

Interreg NEXT Black Sea Basin Programme

- draft -

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Interreg NEXT Black Sea Basin Programme

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Strand	B

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

1.1. Programme area

The Interreg NEXT Black Sea Basin Programme 2021-2027 (Interreg NEXT BSB Programme) eligible area occupies a territory of 714,012 sq. km. and includes a population of 65.4 million people. The Black Sea is a unique sea basin, rich in biodiversity and heritage, but also where an exceptional combination of natural and human induced stressors co-occurs. The Black Sea is considered the leading territorial feature of the area and all the regions around its basin represent a functional area.

The Interreg NEXT BSB Programme area is determined on the basis of NUTS II units or equivalent, as follows:

COUNTRY	ELIGIBLE REGIONS
❖ Romania	- Sud-Est
❖ Bulgaria	- Severoiztochen - Yugoiztochen
❖ Greece	- Kentriki Makedonia - Anatoliki Makedonia Thraki
❖ Turkey	- TR10 (İstanbul) - TR21 (Tekirdağ, Edirne, Kırklareli) - TR42 (Kocaeli, Sakarya, Düzce, Bolu, Yalova) - TR81 (Zonguldak, Karabük, Bartın) - TR82 (Kastamonu, Çankırı, Sinop) - TR83 (Samsun, Tokat, Çorum, Amasya)

	- TR90 (Trabzon, Ordu, Giresun, Rize, Artvin, Gümüşhane)
❖ Russian Federation	- Rostov Oblast - Krasnodar Krai - Adygea Republic
❖ Ukraine¹	- Odessa - Mykolaiv - Kherson - Zaporizhzhia - Donetsk ² (Bakhmut, Kramatorsk, Volnovakha, Mariupol, Pokrovsk)
❖ Republic of Moldova	(whole country)
❖ Georgia	(whole country)
❖ Armenia	(whole country)

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

During the programming process a Territorial Analysis (TA) was developed as a joint effort of the programme bodies, with TESIM support, including also a SWOT analysis per each Policy Objective/ Interreg Specific Objective. A summary of main joint challenges and needs identified in the TA and in the SWOT analyses are presented hereinafter taking into account economic, social and environmental aspects, as well as current trends and priorities such as blue economy, innovation, governance, sustainability, digitalization, climate change, underlining as well the impact of the Covid-19 pandemic.

The cut-off date for the statistical data in most cases is 2019, as at the time of drafting the Programme, comparable information for 2020 was not always available.

POPULATION AND TERRITORY

A statistical overview of the Black Sea Basin Programme eligible area in terms of territory and population is provided in the table below:

COUNTRY	ELIGIBLE REGIONS	TERRITORY (km ²)	POPULATION (thousands)	URBAN (%)	RURAL (%)	DENSITY (people/km ²)
ARMENIA	(whole country)	29,743	2,958	63%	37%	99

¹ At the time of drafting this programme, the general EU restrictions on cooperation in Crimea and Sevastopol are applicable, as provided in the Joint Paper on Interreg NEXT Strategic Programming 2021-2027. Therefore, these regions are currently not eligible under the Programme, despite the fact that they belong to the Black Sea Basin area.

² According to the decision of Ukraine submitted in the context of confirmation of the geographical coverage of the programme with a view to prepare the Implementing Act, the following districts from Donetsk are eligible: Bakhmut, Kramatorsk, Volnovakha, Mariupol, Pokrovsk.

BULGARIA	Severoiztochen	14,487	925	73%	27%	64
	Yugoiztochen	19,798	1,024	73%	24%	52
GEORGIA	(whole country)	69,700	3,720	59%	41%	53
GREECE	Kentriki Makedonia	19,146	1,874	n/a	n/a	98
	Anatoliki Makedonia Thraki	14,157	600	n/a	n/a	42
REPUBLIC OF MOLDOVA	(whole country)	33,846	2,658	43%	57%	79
ROMANIA	Sud- Est	35,762	2,396	53%	47%	67
RUSSIAN FEDERATION	Rostov Oblast	100,800	4,202	68%	32%	42
	Krasnodar Krai	76,000	5,648	55%	45%	74
	Adygea Republic	7,800	455	47%	53%	58
TURKEY	İstanbul (TR10)	5,196	15,519	100%	-	2987
	Tekirdağ, Edirne, Kırklareli (TR21)	18,665	1,831	89%	11%	98
	Kocaeli, Sakarya, Düzce, Bolu, Yalova (TR42)	20,184	3,962	93%	7%	196
	Zonguldak, Karabük, Bartın (TR81)	9,493	1,043	62%	38%	110
	Kastamonu, Çankırı, Sinop (TR82)	26,435	793	64%	36%	30
	Samsun, Tokat, Çorum, Amasya (TR83)	37,524	2,830	84%	16%	75
	Trabzon, Ordu, Giresun, Rize, Artvin, Gümüşhane (TR90)	35,174	2,690	85%	15%	76
	UKRAINE	Odeska	33,300	2,377	67%	33%
	Mykolaiv	24,585	1,120	69%	31%	46
	Kherson	28,500	1,028	61%	39%	36
	Zaporizhzhia	27,200	1,687	77%	23%	62
	Donetsk (districts ³ : Bakhmut, Kramatorsk, Volnovakha, Mariupol, Pokrovsk)	26,517	4,132	91%	9%	156

³The statistical data available is for the entire Donetsk Oblast and it was used as such in this document.

TOTAL		714,012	65,472	77%	23%	92
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Table no. 1 - Overview of the Black Sea Basin eligible areas⁴

The share of the countries' eligible territory in the overall programme area, as well as the share of the countries' population from the eligible territory in the total population of the programme area is shown in the following figures. The largest parts of the eligible area lie in the territory of the Russian Federation, Turkey and Ukraine. The distribution of population is, generally, similar to the share of territory, with few cases where population density changed this pattern (e.g.: Turkey eligible area has the highest number of inhabitants among the participating countries' eligible area, however, it does not lead in the share of the eligible territory in the total eligible area. The situation is opposite in the case of the Russian Federation, leading in terms of eligible territory, but not of population share as well).

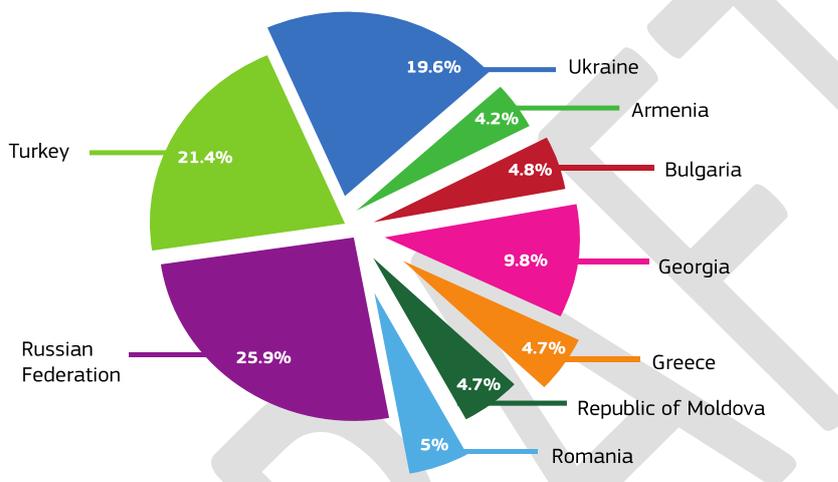
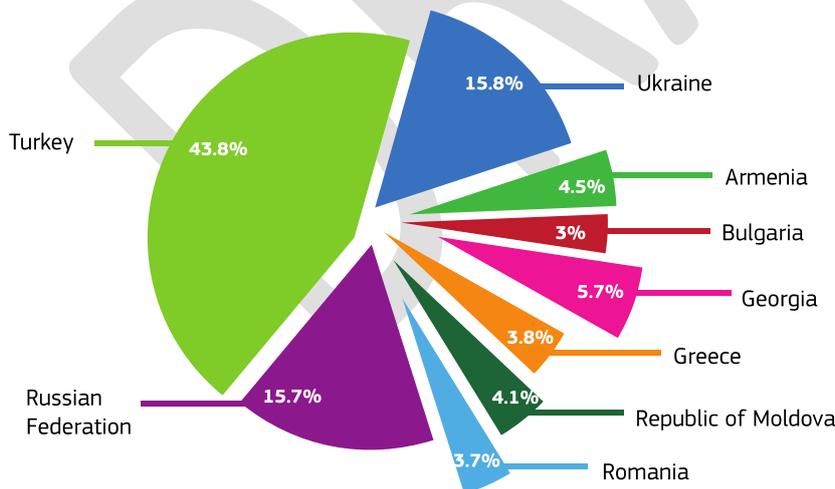


Figure no.1 - Share of the countries' eligible territory (%) of total programme area



⁴Source for the territory data: Joint Operational Programme Black Sea Basin 2014-2020.

Source for the population data: World Bank DataBank, World Development Indicators in <https://databank.worldbank.org/source/world-development-indicators>, 2019 – for Armenia, Georgia, Republic of Moldova; National Statistical Institute – for Bulgaria; Eurostat - for Greece, except for breakdown urban / rural, not available; National Institute of Statistics, <http://statistici.insse.ro:8077/tempo-online/#/pages/tables/insse-table> – for Romania; Federal State Statistic Service, <https://eng.gks.ru/territorial> – for the Russian Federation; Turkish Statistical Institute – for Turkey; State Statistical Service – for Ukraine

Figure no.2 - Share of the countries' population from the eligible territory (%) of total population of eligible area

The population density is 92 people/km² on average, below EU average⁵ of 109 people/km². It ranges from almost 3000 people/km² in strongly urbanised İstanbul to 30 people/km² in Kastamonu (Turkey), revealing huge discrepancies in territorial development. Aside from İstanbul, the average density in the Black Sea programme area is 70 people/km².

The overall growth in the eligible area population reveals nonetheless highly disparate demographic trends among participating countries (see figure no. 3 below).

