGOs and other civil society groups, universities and schools, chambers of commerce, with a view to strengthening cooperation in such fields as:

- local administration and governance;
- civil society and governance;
- education and youth;
- cultural heritage;
- research and innovation;
- media.

Sea-Basin programmes

The sea-basin programmes could in principle support most of the objectives described above for the land-border and sea-crossing programmes. Given however the different geographic character of these sea-basin programmes and their multi-country aspects, there is clearly a range of activities specific to sea-basin interests which should be taken into account. Therefore, in addition to the type of CBC objectives foreseen for the land-

border and sea-crossing programmes, the following may also be of specific interest for the sea-basin programmes:

- development or enhancement of sea-basin wide co-operation platforms and thematic networks to serve as instruments for the exchange and implementation of appropriate solutions to common challenges in the economic, social, environmental, educational, cultural and governance fields;
- support for sea-basin wide planning, in areas such as transport, energy, communications, environment including integrated coastal zone management, maritime safety, risk prevention, fight against irregular migration, research and innovation, including - where appropriate - relevant pilot projects and support activities;
- support of processes and creation of multilateral contacts between NGOs and civil society groups in the EU and in partner countries in areas such as governance, human rights, democratisation, media, equal opportunities as well as environment.

4. *Expected results*

Generally, the ENPI CBC programmes introduce a new approach with integrated funding, programming and management, intended to bring substantial improvements to the management of the programmes and increased efficiency in the implementation of CBC along the EU's external borders. It is expected that fully joint and integrated projects are implemented between actors from the regions of partner countries and Member States, with both having an equal role in the decision-making process and in the preparation, implementation and monitoring of activities.

Given the decentralised nature of the programming and implementation process for the ENPI CBC, it is the responsibility of programme partners to specify in more detail the expected results of the specific programmes which they propose and aim to achieve. The following examples are therefore intended to be illustrative only.

Key expected results from the programme as a whole therefore continue to include:

- the efficient and timely implementation of the joint CBC programmes;
- addressing effectively the general objectives set out in the SP/IP, meeting the specific priorities of local partners in each border region and allowing for increased ownership by the local stakeholders;
- providing means for improved co-ordination between local, regional and national level development plans;
- providing for the implementation of relevant and effective CBC projects of benefit to both sides of the EU's external borders;
- contributing in the medium and long-term to enhanced prosperity, stability and security along the external borders of the Union through strengthened co-operation and contacts across borders.

In relation to the four key CBC objectives, as an illustration, it is expected that the programmes in the border areas, could provide for:

- strengthened sustainable economic and social development;
- increased focus on the importance of administrative practices and good governance;
- identification of and sustainable remedy to environmental challenges;

- joint measures in the areas of emergency prevention and fight against organised crime as well as social and health issues;
- improved border passage and border operability;
- enhanced involvement of civil society and NGOs in regional development and general governance aspects;
- increased cross-border people-to-people contacts.

For the land-border and sea-crossing programmes, it is expected that the programmes inter alia create:

- long-term co-operation ties between the partners through joint addressing of issues relating to the four key objectives;
- effective and balanced joint projects on both sides of the border;
- improved potential to address local priority issues;
- increased ownership and commitment among partners from both sides of the border in the implementation of cross-border activities;
- reduced isolation of border regions with improved socio-economic development of the border area.

For the sea-basin programmes, it is expected that the programmes i.a. create:

- improved contacts between the regional and subnational partners in the programme area;
- increased regional involvement and ownership in the addressing of regional and sub-national priorities of common concern;
- establishment or strengthening of sustainable networks and co-operation platforms, capable of providing a real contribution to the issues they address.

5 Indicators

Since specific indicators are dependent on the detailed programming and definition of programme priorities they can not easily be established at the level of this indicative programme, the Programme partners were required to set out in each individual programme the precise indicators relating to:

- a) the impact of the individual programme and its global objectives;
- b) the results from the selected priorities and their specific objectives;
- c) the outputs from the types of projects to be supported under the operational objectives.