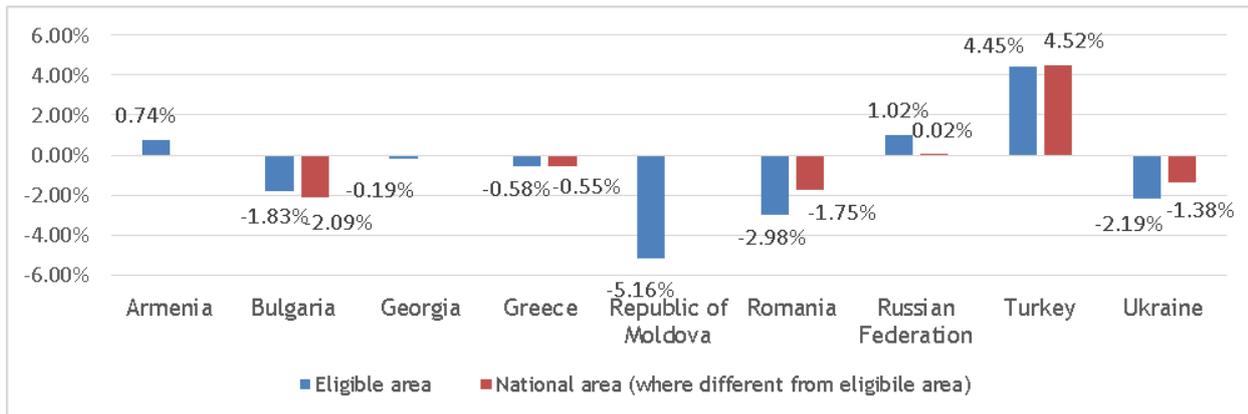


Figure no. 3 - Population trend (%) per country eligible area and per country area (where different from eligible area), 2016-2019⁶

The programme area is characterized both by the inclusion of large rural areas and by the inclusion of 5 cities (including 2 capital cities) of over 1 million inhabitants: İstanbul (Turkey), Rostov-on-Don (the Russian Federation), Yerevan (capital of Armenia), Tbilisi (capital of Georgia) and Odessa (Ukraine)⁷.

The urbanisation process registered in the previous programming period continued in the analysed period. The breakdown urban / rural of 71% vs. 29% registered in the 2014-2020 Black Sea Basin Programme changed to 77% vs. 23% in 2019. There is an obvious more intensive growth (or a less intensive decline) in the urban population across the countries, both in the eligible area (average of 2.3% increase), and in the national area (average of 1.8% increase), with a strong impact in Turkey, as İstanbul itself grew by over 0.7 million inhabitants over the analysed period. The only exception is in the eligible area of Romania, where the urban population decreased in a greater extent than the rural population.

⁵ Eurostat - <https://ec.europa.eu/eurostat/databrowser/view/tps00003/default/table?lang=en>

⁶Source for regional data: World Bank DataBank, World Development Indicators in <https://databank.worldbank.org/source/world-development-indicators> - for Armenia, Georgia, Republic of Moldova; National Statistical Institute – for Bulgaria; Eurostat – for Greece; National Institute of Statistics – for Romania; Federal State Statistic Service, <https://eng.gks.ru/territorial> – for Russian Federation; Turkish Statistical Institute - for Turkey; State Statistical Service – for Ukraine
Source for national data: World Bank DataBank, World Development Indicators in <https://databank.worldbank.org/source/world-development-indicators>

⁷ United Nations, Department of Economic and Social Affairs, Population Division (2018). *The World's Cities in 2018 – Data Booklet* (ST/ESA/SER.A/417), https://www.un.org/en/events/citiesday/assets/pdf/the_worlds_cities_in_2018_data_booklet.pdf

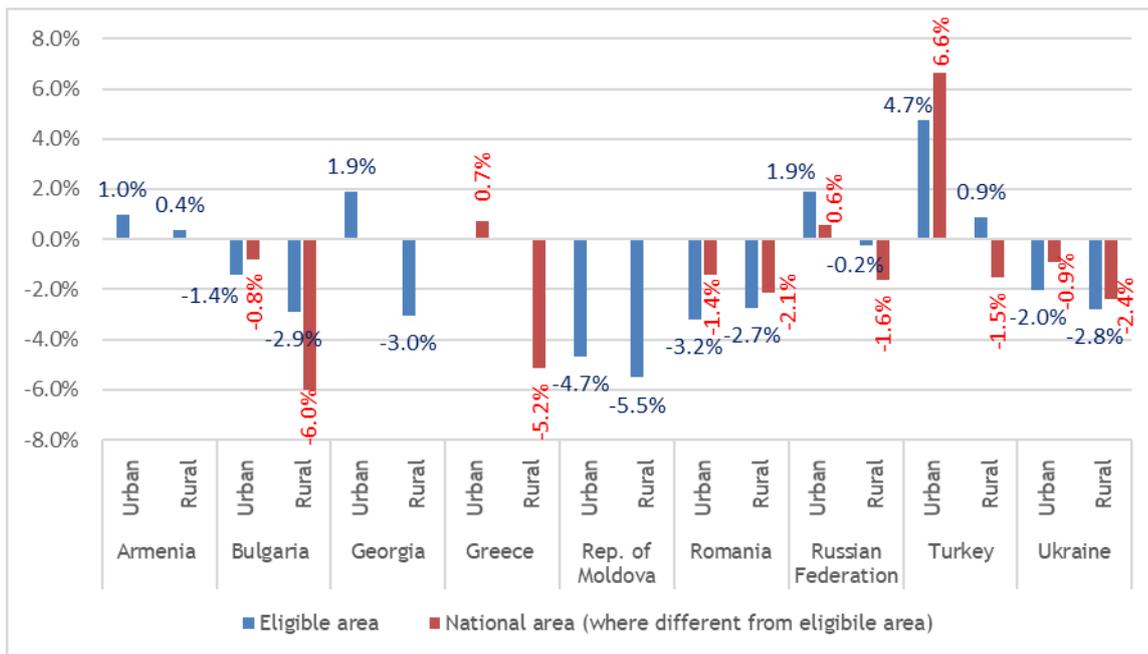


Figure no. 4 - Urban / rural population trend (%) per country eligible area and per country area (where different from eligible area), 2016-2019⁸

The urbanisation process gives rise to common environmental and socio-economic challenges to ensure sustainable urban development.

Another feature of the programme area is the increase of population in the coastal zones during the summer season due to tourism, creating economic opportunities, but also putting additional strain on local infrastructure and environment.

ECONOMIC CHALLENGES

The political position regarding the EU of the Black Sea Basin countries is not homogeneous: Bulgaria, Greece and Romania are EU member states, Turkey is negotiating its accession to the EU, the Russian Federation is implementing its own social-economic policy. Republic of Moldova, Georgia and Ukraine signed Association Agreements with the EU and continue to facilitate coherent actions aimed to strengthen the political association and economic integration with the European Union, including the DCFTA part. Armenia has signed the Comprehensive and Enhanced Partnership Agreement with the EU, which has fully entered into force on 1 March, 2021.

The region is located in the vicinity of large markets including the rest of the European Union, the Russian Federation and Turkey and benefits from a vast area of agricultural land and considerable energy and natural resources. Although the pace of structural reform varies from one country to another, the region as a whole is on a trajectory of economic transformation, shifting progressively

⁸ Source for regional data: World Bank DataBank, World Development Indicators in <https://databank.worldbank.org/source/world-development-indicators> - for Armenia, Georgia, Republic of Moldova; National Statistical Institute – for Bulgaria; Eurostat – for Greece (only national data available); National Institute of Statistics – for Romania; Federal State Statistic Service, <https://eng.gks.ru/territorial> – for Russian Federation; Turkish Statistical Institute - for Turkey; State Statistical Service – for Ukraine. Source for national data: World Bank DataBank, World Development Indicators in <https://databank.worldbank.org/source/world-development-indicators>

away from a growth model based on large enterprises specialised in intermediary outputs and commodity transformation, towards a more diversified and open economic structure⁹.

Nonetheless, important challenges remain. Moreover, some countries experienced strong currency depreciation. Therefore, the economy of some of the Black Sea Basin countries continues to be vulnerable to external shocks such as increased global trade tensions, turbulence in global financial markets and regional geopolitical tensions.

The economies of some of the Black Sea Basin countries depend heavily on investment and support from their nationals from abroad.

In all the Black Sea Basin countries, services represent the main economic sector, followed by industry and agriculture.

The economic structure of the Black Sea Basin countries still shows overall a larger share of agricultural and industrial sectors than the EU average. In terms of economic structure, the countries have in common a long-term decline of the agricultural sector, the rapid growth of the services sector, and the fact that on the expenditure side the private sector accounts for most of the incremental economic growth, led notably by consumer demand¹⁰.

Significant differences¹¹ in terms of GDP per capita exist between EU Member States and partner countries¹², ranging from 3,725 USD for Ukraine to 19,583 USD for Greece. The average is more than five times lower than the EU average GDP per capita and it corresponds to an upper middle-income level according to the World Bank classification.

At regional level, in 2018, the region of Kentriki Makedonia from Greece is the region with the highest GDP per capita with 30,452 USD and Zaporizhzhia from Ukraine, the region with the lowest GDP per capita with 1,165 USD.

In a number of countries in the area, the growth outlook was relatively stable in the 2016-2019 period, but unaddressed challenges keep growth below potential¹³. The economic growth for the Black Sea Basin countries was on average 1,85% in 2016, 4,11% in 2017, 3,41% in 2018 and 3,32% in 2019 and it outperformed the EU average growth in almost the entire reference period (2% in 2016, 2,6% in 2017, 2% in 2018 and 1,5% in 2019).¹⁴

⁹Eastern Partner Countries 2020 Assessing the Implementation of the Small Business Act for Europe: <https://www.oecd-ilibrary.org/docserver/8b45614b-en.pdf?expires=1600772864&id=id&accname=guest&checksum=7AEEF0D17FD80A0716B3430A8EAD6FFB>

¹⁰Commission on the Black Sea - *The Current State of Economic Development in the Black Sea Region, Policy Report, 2010*

¹¹ Joint paper on Interreg NEXT Strategic Programming 2021-2027, 20 January 2020, Orientation for Interreg NEXT Black Sea Basin Cooperation

¹²According to *Regulation (EU)2021/1059 of the European parliament and of the Council of 24 June 2021*: 'partner country' means an IPA III beneficiary or a country or territory covered, for Interreg A and B programmes, by the Neighbourhood area listed in Annex I to Regulation (EU) 2021/947 or the Russian Federation, (...), and which receives support from the external financing instruments of the Union;

¹³ Joint paper on Interreg NEXT Strategic Programming 2021-2027, 20 January 2020, Orientation for Interreg NEXT Black Sea Basin Cooperation

¹⁴ Source: <https://ec.europa.eu/eurostat/databrowser/view/tec00115/default/table?lang=en>

As far as the inflation (consumer price index) is concerned, the rates fluctuate from one country to another. In most of the countries, the inflation is under control, but an ascendant trend was noticed in the last years, reaching 2 digits rates in Turkey and Ukraine.

The EU is an important economic and trading partner for the countries of the Black Sea region. Through its bilateral and regional activities, the EU supports the efforts of the countries of the region to improve their regulatory framework and overall business environment. The EU has been supportive of efforts by regional cooperation organisations aimed at furthering trade liberalisation. It will be important in the period ahead to ensure compatibility with existing commitments, including in the EU and WTO contexts.

In 2019, the average exports of the Black Sea Basin countries represented 41.45% of GDP and imports 44.9% of GDP. Most of the Basin countries have trade deficits.

BLUE ECONOMY -THE CONNECTING ELEMENT FOR SUSTAINABLE USE OF BLACK SEA RESOURCES

The blue economy in the Black Sea Basin is strongly dependent on the established maritime sectors, such as transport, shipbuilding, fisheries/ aquaculture and tourism.

There is a high level of diversity in terms of business conditions and business growth throughout the region. The overwhelming majority of firms in the Black Sea Basin area are small and medium-sized enterprises (SMEs). Small and medium enterprises in the Partner Countries still play a relatively modest role when it comes to contributing to employment and GDP, compared to those in the EU, although they represent up to 99% of all firms. The vast majority of SMEs in the Partner Countries are subsistence micro-entrepreneurs operating in low-value-added sectors and with limited propensity for export.

The tourism industry constitutes today an important source of revenues for most Black Sea countries. Black Sea Basin area comprises both established and emerging tourism locations with varying degrees of infrastructure development, connectivity and brand strength.

On the other hand, the Black Sea countries possess remarkable cultural and ethnic diversity, rich historical and architectural heritage and diverse natural resources, aspects which are blended over the millennia to shape unique communities, languages, religions and trades, a namely distinctive and attractive match to travellers, therefore great potential for development of tourism industry and contribution to blue economy.

UNESCO recognized 19 cultural places in the Black Sea Basin area, including historical cities, religious architecture and archaeological sites. In addition, 3 natural/mixed sites from the Black Sea eligible area are included on the UNESCO World Heritage List.

In the context of COVID-19 pandemic, digitalisation of cultural heritage and online accessibility may be an option for preservation and promotion of cultural heritage.

The Black Sea is a sea basin with important potential, but also challenges with regard to sustainable use of its marine resources. The marine aquaculture has been one of the fastest growing activities in the last years and is considered as having a great future potential.

The marine aquaculture is characterised by the production of European sea bass, mussels, oysters, sea trout and turbot. In general, aquaculture plays a major role in the countries around the Black Sea, where sea-fishing is generally small-scale.

The countries in the Black Sea Basin area have low levels of innovation infrastructure and investment. In terms of investments in R&D as a percentage of GDP, all the Basin countries are below the European average (EU28) of 2%.

The small and medium enterprises' innovation potential and ability to adapt to fast-changing market conditions makes them an increasingly important source of entrepreneurial dynamism in the Black Sea Basin area, as well as an important pillar of blue economy.

THE IMPACT OF COVID-19 CRISIS

Besides the huge impact on the health sector, the COVID-19 outbreak is bringing considerable socio-economic disruption. The effects of the current crisis are affecting the cross-border dynamics and will certainly influence the socio-economic perspectives of the Black Sea Basin cooperation areas.

The impact of COVID-19 on gross domestic product for 2020 is estimated to be significant in the countries of Black Sea Basin area.

The economic sectors most affected by the COVID-19 outbreak in the Black Sea Basin cooperation area were tourism (accommodation, catering, transportation, travel agencies and tour operators' activities), and cultural and entertainment activities.

The transport industry was also highly affected in all the Basin countries as maritime and air traffic was almost completely shut down during the first months of confinement.

Also, other industries suffered an economic slowdown: the automobile sector, the manufacture industry and shipping industry.

ENVIRONMENTAL CHALLENGES

The Black Sea is one of the seas most heavily impacted by human activities in the world. A combination of features renders its ecosystem highly sensitive to pressures from such activities. The area is also marked by the effects of climate change, although this issue has not been sufficiently addressed.

The Black Sea countries are structurally very heterogeneous, which presents a multitude of opportunities, but also challenges.¹⁵

The main environmental challenges remain: (a) the preservation of the commercial marine living resources, (b) the conservation of Black Sea biodiversity and habitats, (c) eutrophication reduction and ensuring good water quality for human health, (d) recreational use and aquatic biota.¹⁶

¹⁵Source: <https://webgate.ec.europa.eu/maritimeforum/system/files/Report%203%20%28Task%204%29%20Final%20final%2014-4-14.pdf.pdf>

On the other hand, the four strongly interlinked priority transboundary problems of the Black Sea, as defined by EMBLAS Project¹⁷ are eutrophication – nutrient enrichment, changes in marine living resources, chemical pollution (including oil), and biodiversity/habitat changes, including alien species introduction – as well as the underlying root causes like industrial activities, agriculture, domestic wastewater, sea transport (oil spills, ballast water), and coastal zone degradation (urbanisation, tourism).

Nevertheless, environmental issues are equally important on land-borders, particularly in relation to transboundary waters (river basins, including groundwater, and lakes), transboundary air pollution and waste management, or shared protected areas.¹⁸

Due to its enclosed nature, urbanisation and industrialisation of coastal areas and increasing pressure on its natural resources, the Black Sea underwent substantial degradation over the last century. As a result, there have been considerable efforts at both regional and national levels to curb pollution inputs, address eutrophication and improve natural resource management. In addition, there is the wider concern of how climate change will impact the Black Sea ecosystem, which is not yet well understood. Tackling these issues will enhance the environment, but also encourage the development of those maritime activities that are directly dependent on a healthy environment, such as fisheries, aquaculture and tourism.¹⁹

The higher number of flooding events in the Black Sea Basin area has been associated with climate change. Based on the available statistical data for period 2016-2019²⁰, the areas under the risk of flood remain constant in Greece, Republic of Moldova and Romania, however higher in Anatoliki Makedonia, Greece (5,170 sq km) and South-East, Romania (4,921 sq km), while lower in Kentriki Makedonia, Greece (3,735 sq km) and Republic of Moldova (2,640 sq km).

Coastal erosion is a serious problem along the Black Sea coasts, where 19% (800 km) of the coast is experiencing erosion rates higher than 1 m/year and there is a lack of proper coastal erosion management strategies, regulations and frameworks in the riverine countries.

Despite the fact that the Black Sea ecosystems are known to be rich and diverse, the knowledge regarding these ecosystems is by far limited compared to other seas. For example, all biodiversity features of its marine region have an ‘unknown’ status.²¹ Nevertheless, there are more than twenty nature reserves in the Black Sea Basin. The surface of the protected areas is still significantly short in the Black Sea Basin area and most of the existing protected areas are terrestrial, while there are

¹⁶ Commission on the Protection of the Black Sea against Pollution - Black Sea Commission (2017), Black Sea Integrated Monitoring and Assessment Program (BSIMAP) for years 2017-2022: https://ec.europa.eu/environment/marine/international-cooperation/regional-sea-conventions/bucharest/pdf/BSIMAP_2017_to_2022_en.pdf

¹⁷ EMBLAS Project *Improving Environmental Monitoring in the Black Sea* www.emblasproject.org

¹⁸ EC-EEAS (2020), Joint Paper on Interreg NEXT Strategic Programming 2021-2027

¹⁹ Source: <https://webgate.ec.europa.eu/maritimeforum/system/files/Report%203%20%28Task%204%29%20Final%20final%2014-4-14.pdf.pdf>

²⁰ Source: Data provided by participating countries during the programming period, based on national statistics, at national and regional level. For the rest of the countries/regions, data is not available

²¹ EC-EEAS (2019), Black Sea Synergy: review of a regional cooperation initiative - period 2015-2018 and EC-EEAS (2020), Joint Paper on Interreg NEXT Strategic Programming 2021-2027

fewer marine protected areas, except Romania having a balanced representation between terrestrial and marine protected areas.

The Black Sea region is generally well provided with freshwater resources, including those suitable for drinking water. However, pollution of rivers has led to a sharp decline in access to safe drinking water resources and necessitates the use of costly technologies for water treatment.

The large cities of the Black Sea Basin catchment area outside the coastal zone mostly have full biological treatment of wastewater, which in general operates with sufficient efficiency. Nonetheless, wastewater treatment is often not sufficient in the rural areas and in coastal cities - all the more so given that the treatment plants get overloaded in the high season, when the population in coastal cities increases substantially.

Concerning pollution, land-based sources are the biggest polluters and account for more than 70% of all pollution in the Black Sea area. Eutrophying nutrients, which enter the sea from air pollution, via surface and ground water or directly through deposition on the sea surface are one of the more damaging pollutants. Specifically, nutrients stemming from the Danube River (mainly nitrates) remain significant but stable over time. Oil pollution in the Black Sea remains an on-going concern along major shipping routes and in coastal areas around river mouths, sewage outputs, industrial installations and ports.²²

Water pollution, whether from agricultural activities, industrial or urban discharges are critical problems, exacerbated by risks of marine pollution in regional seas, like the Black Sea. Air pollution is a transboundary issue too in marine areas also due to maritime transport.²³

Environmental protection and climate change issues are important in the context of shared sea basins.²⁴ Therefore, main challenges for the cross-border area are related to tackling the main sources of pollution in the sea, improving waste management systems, preventing pollution from waste generation and reducing marine litter, including by promoting recycling solutions.²⁵

Without international cooperation, the environmental situation of the Black Sea is at high risk of degradation.

CONNECTIVITY AND TRANSPORT

A more connected cooperation area between the EU Member States and Partner Countries is an ambitious aim, related with all the other policy objectives of the EU Cohesion Policy.

Nine corridors have been identified to streamline and facilitate the coordinated development of the Trans-European Transport Network (TEN-T)²⁶, the Black Sea being positioned at EU's Eastern end of Orient/East-Med corridor (brown) and Rhine-Danube corridor, which connect the EU with its neighbours in the region.