These indicators were included in the JOPs adopted by the European Commission in 2007 and 2008.

Against this background this indicative programme provides a general indication of the expected impact of the programmes overall.

Following on the introduction of the new CBC approach, the individual programmes were expected to be implemented with more timeliness, sustainability and transparency, and to contribute in the medium and long-term to an increase in prosperity, stability and security in the border regions.

As a consequence of the multiannual programming horizon of seven years, general indicators should take a long term approach to the impact of the programmes, including

for example a long-term focus on changes of structures, improved development, environmental standards and the like.

On a general level, programmes can measure their impact by a number of non-sector indicators, relating to the overall efficiency of the programme, and its potential to reach the target audience and develop successful cooperation, such as:

- number of established partnerships (statistics of the individual programmes);
- number of successfully implemented CBC projects (referring to quality indicators such as timeliness, CBC impact and partners' involvement).

For illustration purposes, indicators at a programme level relevant to each of the four key objectives are listed below.

Economic and social development:

- regional economic development indicators (GDP per capita, earnings, number of established enterprises/economic initiatives)
- regional trade indicators (exchange of goods, documentation of cross-border labour market)
- social development indicators (employment, poverty, social inclusion, health indicators)

Working together to address common challenges:

- readiness among local partners to co-operate across the borders (survey indicators);
- environmental indicators (pollution, water quality);
- health indicators (spreading of diseases, statistical changes in specific health hazards in the targeted area);
- changes in occurrence of cross-border crime (frequency of trafficking and smuggling levels, statistics from border control operations).

Efficient and secure borders:

- statistics for border operations concerning the transit of goods and people (waiting time, average time for customs procedures, statistics for phytosanitary procedures in relation to time, infringements);
- level of coordination and integration in border management, including the number of regular contacts and day-to-day cooperation between border and customs services;
- level of development of joint procedures and statistics of common operations, including elaboration of new methods, procedures and/or manuals in place;
- new infrastructure, including access roads and other facilities built/renovated.

People-to-people co-operation:

- co-operation opportunities created (statistics on number of persons involved, and projects implemented);
- involvement of civil society and NGOs in co-operation (statistics on the numbers/frequency of involvement).

In addition, the improvements in functioning of the local administrations and their capacity to cooperate and govern at local level should be treated as a cross-cutting issue and a general indicator of the programmes' success.

6. Risks

Building on past experience with CBC activities, in the first IP four main types of risks associated with the implementation of the ENPI CBC concept were identified:

- the partners' capacity and preparedness to enter into a programme partnership (political commitment);
- the partners' willingness and capacity to manage the programme, and notably to establish a system of joint management responsibility;
- the partners' knowledge and capacity to develop and implement project proposals;
- the national level's support to the establishment and management of the programme by local partners.

The exercise of preparing the programmes turned out to be successful, as 13 out of 15 programmes were agreed. However the process took longer than expected, especially when dealing with less experienced partners. The relatively smooth adoption of the programmes by the European Commission was - to some extent - facilitated by the fact that these prolonged negotiations led to the compromises needed, producing programmes, supported by the large majority of the participants.

The risk level is always specific to each of the individual CBC programmes as the history and experience of CBC activities in the region and the level of ownership, political commitment and national-level support varies hugely between the programmes. In a bottom-up process like CBC, there is always a risk that the overall programme parameters do not ideally fit the local requirements, or that the partners may find it difficult to fully engage in the process, due to lack of commitment or experience. For these reasons the EU provided assistance for the preparation of the relevant programme documents through the participation of the EU representatives in the preparatory meetings as well as involvement of the external consultant.

The majority of participants have demonstrated so far strong political commitment and determination both at national and regional level in preparing their institutions to professionally manage and participate in the programmes. However, there are also programmes, where this commitment needs improvement in order to speed up the pace of work.

As the MTR process demonstrated, the main hindrances come from political factors. CBC suffers from the spill-over of political conflicts between its participants. A "lesson learned" from the initial phase of the ENPI CBC programmes points out to the impossibility of implementing the CBC cooperation against the political will of participating countries. However, with a little political support or at least governmental neutrality, these programmes can be successfully implemented and have positive "confidence building" effects.