²² EC-EEAS (2020), Joint Paper on Interreg NEXT Strategic Programming 2021-2027

²³ EC-EEAS (2020), Joint Paper on Interreg NEXT Strategic Programming 2021-2027

²⁴ EC-EEAS (2020), Joint Paper on Interreg NEXT Strategic Programming 2021-2027

²⁵ EC-EEAS (2020), Joint Paper on Interreg NEXT Strategic Programming 2021-2027

²⁶ Source: https://ec.europa.eu/transport/themes/infrastructure/ten-t_en

The Rhine-Danube corridor and its Eastern end connection with the Black Sea call for a closer dialogue and cooperation between the Danube and the Black Sea regions, with the Danube River being the main water way and connection between the Black Sea and Central and Western Europe. Between 2015 and 2018, efforts were made to develop the links between the two regions. Creating new connections between the Black Sea ports can improve the inter-connection of the Black Sea with the Danube, the Dnieper, the Dniester and the Don rivers.

The Black Sea ports' connections among themselves and ferry links with the Greek ports should be further developed, so as to provide a partial connection with the Mediterranean through the İstanbul Strait, as well as eastwards, to the Caucasus, to guarantee the integration of the Black Sea region's East and West coasts. The Black Sea-Mediterranean connection is important also for the implementation of the motorways of the sea, as a real competitive alternative to land transport. Focusing on freight flow sea-based logistical routes it aims to reduce road congestion through modal shift. At European Union level, Motorways of the sea is envisaged to become part of TEN-T network²⁷, so the Black Sea-Mediterranean connection becomes important, especially with regard to the South-East Europe corridor.

In the above-mentioned context, the need for greater inter-modality and multi-modality comes to the front. It is for this reason that the Black Sea ports and their related infrastructure should be modernized and connected with the rail and road transport and with existing transport nodes. In particular, the connection with the TENs corridors, running through Bulgaria, Romania and Ukraine could be improved, which will provide better connectivity of the region with the adjacent networks and will be a step towards its further territorial integration in Europe.

Due to its strategic location on the way of important energy routes between Europe, the Caucasus and the Middle East, the Black Sea region became an expanding energy market with great development potential and an important hub for energy and transport flows²⁸. The Caspian Sea region specifically emerged as an important oil and gas supplier for Europe. Most export routes for Caspian oil and gas to Europe cross the Black Sea, or the riparian states.

The Black Sea Basin presents new opportunities for connectivity. Developing sustainable, intelligent and intermodal infrastructures, port infrastructure and management modernization and digital connectivity may bring added value to the region and beyond. The Black Sea Basin's bridging role in terms of interconnectivity and its links with Asia, through the Caspian region, with the Danube and Mediterranean should be further developed, as they play a key role in the energy and transport sectors²⁹.

With regard to airports connected to an international network in the Black Sea region, the 2019 data shows that, compared to 2016, only one new airport has been constructed in Turkey, İstanbul (TR10) region.

²⁷ Source: https://ec.europa.eu/transport/modes/maritime/motorways_sea_en

²⁸ Black Sea Synergy – A New Regional Cooperation Initiative

²⁹ Joint paper on Interreg NEXT Strategic Programming 2021-2027

With less access to highways and motorways, the Black Sea region road transport infrastructure still misses an integrated, regional planning approach.

In the latest years, digital connectivity became closely linked to the access of internet from private networks. The Black Sea Basin area experienced a year-on-year average growth of the numbers of households equipped with a personal computer and of the households with internet access. Moreover, the use of internet services by citizens continuously augmented.

In the Black Sea Basin countries there is wide access and an increasing trend of using Internet services by citizens. In 2016, only 63% of the population of the Basin countries used Internet, compared with 78,7% in 2019.

More than ever, the COVID-19 pandemic showed that all the digitalization aspects, such as connectivity (fixed broadband take-up, fixed broadband coverage, mobile broadband and broadband prices), human capital (Internet user skills and advanced skills, use of internet (citizens' use of internet services and online transactions), integration of digital technology (business digitisation and e-commerce) and digital public services (e-Government) should represent a key priority in the development of a blue economy of the BSB countries.

Nevertheless, given the size of the covered area and the faced challenges, reaching the foregoing ends related to strategic sustainable transport and digital networks would demand high investments in infrastructure.

SOCIAL AND EDUCATIONAL CHALLENGES

The improvement of the welfare of people in the Black Sea Basin entails collaborative reactions and a systemic approach aiming to foster education, health care and employment and to promote social development and inclusion.

There is a high level of education of the Black Sea Basin population overall. There are differences across the programme area in relation to primary and secondary educational infrastructure, with some risks for needs to be unfulfilled in some countries. Vocational high-school education enrolment is generally on a slightly negative trend. Severe disruptions in education systems appeared in the context of COVID-19 crises, with expected long-term negative effects (and more accentuated for disadvantaged groups), not only for education, but also for society in general. In the context of physical restrictions due to COVID 19 pandemic, new challenges and opportunities for education are to be considered (digitalisation, online education).

Unemployment rates are high in the eligible area, especially for the youth. In the context of COVID-19 crises, it is expected that an increase and greater impact may be registered for the disadvantaged categories. In the context of physical restrictions due to the pandemic, new challenges and opportunities for the labour market are to be considered (digitalisation, remote / online working and training).

The COVID-19 pandemic may put additional pressure on the pre-existing social issues in the Black Sea Basin area, especially for the vulnerable categories of population, such as the refugees and

migrants, poor people, older people, people with disabilities, women exposed to domestic violence, children and the youth.

Health provision is highly inconsistent throughout the programme area and generally below the EU average levels. There are general marginal positive trends in some areas (e.g. life expectancy, infant mortality rate, universal health care coverage, number of hospital beds, and number of doctors). Substantial burdens are brought to healthcare by the COVID-19 pandemic. Nevertheless, in the context of the pandemic restrictions, opportunities like digitalisation and remote and online communication may encourage the development of e-health services.

GOVERNANCE AND CIVIL SOCIETY

The importance of stimulating cooperation with the civil society organizations in the Black Sea region with a view to facilitating sustainable development and increasing societal resilience was reiterated by the *Council Conclusions on the EU's engagement to the Black Sea regional cooperation as adopted on 17 June 2019*. Creating space for civil society remains a constant priority³⁰.

The shrinking space of civil society in the region continued to be a cause for concern. Good governance includes active participation of civil society in the region. The NGOs often remain poorly anchored in society, with low membership and volunteering levels and even lower levels of individual donations, relying mostly on foreign or public funds.

With strong competition for funding, local NGOs often remain organization-centered rather than joining forces in coalitions and networks around issues. Fostering a collaborative spirit among NGOs and connecting them to the wider society remains a challenge in large parts of the Black Sea Basin area.

At the level of the Black Sea Basin, NGO cooperation has developed within the Black Sea NGO Forum, which met regularly since its launch in Bucharest in 2008, providing space for debate, mutual knowledge and cooperation among civil society representatives in the Black Sea region. The Forum has been organized with the support of the Romanian Ministry of Foreign Affairs and the European Commission, in the framework of the Black Sea Synergy. This EU funded project is aimed at fostering regional cooperation among civil society organisations that support the creation of joint partnerships and projects. New forms of civil-society cooperation could build upon the work of the Black Sea NGO Forum.

The previous Black Sea Basin programmes have been an important vector for consolidation of the Black Sea NGO community, an important share of partners in the approved projects under the 2014-2020 Programme being represented by civil society organisations (75%).

Bringing Europe and its neighbourhood closer to its citizens is a cross-cutting issue that goes hand in hand with good governance. At the level of the Black Sea Basin area, the following challenges are encountered:

³⁰ EC (2020)- Joint paper on Interreg NEXT Strategic Programming 2021-2027. Interreg NEXT programmes on EU external borders with the neighbouring partner countries – Annex IV Orientations for the Interreg NEXT Black Sea Basin cooperation

- The existence of areas with reduced administrative capacity and the lack of resources for implementing cooperation initiatives;
- Low level of involvement of public authorities in projects financed under the previous programmes;
- Digital public sector divide;
- The differences between the administrative systems in the countries;
- NGOs often remain organization-centered rather than joining forces in coalitions and networks around issues;
- Relatively reduced coverage of digital public services;
- The language barrier represents an important obstacle to collaboration between stakeholders.

MIGRATION AND BORDER MANAGEMENT

Regional security concerns and protracted conflicts in the Black Sea area continue to impede the social and economic development of these transition economies³¹.

The tensions generated by conflicts over territories represent threats for the security of the region as a whole and not only for the states involved in these conflicts. For the Black Sea Basin countries, the borders represent sometimes obstacles but also potential bridges for cooperation.

Effective border management requires that the EU's external borders are both efficient and secure. In many respects, this requires close cooperation at the national level, but CBC has also an important role to play, for example in upgrading border-crossing infrastructure, in enhancing information exchange and cooperation between border authorities at the local level or in improving governance via a more coordinated approach to management.

The European Union has been seriously affected in 2015 and 2016 by the refugee and migrant crisis, as consequence of the war in Syria. An extraordinary pressure was put on the EU as hundreds of thousands of persons poured in, often uncontrolled, in the Member States. If the Mediterranean Sea was in the forefront of the crisis, the Black Sea played a secondary role. The Black Sea route was temporarily used in 2017.

On the other hand, the Black Sea Basin countries have some of the largest emigrant populations within the region.

All in all, migration is a delicate topic and addressing it requires a lot of funds. Moreover, refugees and migration issues do not present common features in all the Black Sea Basin countries, each country having its own specificity: high number of refugees in Turkey and Greece, countries with high rates of migration (the Russian Federation, Romania, Bulgaria, Ukraine, Armenia, and the Republic of Moldova) and countries economically dependent on remittances received (Ukraine, Armenia, Georgia and Republic of Moldova).

³¹ European Commission, Joint paper on Interreg NEXT Strategic Programming 2021 - 2027

SYNERGIES AND COMPLEMENTARITIES

In order to enhance the utilization and capitalisation of projects supported by EU funds, the Interreg NEXT Black Sea Basin Programme has to be consistent with the provisions of the Interreg Regulation (EU)2021/1059 and to be developed and implemented in synergy with the macro-regional and sea basins strategies and other existing regional cooperation initiatives.

The Black Sea Synergy (BSS) initiative is the key political framework for the European Union's engagement and enhanced cooperation in the region. It was launched in 2007 for developing deeper regional cooperation involving 10 countries: Armenia, Azerbaijan, Bulgaria, Georgia, Greece, Romania, the Republic of Moldova, the Russian Federation, Turkey and Ukraine.

The BSS develops cooperation within the Black Sea region, and between the Basin and the European Union, based on common interests. It also intends to enhance synergies with existing regional initiatives linking the region to the EU, such as the EU Strategy for the Danube Region, and with existing international organisations active in the region.

Complementarity of support is essential to ensure the best use of resources and the results for the eligible regions and stakeholders. In this respect, the Interreg NEXT Black Sea Basin programme will continue to seek for complementarities with other key cooperation frameworks within the Black Sea region and with other donors, such as the Black Sea Economic Cooperation (BSEC), the Conference of Peripheral Maritime Regions (CPMR) & Balkan and the Black Sea Commission (BBSC), the Assembly of European Regions (AER), the Commission for the Protection of the Black Sea against Pollution (Black Sea Commission or BSC) and the Three Seas Initiative³².

Additional complementarities and synergies shall be looked for with other Interreg Programmes with which the Interreg NEXT Black Sea Basin Programme shares common territories, such as: Interreg NEXT Romania-Moldova, Interreg NEXT Romania-Ukraine, Interreg Romania-Bulgaria, Interreg Greece-Bulgaria, Interreg IPA Bulgaria-Turkey and Interreg Danube.

MACRO-REGIONAL STRATEGIES AND SEA-BASIN STRATEGIES

Macro-regional strategies represent a new opportunity for comprehensive development of a larger region, addressing common challenges and potential. They represent a clear EU value added and existing EU horizontal policies are reinforced.

The successful implementation of regional strategies largely depends on the institutional capacity of the multiple-level institutions and actors involved in its governance. It becomes even more challenging as the Black Sea Basin area is a large heterogeneous area, from a demographic, social, economic and political point of view.

The Interreg NEXT Black Sea Basin Programme is drafted in line with the goals of the main strategies concerning the programme area: Black Sea Synergy (BSS), Common Maritime Agenda

³² Three Seas is an initiative that brings together 12 EU Member States between the Baltic, Black and Adriatic seas: Austria, Bulgaria, Croatia, the Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland, Romania, Slovakia and Slovenia

for the Black Sea (CMA), EU Strategy for the Danube Region (EUSDR), EU Strategy for the Adriatic and Ionian Region (EUSAIR).

Despite its anticipated limited budget, the future Programme can play a significant role in supporting these strategies implementation.

Out of these, **the Common Maritime Agenda** is the most important reference document for the Interreg NEXT Black Sea Basin Programme, and it is the first of its kind concerning the Black Sea area. Its adoption represents a significant step towards an enhanced regional cooperation in the Black Sea and the countries have been repeatedly encouraged to take into account the priorities of the CMA for their transnational, cross-border and national programmes.

The CMA was endorsed, in May 2019, by ministers of the six coastal countries: Bulgaria, Georgia, Romania, the Russian Federation, Turkey and Ukraine, and also by the Republic of Moldova. Its adoption is an important milestone in implementing the BSS initiative and it resulted from a process initiated and backed by the European Commission.

With the adoption of the CMA, the Black Sea region joins the rest of the sea basins bordering the EU in setting a basin-wide initiative for more and more sustainable economic growth.

CMA is a valuable tool for the participating countries, the European Commission and other international donors to align available funding with the priority areas identified by the participating countries. It contains concrete priorities and actions for the development of, inter alia, a sustainable blue economy in the Black Sea region.

The CMA, which covers 97% of the territory of the programme, is of particular importance for the Interreg NEXT Black Sea Basin Programme as it provides a relevant framework for the support of the blue economy sector as a whole, and the various economic activities it encompasses, towards a sustainable economic development of the region and its coastal regions. The goals identified by the CMA are particularly developed into the priorities and actions of the Interreg NEXT Black Sea Basin Programme covering sustainability of the marine ecosystem, marine pollution and plastic litter, sustainable fisheries and aquaculture, marine research infrastructures, use of innovative technologies, etc.

The CMA supports the protection and sustainability of the marine ecosystems, by actions such as promoting further research providing new knowledge to mitigate the impacts of global climate change and anthropogenic stressors, encouraging joint projects amongst protected areas and also research and valorisation of biodiversity and natural heritage. Also, the Agenda encourages the production, management and sharing of marine and coastal environmental knowledge for effective environmental monitoring and observation by actions such as encouraging science-based policy making process and marine data collection and sharing through existing databases.

The European Commission together with the Republic of Bulgaria, Georgia, Romania, the Russian Federation, the Republic of Turkey, Ukraine and the Republic of Moldova launched on the 18 May 2019, in Bucharest, **the Strategic Research and Innovation Agenda (SRIA) for the Black Sea**. It is one of the pillars of the Common Maritime Agenda for the Black Sea.

The SRIA aims to advance a shared vision for a productive, healthy, resilient and sustainable Black Sea by 2030, while considering the special and unique ecosystem characteristics of it.

The SRIA identified four main pillars on which a new set of research and innovation actions can be developed in the Black Sea which were taken into consideration for developing the fields of activity to be financed by the Programme:

- Addressing fundamental Black Sea research challenges - Black Sea Knowledge Bridge;
- Developing products, solutions and clusters underpinning Black Sea Blue Growth - Black Sea Blue Economy;
- Building of critical support systems and innovative Infrastructures - Key Joint Infrastructure and Policy Enablers;
- Education and capacity building - Empowered Citizens and Enhanced Blue Workforce.

On the other hand, the **EU Strategy for the Danube Region** is the largest and most diverse EU macro-regional strategy.

The Black Sea Basin programme area is partially covered by the strategy, namely the eligible regions from Bulgaria, Romania and Ukraine and the Republic of Moldova.

The actions under the programme need to take into account and contribute, where relevant, to the EUSDR objectives and be in line with its Action Plan (in total, the above 12 priority areas have defined 85 actions in the revised Action Plan of the strategy). This is particularly relevant for issues such as cleaning of the Danube River and its basin, having impact on the pollution of the Black Sea.

In order to facilitate the process of embedding of the EUSDR into the relevant EU funding programmes, a shortlist of three strategic topics by each priority area was established.

Some of these activities, especially the ones related to environmental protection have been transposed into fields of action for the Interreg NEXT Black Sea Basin Programme.

Also, the representatives of the Managing Authority (MA) of the Programme participated to the NGO Forum on 27 November 2020 and to webinars on the embedding process for the EUSDR (European Union Strategy for the Danube Region) with the purpose of better coordinating the actions of the Interreg NEXT Black Sea Basin Programme with the strategic objectives of the relevant strategies for the area.

In terms of cooperation during the programming process, representatives of European Commission's DG MARE following the implementation of the CMA, as well as the representatives of the Danube Strategy (Danube Strategy Point) were invited to take part in the Joint Programming Committee meetings.

LESSONS LEARNT

Cross-border cooperation (CBC) within the Black Sea Basin will continue for the next programming period in 2021-2027, building upon the common experience within the ENI CBC

Joint Operational Programme Black Sea Basin 2014-2020 and the ENPI CBC Joint Operational Programme Black Sea Basin 2007-2013.

The Joint Operational Programme Black Sea Basin 2014-2020 is perceived as an important programme in all participating countries for practical reasons as well. While in the Member States the complementarity with other funding is the main feature, in Partner Countries the Programme is essential for development, given the relative lack of other transnational funding opportunities. The small-scale infrastructure component that has been included in 2014-2020 for the first time has increased the interest of programme beneficiaries.

In the 2014-2020 programming period, over 56 projects have been selected for financing with 266 institutions involved as projects partners, out of 548 projects which were submitted for financing in the two calls for proposals. The priorities of the Programme were:

1.1 Jointly promote business and entrepreneurship in tourism and cultural sectors

1.2 Increase cross-border trade opportunities and modernisation in the agricultural and connected sectors

2.1 Improve joint environmental monitoring

2.2 Promote common awareness-raising and joint actions to reduce river and marine litter.

The Interreg NEXT Black Sea Basin Programme will strengthen the existing links between the participating countries and build new ones in the field of research and innovation and environmental protection. The Programme will therefore build upon and deepen the cross-border cooperation in the Black Sea Basin area in a transnational configuration.

Based on the review of lessons learnt from the Joint Operational Programme Black Sea Basin 2014-2020 annual implementation reports and the EC ROM reports for ENI CBC Black Sea Basin Programme 2014-2020, a series of actions given below shall be taken into consideration for 2021-2027 period:

- make the type of activities specific enough to select the best projects that contribute to the programme objectives, in order to be able to assess a real change brought by the projects in the eligible area;
- ensure more coherence between the objectives, results, deliverables and activities, both at programme and project level; increased support for beneficiaries during the call for proposals for a better understanding of what indicators will capture and in the implementation stage for providing meaningful information;
- strengthen the capitalization at programme level; a database for capitalization has been created on the Programme website (<https://blacksea-cbc.net/capitalisation/>) and potential beneficiaries shall be invited to find relevant outputs and results which can be replicated and/or built upon (special attention should be dedicated to the strategies and studies developed in the framework of the previous Programmes);
- shift the focus of communication at Programme level from mobilisation of projects to capitalisation and dissemination of success – good practices, successful stories;

- introduction of simplified cost options in order to reduce administrative burden;
- promote the strategic use of public procurement to support Policy Objectives. Beneficiaries should be encouraged to use more quality-related and lifecycle cost criteria. When feasible, environmental (e.g. green public procurement criteria) and social considerations as well as innovation incentives should be incorporated into public procurement procedures;
- respect of the principles of gender equality and non-discrimination will be better emphasized during the implementation of projects, through the implementation procedures (Applicant Guides, the foreseen declarations);
- continuing using the eMS system which had a high level of accessibility and user friendliness for the management structures, beneficiaries and potential applicants.