From the functional point of view, the local concentration as well as the flexibility of the programmes allows for a proper adaptation to all possible local/regional needs and

specificities. Therefore the risk of the CBC programmes not being a useful investment for a particular region remains very slight. This aspect will however be examined in detail by the individual programmes' assessments conducted by DG DEVCO.

7. Indicative financial allocations

The funding for the ENPI-CBC programmes comes from two sources: from the financial allocations for the ENPI itself, to an extent determined in Article 29 of the ENPI Regulation, and from the European Regional Development Fund, to an extent determined in Article 18 of the Regulation laying down general provisions on the European Regional Development Fund (ERDF), the European Social Fund and the Cohesion Funds (Structural Funds Regulation). These two distinct sources of funding are nevertheless presented together in Chapter 1908 of the EU budget under one budget Article with two items corresponding to the ENPI and ERDF contributions. Both sources of funding contribute to each of the CBC programmes described here⁷, and both sources of funding may be used on either side of the EU's external border, for actions of common benefit.

The financial allocations which are made to the individual CBC programmes have been determined taking into account the criteria set out in Article 7 of the ENPI Regulation and respecting the provisions included in Article 18 of the Structural Funds Regulation. In particular, the initial allocation of funds to the individual cross-border cooperation programmes took into account "objective criteria, such as the population of the eligible areas and other factors affecting the intensity of co-operation, including the specific characteristics of the border areas and the capacity for managing and absorbing assistance".

These initial allocations are adjusted in this CBC IP to reflect the findings of the Mid-Term Review.

Firstly, because of the late start of the CBC programmes the funds that were not committed in 2007 have been transferred to 2011-12. This concerns 12 out of 13 programmes (with the exception of the Baltic Sea programme); a total of EUR 88.4 million (EUR 47.6 million of the ERDF funds and EUR 40.8 million from the ENPI) was transferred from 2007 to 2011-12.

Secondly, because of the non establishment of the "*Spain – Morocco*" and "*the CBC Atlantic Programme*", their ENPI financial allocations for the period 2011 -13 (EUR 52.8 million) are available for reallocation within this indicative programme to other ENPI programmes.

Thirdly, following the decision of the Russian Federation not to participate in the Baltic Sea programme, it became clear that the amount originally budgeted was excessive to support the participation of Belarus alone. Therefore the programme budget should be reduced from EUR 22.6 million to EUR 8.8 million, leaving EUR 13.8 million available for reallocation, out of which EUR 10.8 million in the indicative period 2011-13.

⁷ The Baltic Sea Region programme is an exception due to its geographic structure and the continuous existence of the ERDF transnational part of the Baltic Sea Programme.

On that basis and without prejudice to the outcome of the annual budgetary procedure⁸, the EUR 63.6 million available for reallocation should be allocated as follows:

- EUR 26.4 million to the CBC Mediterranean Sea Basin programme representing an increase of 15 % over the original budget. This additional funding will contribute to supporting democratic transition in the Southern Mediterranean through additional actions promoting good governance at local level and involving local authorities and actors from MS and partner countries. The proposed increase is conditional to the fact that the implementation progresses in accordance with the agreed work plan.
- EUR 4.4 million to the CBC Black Sea Basin should be added to EUR 3.9 million reallocated already to this programme, mainly from the Baltic Sea Region programme, representing an overall increase of nearly 50 % over the original very modest budget.⁹
- EUR 32.8 million to other ENPI programmes and actions (including the unforeseen needs e.g. related to the Middle East Peace Process).

On this basis, the total funding available for ENPI CBC programmes for the period 2011-13 amounts to **EUR 537.7 million**, of which **EUR 260 million** comes from the ENPI, and **EUR 277.7 million** from ERDF.

Within this amount, the indicative allocations proposed for individual programmes for the period 2011-13 are shown in the table 3.