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

Policy Objective 1 (PO1) “A more competitive and smarter Europe by promoting innovative and smart economic transformation and regional ICT connectivity”

Selected specific objective: Developing and enhancing research and innovation capacities and the uptake of advanced technologies

Priority 1: Blue and smart region

Justification for selection: Transnational cooperation on innovation and uptake of advanced technologies is important in managing the transition to a more digitalised, greener and more resilient Black Sea Basin economy.

In the last years, the Black Sea Basin countries enjoyed economic growth based on foreign direct investment inflows, credit growth, increases in domestic demand and in the service sector. The sea is an important source of economic activity for the region and the blue economy in the Black Sea Basin is strongly dependent on the established maritime sectors, such as transport, shipbuilding, fisheries/ aquaculture and tourism. These sectors continue to grow but still need to be modernised through digitalization and research and innovation.

The small and medium-sized enterprises’ innovation potential and ability to adapt to fast-changing market conditions makes them an increasingly important source of entrepreneurial dynamism in the Black Sea Basin area, as well as an important pillar of the blue economy.

To increase their competitiveness, the participating countries to the programme have to manage the current transition to a more digitalised, greener and more resilient economy.

A key challenge is that research and innovation activities and technology transfer show still substantial imbalances between the EU Member States and Partner Countries. Activities need to be further strengthened, diversified and adapted in line with new economic and societal challenges.

Increasing the competitiveness and the entrepreneurship spirit of the small and medium-sized enterprises, developing sustainable fisheries and aquaculture, increasing the research and innovation

capabilities and digitalization will lead to a competitive, innovative and sustainable blue economy, as called for in the CMA.

Transitioning to a sustainable blue and green economy requires investing in research and innovative technologies. The stakeholders in the Black Sea Basin region should innovate locally, in order to use the maritime space effectively for all economic activities and to protect the marine life and environment. Without the support of technological advancements and the scientific and professional exchanges with stakeholders in the region, the roadmap to the blue economy cannot be drawn. Therefore, the Black Sea Basin Programme will finance technological progress in order to efficiently manage the shift towards a smart, blue economy.

Policy Objective 2 (PO2), “A greener, low-carbon transitioning towards a net zero carbon economy and resilient Europe by promoting clean and fair energy transition, green and blue investment, the circular economy, climate change mitigation and adaptation, risk prevention and management, and sustainable urban mobility”

Selected specific objective: Promoting climate change adaptation and disaster risk prevention and resilience, taking into account eco-system based approaches

Priority 2 Clean and Green Region

Justification for selection: The Black Sea Basin countries have the opportunity to try to mitigate the risks of climate change, man provoked and natural disasters by participating in joint cooperation initiatives, as this type of environmental challenges are better addressed in a transnational context.

Climate change is a global problem which has impact on territories, environment, health and economy. The Black Sea Basin area is certainly affected by. In order to prepare the climate change adaptation of the Black Sea Basin area there is the clear need for specific actions and a better risk preparedness and management.

Regarding the coastal sea level risk, the mean rate of sea level rise for the Black Sea has been detected as 3.19 ± 0.81 mm/year. Climate change related transformations (deforestation, salinization, coastal erosion), together with agriculture remain major threats to the biodiversity in the region, as well.

In addition, according to experts, there is a disproportion between water resources and water consumption in the Black Sea Basin area and there is a need for comprehensive consideration of water resources in the system of the water sector, therefore financing activities related to water quality and quantity should be encouraged, especially because climate change leads to more intense rainstorms, causing major problems like extreme flooding in coastal communities. Development and improvement of mechanisms of monitoring and early warning for natural or/and man-made disasters should represent a key priority of the coming years. The existing prevention, mitigation and disaster protection mechanisms in the Black Sea Basin area need improvement in order to be in line with current challenges and fast climate changes. Transnational cooperation offers a clear added value in addressing climate change and adopting risk prevention measures by implementing joint actions and solutions.

Policy Objective 2 (PO2), “A greener, low-carbon transitioning towards a net zero carbon economy and resilient Europe by promoting clean and fair energy transition, green and blue investment, the circular economy, climate change mitigation and adaptation, risk prevention and management, and sustainable urban mobility”

Selected specific objective: Enhancing protection and preservation of nature, biodiversity and green infrastructure, including in urban areas, and reducing all forms of pollution

Priority 2 Clean and Green Region

Justification for selection: Environmental protection is a pressing issue for the Black Sea Basin region. The natural heritage and biodiversity in the Black Sea Basin area is very rich. That is due to the large diversity of landscapes such as: plains, forests mountains, lakes, rivers, coasts and sea.

However, despite the fact that the Black Sea ecosystems are known to be rich and diverse, the knowledge regarding these ecosystems is by far limited compared to other seas.

The surface of the protected areas is still significantly small in the Black Sea Basin area and most of the existing protected areas are terrestrial, while there are fewer marine protected areas. Concerning pollution, land-based sources are the biggest polluters and account for more than 70% of all pollution in the Black Sea area.

Moreover, implementation of measures dedicated to reduction of all forms of pollution and protection of the biodiversity will improve the protection of nature for the benefit of people and of the economy.

Investments in green infrastructure/ nature-based solutions are a pre-requisite for creating better living conditions for the people in the border area and favouring a sustainable economic development.

Raising awareness of the local stakeholders on the importance of environmental protection and on the benefits these actions have on their direct living conditions could increase the overall positive impact of funding. Special attention will be given to education and access to information in order to raise awareness and foster participation in environment and climate issues.

2. Priorities

2.1. Title of the priority

Blue and Smart Region

2.1.1. Specific objective

Developing and enhancing research and innovation capacities and the uptake of advanced technologies

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

Research and innovation are key elements of smart economic growth and sustainable development and has an impact both on companies and citizens' life through increased productivity, better quality goods produced and exported, higher revenues and incomes.

Innovation can be fostered through different mechanisms and can take place in many institutional arrangements (private, public, public-private), following different paths, such as scientific research, or applicative research and innovation (connecting the scientific research and the productive sector).

Therefore, universities and research institutes, together with the large private companies located in the Black Sea Basin countries act as sources of qualified human capital willing to engage in innovative activities. Several networks for researchers were created in the area in the last years, such as the International Centre for Black Sea Studies (ICBSS), Black Sea Universities Network which already has the capacity to implement research projects. Enhancing research and innovation capacities in the Black Sea Basin area should be done according to the current needs and lessons learnt from the past and should lead to strengthening the existing cooperation networks.

The Black Sea Basin area has a rich scientific potential although it faces difficulties such as researchers' migration, rather low research and development expenditure. Enhancing research and innovation capacities in the Black Sea Basin area should lead also to strengthening the existing cooperation networks and uptake of research results obtained in the projects already implemented in this field in the framework of ENPI/ENI Joint Operational Programmes Black Sea Basin.

Developing and enhancing research and innovation capacities and the uptake of advanced technologies are in line with the objectives of the blue economy.

Blue economy is the catalyst element of all the activities financed under this priority.

The blue economy in the Sea Basin is strongly dependent on the established maritime sectors, such as transport, shipbuilding, fisheries/ aquaculture and tourism. These sectors continue to grow but still need to be modernised through digitalization and research and innovation.

The Black Sea is a sea basin with potential, but also challenges with regard to sustainable use of its marine resources. The marine aquaculture has been one of the fastest growing activities in the last

years and is considered as having a great future potential for implementing joint solutions for further development.

Using the latest technological developments, including Artificial Intelligence, may become a key driver for economic growth through the digitisation of industry and for society as a whole.

Concretely, the Programme will finance the following fields of action:

1. Use of innovative technological developments, including enhancement and application of Artificial Intelligence technologies, in support of the blue economy;

Examples of types of actions (indicative list):

Development and implementation of autonomous marine research platforms (unmanned surface vehicles, aquatic drones, remote-operated vehicles, etc) with Artificial Intelligence endowment;

Setting up or supporting sustainable transnational network structures and platforms for sharing exchange of good practices and knowledge with regards to the use of innovative technological developments;

Contributing to elaboration and implementation of joint solutions for the development of Smart research centers, Smart Villages and Smart Cities;

Building up capacities in the development, provision and diffusion of advanced technologies, including advanced digital technologies, in the support of blue economy;

Joint solutions for improving the tools/platforms/databases already developed under previous BSB projects, with the support of advanced technologies.

2. Development of research on integrated coastal and marine management including the interaction between land-based and sea-based activities and their impacts on coastal zones;

Examples of types of actions (indicative list):

Improving linkages among the Black Sea Basin regions in terms of research on integrated coastal and marine management;

Supporting the development of new or pilot actions for implementing existing integrated coastal and marine management techniques, methods, etc

3. Use of innovative technologies for sustainable fisheries and eco-friendly aquaculture.

Joint IT monitoring solutions for small-scale fisheries;

Setting up- a web-portal to provide information about aquaculture and fishery innovations and technology

The CMA and the SRIA are the main initiatives which promote blue growth and economic prosperity of the Black Sea region.

The CMA supports the sustainable fisheries and aquaculture in the Black Sea and observes that enhanced multilateral cooperation among the Black Sea states is an important element of the new dynamics, which promotes sustainable and rational exploitation of living marine resources and the sustainable development of aquaculture. The implementation of regional joint actions will bring the added value needed to promote advancements on fisheries and aquaculture in the Black Sea, to maximize the economic benefits and to ensure the sustainable development of the sector and coastal communities.

Also, the CMA mentions that: understanding the Black Sea and its fragile ecosystems requires robust data collection and continuous monitoring and observation, ideally based on uniform standards. State-of-the-art research infrastructures are becoming more complex and more costly. No single country has enough resources to support all the research infrastructures it needs.

In addition, the Interreg NEXT Black Sea Basin Programme aligns its actions with the SRIA which guides stakeholders from academia, funding agencies, industry, policy and society to promote blue growth and economic prosperity of the Black Sea region and to build critical support systems and innovative research infrastructure.

The sections below from 2.1.3 to 2.1.7 to be further developed

2.1.3. Indicators

Table 2: Output indicators

Priority	Specific objective	ID	Indicator	Measurement unit	Milestone (2024)	Final target (2029)

Table 3: Result indicators

Priority	Specific objective	ID	Indicator	Measurement unit	Baseline	Reference year	Final target (2029)	Source of data	Comments

2.1.4. Main target groups

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

2.1.6. Planned use of financial instruments

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

Table 4: Dimension 1 – intervention field

Priority no	Fund	Specific objective	Code	Amount (EUR)

Table 5: Dimension 2 – form of financing

Priority no	Fund	Specific objective	Code	Amount (EUR)

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

Priority No	Fund	Specific objective	Code	Amount (EUR)

2.2. Title of the priority

Clean and Green Region

2.2.1. Specific objective

Promoting climate change adaptation, and disaster risk prevention, resilience, taking into account eco-system based approaches

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

Climate change is affecting the Black Sea Basin region, exposing it to hazards and risks that the region is not prepared for: erosion, landslides, sea level, flooding, storms, heatwaves and droughts. Exploring the capabilities of new technologies in the environmental sector, like artificial intelligence, data science and small sensors, can enable real-time geospatial data collection and make it more accessible, thus leading to considerable results in preventing disasters and to a more efficient resource management. The lack of awareness of the population regarding the environmental and climate change threats, together with insufficient waste and wastewater management infrastructure leads to landfills and uncontrolled waste dump, as well as meaningful impacts on water quality; therefore, there is a strong necessity for joint actions in this field.

Now it is time to allocate financial resources to measures aimed at increasing the readiness and adaptability of the society regarding environmental hazards caused by climate change. Building on this reality and the objectives under the Green Deal and related policy initiatives, the Interreg NEXT Black Sea Basin Programme aligns its funds at ensuring that people and economies are

safeguarded from climate-related disasters and the ecosystem is resilient to future climate risks. The Programme shapes the sustainability agenda and is instrumental to projects alleviating impacts due to climate extremes and developing smart monitoring, planning and management of climate change risks.

Concretely, the Programme will finance the following fields of action:

1. Promotion of innovation for improved tools for smart observing, monitoring and accurate environmental forecasting;

Examples of types of actions (indicative list):

Setting up focal points, joint procedures and tools for registering and transmitting harmonized regional environmental data in the Black Sea Basin;

Develop new and/or improve the existing common data collection and monitoring systems harmonized regarding environmental forecasting across Black Sea Basin;

Joint development of innovative tools, interoperable databases; concerning environmental forecasting;

2. Measures to prevent and mitigate the impacts of climate change on the Black Sea region, including on water quality and quantity;

Examples of types of actions (indicative list):

Sharing of experience and testing in the Black Sea Basin area good practice climate-adaptation solutions applied at EU level;

Joint pilot actions for increasing awareness and information of local and regional policy makers about the implications of climate change, in order to foster a better understanding and integration of climate change concerns into policy design and implementation;

Joint pilot actions for increasing the capacity of local and /or regional authorities to enforce and apply relevant legislation with the view to prevent and timely mitigate actions which may negatively impact on water quality in the BSB region;

Joint pilot actions for integrating climate change aspects into water management strategies on local, regional and transnational level (considering e.g. water quality, flooding, rainwater management and water retention, water scarcity, drinking water supply including smart water pricing, ground water, forecasting).

3. Addressing environmental hazards: erosion, landslides, sea level rise, extreme events, flooding, and drought in connection with climate change;

Examples of types of actions (indicative list):

Joint pilot projects (including small scale infrastructure) addressing coastal erosion, flooding, drought, and wildfires, landslides;

Developing joint solutions and pilot actions for different types of environmental hazards in affected and exposed regions in the Black Sea area;

4. Development and improvement of mechanisms of monitoring and early warning for natural or/and man-made disasters.

Examples (indicative list):

Small scale investments in mobile water quality monitoring units in the proximity of the previously identified hotspots with the purpose of early warning and immediate remedial action;

Development of joint innovative applications for general public for early warning regarding natural or/and man-made disasters.

Joint pilot actions for improving the coordination among relevant cross-border stakeholders to manage natural or/and man-made disasters (e.g. by harmonizing and sharing data, forecasting and early warning systems, modelling, climate proofing).

5. Development and implementation of green recovery actions, contributing to climate change effects mitigation in the Black Sea Basin area

Joint pilot actions addressing the deforestation such as tree planting;

Joint pilot actions for restoration of green spaces in urban and coastal areas, in order to address climate change

Actions for incorporating green recovery into long-term local and regional government strategies

The actions will contribute to the objectives of the Common Maritime Agenda (CMA) for the Black Sea, which supports the protection and sustainability of the marine ecosystems, by actions such as promoting further research providing new knowledge to mitigate the impacts of global climate change and anthropogenic stressors, encouraging joint projects amongst protected areas and also research and valorisation of biodiversity and natural heritage. Also, the CMA encourages the production, management and sharing of marine and coastal environmental knowledge for effective environmental monitoring and observation by actions such as encouraging science-based policy making process and marine data collection and sharing through existing databases.

Besides, two out of the five strategic objectives of the EU Macro-Regional Strategy for the Danube Region (EUSDR), as included in the revised Action Plan are of particular importance for the Black Sea region, given that the two regions partially coincide: counteracting climate change and stimulating sustainable development. The actions are likely to contribute to these strategic objectives. Moreover, potential cooperation actions might create synergies with Priority Area 5 Environmental risks of EUSDR.

The sections below from 2.2.3 to 2.2.7 to be further developed

2.2.3. Indicators

Table 2: Output indicators

Priority	Specific objective	ID [5]	Indicator	Measurement unit [255]	Milestone (2024) [200]	Final target (2029) [200]

Table 3: Result indicators

Priority	Specific objective	ID	Indicator	Measurement unit	Baseline	Reference year	Final target (2029)	Source of data	Comments

2.2.4. Main target groups

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

2.2.6. Planned use of financial instruments

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

Table 4: Dimension 1 – intervention field

Priority no	Fund	Specific objective	Code	Amount (EUR)

Table 5: Dimension 2 – form of financing

Priority no	Fund	Specific objective	Code	Amount (EUR)

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

Priority No	Fund	Specific objective	Code	Amount (EUR)

2.3. Title of the priority

Green and Clean Region

2.3.1. Specific objective

Enhancing protection and preservation of nature, biodiversity, and green infrastructure, including in urban areas, and reducing all forms of pollution.

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

To address the environmental degradation of the Black Sea Basin area, the Interreg NEXT Black Sea Basin Programme also awards appropriate attention to environmental conservation, protection and restoration, and biodiversity. For decades, average consumption materials, municipal sewages, agricultural and industrial waste, and noxious substances have been discharged in the Black Sea. Recognising that the concentration of toxins exceeds the threshold value to the point that parts of the aquatic life were almost dead and the Black Sea was considered as one of the most polluted sea in the world, over the last two programming periods, the Black Sea Basin Joint Operational Programme (BSB JOP) has made noticeable progress towards the preservation of the Black Sea ecosystem and these efforts need to further intensify for the Programme to be able to fully deliver on environmental sustainability goals.

Therefore, in order to contribute to the restoration of the marine environment to health, the Interreg NEXT Black Sea Basin Programme aligns with the EU's climate neutrality and zero pollution ambition for 2030 and 2050 found in the Green Deal objectives, the UN 2030 Agenda for Sustainable Development and its 17 Sustainable Development Goals, the 2030 climate and energy framework, the sustainable blue economy plan, as well as the financing mechanism under the Recovery and Resilience Facility of the EU.

Due to the insufficient level of environmental awareness of the people living in the Programme area, actions aimed at increasing the environmental awareness and level of information about the common natural heritage, protected areas and their unique value are necessary to be implemented, such as educational projects and information campaigns.

The surface of the protected areas is significantly small compared with other regions, most of the existing protected areas are terrestrial, while there are fewer marine protected areas and many protected areas still lack effective management plans and infrastructure, therefore, transnational cooperation in those areas continues to be of crucial importance, considering the rich and vulnerable environment of the Black Sea region.

NGOs and local authorities can contribute to raising awareness of the citizens and businesses to understand the benefits of enhancing protection and preservation of nature.

The concept of “green infrastructure” is a relatively new one and special attention will be paid to promoting it and to developing pilot solutions that can be replicated later on. The most common structures which may be targeted are: parks, tree-lined avenues, green roofs, open spaces, playing

fields, agricultural land and woodland inside towns, biodiversity-rich parks, river restoration including floodplains, protective forests in the mountain areas, etc.

Implementing the three R's pilot actions (reduce, reuse, recycle) - in order to reduce the quantities of marine and river litter should contribute to the preservation of the unique and precious ecosystem of the Black Sea Basin area. Marine Litter has become a global challenge and derives from land and sea based human activities, mainly caused by poor waste management and infrastructures or people's behaviour. Thus, prevention at source through the creation of proper waste collection and treatment together with improved human behaviour are key to reduce litter inputs, to protect our onland and water environment and to secure recovery of our resources after disposal³³.

Transnational actions will help reducing disparities between the EU Member States and the Partner Countries, in order to ensure a similar level of protection and preservation of the environment in the Black Sea Basin area.

Concretely, the Programme will finance the following fields of action:

1. Protection and promotion of biodiversity and natural heritage;

Examples of types of actions (indicative list):

Development of joint IT tools (e.g. digital maps) to promote most interesting Black Sea Basin ecosystems, contribute to develop and protect them;

Developing and implementing joint pilot actions for protection of Black Sea Basin biodiversity and natural heritage;

Strengthening capacities for the protection, conservation of biodiversity and improving the quality of existing ecosystems;

Joint research in marine protected areas and support to the increase on designation of new marine protected areas;

2. Actions on environment protection at all educational levels;

Examples of types of actions (indicative list):

Joint awareness raising campaigns at all educational levels for protecting the lakes, rivers and sea from micro plastics;

Actions aimed at strengthening the capacities of local/regional administration to jointly educate citizens for an environmental friendly behaviour;

Joint awareness-raising actions on biodiversity and environmental protection targeting the youth.

3. Investing in green infrastructure to mitigate air, water, noise, soil pollution and degradation;

³³ Source: <https://www.plasticseurope.org/application/files/4315/1310/4805/plastic-the-fact-2016.pdf>

Examples of types of actions (indicative list):

Small scale investments in green infrastructure (eg. green streets, green roofs, permeable/porous paving, urban forests, natural cooling of buildings, etc.);

Implementing joint pilot actions with the purpose of creating the costal Green Belt of the Black Sea.