Table 3 ENPI Cross-Border Cooperation
Indicative allocations per programme, 2007-13, in million EUR

	2007-10	2011-13	<i>Total 2007-13</i>
<i>Land-Border Programmes</i>			
1. Kolarctic/Russia	12.455	15.786	28.241
2. Karelia/Russia	10.233	12.970	23.203
3. SE Finland/Russia	15.959	20.227	36.186
4. Estonia/Latvia/Russia	21.070	26.705	47.775
5. Latvia/Lithuania/Belarus	18.407	23.330	41.737
6. Lithuania/ Poland /Russia	58.272	73.857	132.129
7. Poland/Belarus/Ukraine	82.120	104.082	186.202
8. Hungary/Slovakia/Ukraine/Romania	30.271	38.367	68.638

⁸ The indicative budget of the programme is based on the current Financial Programming for the pertinent budget chapter.

⁹ If the budget is counted jointly with the IPA contribution of EUR 7 million, the increase amounts to 35 %.

9. Romania/Moldova/Ukraine	55.885	70.833	126.718
<i>Sea-Crossing Programmes</i>			
10. Italy/Tunisia	11.110	14.081	25.191
<i>Sea-Basin Programmes</i>			
11. Black Sea	11.623	14.074	25.697
12. Mediterranean	76.565	123.435	200.000
13. Baltic Sea Region (ENPI contribution)	8.800	0	8.800
Total	412.769	537.747	950.516

The slight differences between some of the figures in the table are consequent to the rounding of detailed items to their full decimals for the purposes of this IP.

These allocations are global, including the funding coming from both Heading 1b of the financial perspective (European Regional Development Fund) and Heading 4 (ENPI). Any changes in the programmes' budgets do not involve reallocations of the ERDF contributions between programmes nor Member States. The yearly profiles of programme allocations are determined in the financial tables attached to each joint operational programme. The total amounts shall remain indicatively fixed.

In addition to the funding of the CBC programmes, a relatively small allocation funded under the previous IP will continue to finance actions aimed at facilitating the exchange of experience and best practices among the programme partners with a view to helping enhance the preparation, implementation and management of CBC programmes. An amount of **EUR 7.9 million** was allocated from the ENPI budget to finance this facility.

ANNEXES

Annex 1. Geographical eligibility for the ENPI CBC programmes 2011-2013

Programme	<u>Eligible border areas</u>	Adjoining areas
Land Border programmes		
Kolarctic /Russia	Finland: Lappi Sweden: Norrbotten Norway: Finnmark, Troms, Nordland Russia: Murmansk Oblast, Archangelsk Oblast, Nenets Okrug	Finland: Pohjois-Pohjanmaa Sweden: Västerbotten Russia: Republic of Karelia, Leningrad Oblast, St Petersburg
Karelia/Russia	Finland: Kainuu, Pohjois-Pohjanmaa (Northern Ostrobothnia), Pohjois-Karjala (North Karelia) Russia: Republic of Karelia	Finland: Lappi, Pohjois- Savo Russia: Murmansk, Archangelsk and Leningrad Oblast, St Petersburg
SE Finland/Russia	Finland: Etelä-Karjala (South Karelia), Kymenlaakso, Etelä Savo (South Savo) Russia: Leningrad Oblast, St Petersburg	Finland: Uusimaa, Päijät-Häme, Pohjois-Savo Russia: Republic of Karelia
Estonia/Latvia/Russia	Estonia: Kirde-Eesti, Lõuna-Eesti, Kesk-Eesti Latvia: Latgale, Vidzeme Regions Russia: Leningrad and Pskov Oblasts, St Petersburg	Estonia: Põhja - Eesti Latvia: Pieriga and Riga
Latvia/Lithuania/ Belarus	Latvia: Latgale Region Lithuania: Utenos, Vilniaus and Altyaus Apskritis Belarus: Hrodna and Vitebsk Oblasts	Lithuania: Kaunas and Panevezys Apskritis Belarus: Minsk Oblast, Moguliev Oblast
Lithuania/ Poland/ Russia	Lithuania: Marjampolis, Taurages and Klaipedos Apskritis Poland: Gdansk-Gdynia-Sopot, Gdanski, Elblaski, Olsztynski, Elcki, Bialostocko-Suwalski Russia: Kaliningrad Oblast	Poland: Slupski, Bydgoski, Torunsko-wloclawski, Lomzynski, Ciechanowsko-plocki, Ostrolecko-siedlecki Lithuania: Altyaus, Kauno, Telsiu, Siauliu Apskritis
Poland/Belarus/Ukraine	Poland: Bialostocko-suwalski, Ostrolecko-siedlecki, Bialskopodlaski, Chelmsko-	Poland: Lubelski, Rzeszowsko-tarnobrzieski, Lomzynski Belarus: eastern part of Minsk

	Zamojski, Krosniensko-przemyski Belarus: Hrodna and Brest oblasts, western part of Minsk oblast (Miadel, Vileika, Molodechno, Volozhin, Stolbtsy, Niesvizh and Kletsk districts) Ukraine: Volynska, Lvivska and Zakarpatska Oblasts	Oblast, Gomel Oblast Ukraine: Rivnenska, Ternopilska Oblasts and Ivano-Frankivska Oblasts
Hungary/Slovakia/ Romania/Ukraine	Hungary: Szabolcs-Szatmár-Bereg Slovakia: Prešovský kraj, Košický kraj Romania: Maramures, Satu Mare Ukraine: Zakarpatska, Ivano-Frankivska Oblasts	Hungary: Borsod-Abaúj-Zemplén Ukraine: Chernivetska Oblast Romania: Suceava
Romania/Ukraine/ Moldova	Romania: Botosani, Suceava, Iasi, Vaslui, Galati, Tulcea Ukraine: Chernivetska, Odessa Oblasts Moldova: the whole country	Romania: Braila Ukraine ¹⁰ : Ivano-Frankivska, Ternopilska, Khmel'nitska and Vinnitska Oblasts
Sea Crossing programmes		
Italy/Tunisia	Italy: Agrigento, Trapani Tunisia: Nabul	Italy: Ragusa, Caltanissetta, Siracusa Tunisia: Ben Arous, Tunis, Ariana, Manouba, Banzart, Bajah, Jendouba

Sea-Basin programmes¹¹	
Baltic Sea Programme	Finland, Sweden, Denmark, Estonia, Latvia, Lithuania, Poland: the whole of the country Germany: Mecklenburg-Vorpommern, Schleswig-Holstein, Brandenburg, Lüneburg, Berlin, Hamburg, Bremen Belarus: the whole of the country Norway: the whole of the country
Black Sea Programme	Bulgaria: Severoiztochen, Yugoiztochen Greece: Kentriki Makedonia, Anatoliki Makedonia Thraki Romania: Sud-Est Turkey: Istanbul, Tekirdağ, Kocaeli, Zonguldak, Kastamonu, Samsun, Trabzon

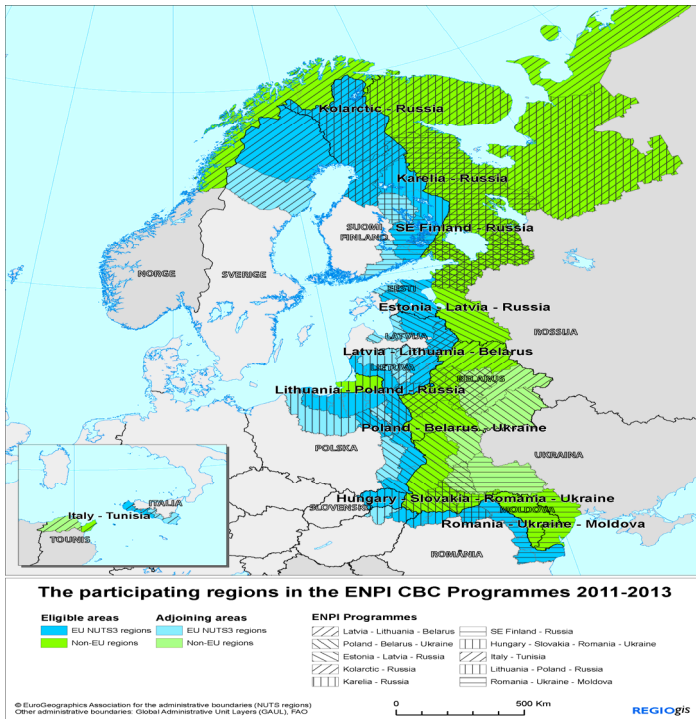
¹⁰ The regions of Ukraine: Ternopilska and Khmel'nitska are included in this programme with a limited geographical coverage, specified in the programme document

¹¹ Inclusion of adjoining regions may be considered based on agreement between all programme partners and the European Commission, and with specific duly justified reasons such as long-standing co-operation agreements.

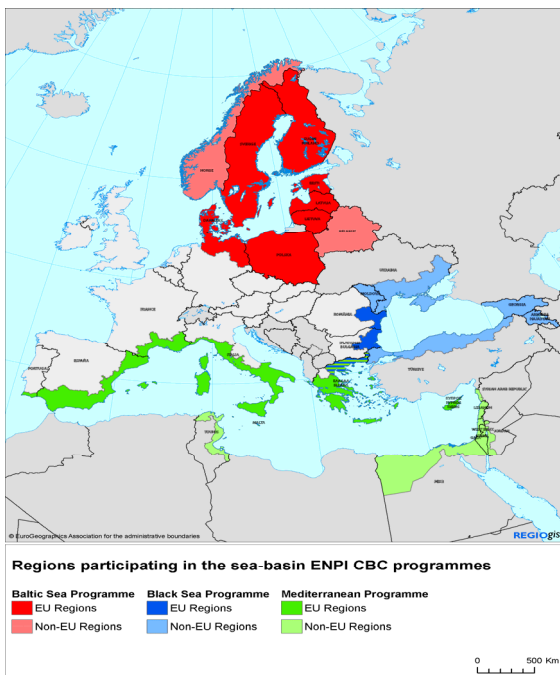
	<p>Ukraine: Odessa, Mykolaiv, Kherson, Sevastopol, Zaporosh'ye and Donetsk Oblasts, Crimea Republic, Sevastopol</p> <p>Armenia, Georgia, Rep. of Moldova: the whole country</p>
<p>Mediterranean Programme</p>	<p>France: Corse, Languedoc-Roussillon, Provence-Alpes-Côte d'Azur</p> <p>Greece: Anatoliki Makedonia - Thraki, Kentriki Makedonia, Thessalia, Ipeiros, Ionia Nisia, Dytiki Ellada, Sterea Ellada, Peloponnisos, Attiki, Voreio Aigaio, Notio Aigaio, Kriti</p> <p>Italy: Basilicata, Calabria, Campania, Lazio, Liguria, Puglia, Sardegna, Sicilia, Toscana</p> <p>Portugal: Algarve</p> <p>Spain: Andalucia, Catalonia, Comunidad Valenciana, Murcia, Islas Baleares, Ceuta, Melilla</p> <p>United Kingdom: Gibraltar</p> <p>Cyprus and Malta: the whole country</p> <p>Algeria: Tlemcen, Ain Temouchent, Oran, Mostaganem, Chlef, Tipaza, Alger, Boumerdes, Tizi Ouzou, Bejaia, Jijel, Skika, Annaba, El Tarf</p> <p>Egypt: Marsa Matruh, Al Iskandariyah, Al Buhayrah, Kafr ash Shaykh, Ad Daqahliyah, Dumyat, Ash Sharquiyah, Al Isma'iliyah, Bur Sa'id, Shamal Sina'</p> <p>Jordan: Irbid, Al-Balga, Madaba, Al-Karak, Al- Traftila, Al-Aqaba</p> <p>Libya: Nuquat Al Kharms, Al Zawia, Al Aziziyah, Tarabulus, Tarunah, Al Khons, Zeleitin, Misurata, Sawfajin, Surt, Ajdabiya, Banghazi, Al Fatah, Al Jabal Al Akhdar, Damah, Tubruq</p> <p>Syria: Al Ladhiqiyah, Tartus</p> <p>Tunisia: Madanin, Qabis, Safaqis, Al Mahdiyah, Al Munastir, Susah, Nabul, Bin Arous, Tunis, Al Arianah, Banzart, Bajah, Juridubah</p> <p>Palestinian Authority, Israel and Lebanon: the whole country</p>

Annex 2. Maps of the ENPI CBC programmes.

1. Map of the land borders and of sea crossings programmes.



2. Map of the sea basin programmes.



Annex 3 Financial allocations for the CBC programmes 2007-2013

ENPI CBC- Break down by Programme (millions of EUR - current prices)

Programme	2007-10			2011-13			2007-2013		
	ERDF	Heading 4	Total	ERDF	Heading 4	Total	ERDF	Heading 4	Total
Nord/Russia (Kolarctic)	7,988,136	4,466,925	12.455.061	10.123.837	5.662.120	15.785.957	18.111.973	10.129.045	28.241.018
Karelia/Russia	5,491,843	4.740.999	10.232.842	6.960.137	6.009.528	12.969.665	12.451.980	10.750.527	23.202.507
SE Finland/Russia	7,988,133	7.970.396	15.958.529	10.123.837	10.102.995	20.226.832	18.111.970	18.073.391	36.185.361
Estonia/Latvia/Russia	10,535,350	10.534.342	21.069.692	13.352.077	13.352.960	26.705.037	23.887.427	23.887.302	47.774.729
Latvia/Lithuania/Belarus	9,203,329	9.203.445	18.406.774	11.663.925	11.665.967	23.329.892	20.867.254	20.869.412	41.736.666
Lithuania/ Poland /Russia	33,738,886	24.533.609	58.272.495	42.759.288	31.097.950	73.857.238	76.498.174	55.631.559	132.129.733
Poland/Belarus/Ukraine	50,478,521	31.641.173	82.119.694	63.974.421	40.107.252	104.081.673	114.452.942	71.748.425	186.201.367
Hungary/Slovakia/Ukraine/Romania	18,070,161	12.201.076	30.271.237	22.901.381	15.465.665	38.367.046	40.971.542	27.666.741	68.638.283
Romania/Moldova/Ukraine	27,943,992	27.941.422	55.885.414	35.415.078	35.417.574	70.832.652	63.359.070	63.358.996	126.718.066
Italy/Tunisia	5,555,248	5.554.716	11.109.964	7.040.496	7.040.963	14.081.459	12.595.744	12.595.679	25.191.423
Black Sea	3,816,332	7.806.536	11.622.868	4.836.664	9.236.983	14.073.647	8.652.996	17.043.519	25.696.515515
Mediterranean	38,312,089	38.252.507	76.564.596	48.555.188	74.880.216	123.435.404	86.867.277	113.132.723	200.000.000
Baltic Sea (ENPI contribution)	0	8.800.000	8.800.000	0	0	0	0	8.800.000	8.800.000
TOTAL	219,122,020	193.647.146	412.769.166	277.706.329	260.040.173	537.746.502	496.828.349	453.687.319	950.515.668

LIST OF ACRONYMS

AEBR	Assembly of European Border Regions
CBC	Cross-Border Cooperation
CPMR	Conference of Peripheral Maritime Regions
DG	Directorate-General of the European Commission
EC	European Commission
ENPI	European Neighbourhood and Partnership Instrument
ERDF	European Regional Development Fund
FA	Financing Agreement
IP	Indicative Programme
JMA	Joint Managing Authority
JOP	Joint Operational Programme
JMC	Joint Monitoring Committee
MTR	Mid-Term Review
NEEBOR	Network of European Eastern Border Regions
NGO	Non Governmental Organisation
NUTS	Nomenclature of Territorial Units for Statistics
SP	Strategy Paper