4. Actions for pollutants reduction, as well as marine and river litter reduction, collecting and recycling.

Examples of types of actions (indicative list)

Small scale infrastructures (such as natural bio filters) to fight water and soil pollution;

Innovative technical solutions for the restoration of degraded eco-systems (e.g. rivers, high-diversity landscapes, forests);

Implementing transnational pilot actions for reducing marine and river litter pollutants

All the proposed fields of action contribute to the goals of the CMA, which supports reducing marine litter production and marine pollution, by actions such as raising awareness among public authorities and citizens on marine environmental issues and the impact of human activities on marine ecosystem, encouraging joint projects on marine environmental protection at all educational levels and on the prevention and response to pollution caused by ships and ports, education on marine ecosystem, promoting the practice of marine litter harvesting and recycling, supporting research on the challenges related to eutrophication, invasive species, emerging pollutants and litter.

Moreover, the presented potential cooperation actions might create synergies with Priority Area 6 Biodiversity and landscapes, quality of air and soils of EUSDR.

The sections below from 2.3.3 to 2.3.7 to be further developed

2.3.3. Indicators

Table 2: Output indicators

Priority	Specific objective	ID	Indicator	Measurement unit	Milestone (2024)	Final target (2029)

Table 3: Result indicators

Priority	Specific objective	ID	Indicator	Measurement unit	Baseline	Reference year	Final target (2029)	Source of data	Comments

2.3.4. Main target groups

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

2.3.6. Planned use of financial instruments

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

Table 4: Dimension 1 – intervention field

Priority no	Fund	Specific objective	Code	Amount (EUR)

Table 5: Dimension 2 – form of financing

Priority no	Fund	Specific objective	Code	Amount (EUR)

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

Priority No	Fund	Specific objective	Code	Amount (EUR)

The section 3 below to be further developed

3. Financing plan

3.1. Financial appropriations by year

Table 7

Fund	2021	2022	2023	2024	2025	2026	2027	Total
ERDF (territorial cooperation goal)								
IPA III CBC ³⁴								
NDICI-CBC ¹								
IPA III ³⁵								
NDICI ²								
OCTP ³⁶								
Interreg funds ³⁷								
Total								

3.2. Total financial appropriations by fund and national co-financing

³⁴ Interreg A, external cross-border cooperation.

³⁵ Interreg B and C.

³⁶ Interreg B, C and D.

³⁷ ERDF, IPA III, NDICI or OCTP, where as single amount under Interreg B and C.

Table 8

Policy objective No	Priority	Fund (as applicable)	Basis for calculation EU support (total eligible cost or public contribution)	EU contribution (a)=(a1)+(a2)	Indicative breakdown of the EU contribution		National contribution (b)=(c)+(d)	Indicative breakdown of the national counterpart		Total (e)=(a)+(b)	Co-financing rate (f)=(a)/(e)	Contributions from the third countries (for information)
					without TA pursuant to Article 27(1) (a1)	for TA pursuant to Article 27(1) (a2)		National public (c)	National private (d)			
	Priority 1	ERDF										
		IPA III CBC ¹										
		NDICI- CBC ¹										
		IPA III ²										
		NDICI ²										
		OCTP ³										
		Interreg funds ⁴										

¹ Interreg A, external cross-border cooperation.

² Interreg B and C.

³ Interreg B, C and D.

⁴ ERDF, IPA III, NDICI or OCTP, where as single amount under Interreg B and C.

Policy objective No	Priority	Fund (as applicable)	Basis for calculation EU support (total eligible cost or public contribution)	EU contribution (a)=(a1)+(a2)	Indicative breakdown of the EU contribution		National contribution (b)=(c)+(d)	Indicative breakdown of the national counterpart		Total (e)=(a)+(b)	Co-financing rate (f)=(a)/(e)	Contributions from the third countries (for information)
					without TA pursuant to Article 27(1) (a1)	for TA pursuant to Article 27(1) (a2)		National public (c)	National private (d)			
	Priority 2	(funds as above)										
	Total	All funds										
		ERDF										
		IPA III CBC										
		NDICI-CBC										
		IPA III										
		NDICI										
		OCTP										
		Interreg funds										
	Total	All funds										

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

Joint Programming Committee

The Programme preparation process started in December 2019 with the nomination by the participating countries of the Joint Programming Committee (JPC) representatives. The 1st JPC meeting took place at the end of January 2020, when the Joint Paper on Interreg NEXT Strategic Programming 2021-2027 was presented and the rules of procedures were approved.

To ensure representativeness at macro-regional level within the JPC, during the 2nd JPC meeting (10 December 2020) it was agreed to invite the following observers to the JPC meetings: by rotation, the presidency representatives of the Common Maritime Agenda (CMA) (Turkey in year 2021), the representatives at technical level of the EU Strategy for the Danube Region, respectively of the Danube Strategy Point, and DG MARE representatives, while DG REGIO representatives and TESIM experts undertook an advisory capacity.

The Joint Programming Committee (JPC) met frequently during the preparation process to discuss and decide on the steps of the programming process. Most of the meetings were organised online due to the COVID-19 situation.

Representativeness and identification of partners

During the 1st JPC meeting, it was discussed the approach on identifying and engaging as many programme partners as possible. Having in view the large number of participating countries to the programme and the wide range of actors, one suitable option to give the possibility to a high number of partners to express their opinions was identified in the establishment of national working groups (NWGs) in each participating country, to be consulted during various stages of the programme preparation, without excluding from consultations other partners not initially included in these working groups.

To support the set-up of the NWG in each partner country, the MA, with the support of TESIM experts, organized in spring 2020 a series of events (on-site in Turkey, Moldova, Ukraine, and on-line, due to the COVID-19 outbreak, in Armenia, Georgia, Russia) with the National Authority (NA) representatives and other relevant partners. The importance of geographical and representative selection among the local and regional stakeholders was underlined, pursuant to the European Code of Conduct on Partnership. The NAs were guided to identify the members of the NWGs as a mix of umbrella organisations and a sample of entities/experts with good knowledge of the territory and/or the programme, with a special focus on: representatives from regional and local authorities, representatives of the economic and social sectors (chambers of commerce, business associations, trade unions, etc.), environmental partners, relevant bodies representing civil society, research institutions and universities.

The role of those partners in the implementation, monitoring and evaluation of the programme – to be further developed

Information and consultation

The consultation exercise with programme partners was designed in three rounds, organized by the MA with the close support of TESIM and the NAs, aiming at progressively narrowing the territorial analysis toward the definition on the BSB NEXT strategy:

Round 1: POs SOs filtering - in January - February 2021, from territorial analysis to the agreement on the concentration on POs, ISOs and SOs,

Round 2: activities identification - in March - May 2021, from the selected POs and SOs to the identification of typologies of activities and strategic projects ideas,

Round 3: public endorsement - endorsement of the programme strategy by the vast range of programme partners and by the general public.

Round 1

The eligible area of the Interreg NEXT Black Sea Basin Programme was analysed based on quantitative and qualitative available data resulting in the territorial analysis of the Programme. The SWOT analysis and the POs were further consulted with a wide range of partners following a two-folded methodology, to identify the specific policy objectives and investment priorities most relevant to their own local circumstances:

- Via open online public consultation - from 11 January 2021 to 12 February 2021, an online survey was available on the programme website, www.blacksea-cbc.net, and also on some NAs websites, for Programme partners to rank their preferred choice of Policy Objectives and Interreg Specific Objectives, based on a mix of questions including quantitative and open-ended qualitative questions. The survey managed to reach out to 340 academic institutions, business support organizations, international / interregional organizations, consultants, enterprises as well as the public, with a balanced distribution among the Programme countries. The most covered types of organizations were public sector organizations (39%) followed by civil society organizations (28%). Approximately half of the respondents were from organizations operating at national level (44.71%), followed by regional level (27.65%), interregional level (11.76%), local level (11.47%), and other (4.41%). The report on the results of the on-line survey was published on the Programme website, to keep the public informed on the results of the on-line consultation process.
- Through partner consultations (on-line events) in participating countries with the NWGs, being invited participants from all fields covering the policy objectives and from all types of organizations (9 rounds of on-line consultations, in each country, over the period 01.02-12.02.2021, with 576 stakeholders involved). Although the working language of the Programme is English, professional interpretation services were provided upon request during some of the on-line sessions, while in other cases

the NA, TESIM or MA representatives ensured communication in the respective national languages. The results of the choices and discussions during the on-line events were sent to the participants to the events in each country, as follow-up to each event. The participation in the Member States events was lower, possibly explained by the high number of consultation events for the national operational programmes and the recovery and resilience plans.

The conclusions of the consultations (both online survey and events with NWGs) were further discussed during the JPC meeting on 25 February 2021. Based on the analysis of the needs and development potential of the area, on the results of consultations, also taking into account the draft regulatory provisions on thematic concentration, the JPC agreed upon the POs and SOs to be funded under the future Programme. The Programme partners were informed on how their proposals were taken into consideration in the dedicated section on the JPC meetings on the Programme website, www.blacksea-cbc.net/jpc-meetings/.

Round 2

The selected POs and SOs were the subject of a second round of consultations over the period March-April 2021. The objective was to identify the typology of actions to be supported by the Programme and collect information on the potential of supporting strategic importance projects in the programme area. The methodology was also two-folded:

- Via open online public consultation via the programme website, www.blacksea-cbc.net, and some NAs' websites, under the form of two questionnaires on PO1 and PO2 in the English language. The online questionnaires remained available from 22 March to 9 April 2021. In addition, to ensure that the questionnaire reached as many partners as possible with expertise in the fields of action consulted, the link was also sent individually to the members of the NWGs in each country and to other programme partners with thematic expertise identified by each NA among public authorities, universities and research centres, economic and social partners and civil society bodies. Furthermore, other relevant umbrella organizations contributed to make the public aware of the ongoing consultation process, such as the CPMR and the CMA during the Steering Group Meeting held on 24 March 2021.

The questionnaire was backstopped with relevant documents, such as extracts from the draft Interreg Regulation, the CPR, Territorial Analysis and the CMA, in order to provide to respondents all the materials to express conscious and informed opinions. The response to the questionnaires was not anonymous and was connected to the next phase of the consultation with group interviews.

The questionnaire on PO1 was responded by 86 persons, and on PO2 by 61 persons, with a smooth geographical distribution. In terms of organisations involved, a good balance was reached between civil society organisation (33% for PO1, 41% for PO2), public sector organisations (29% for PO1, 26% for PO2), business support organisations including chambers (commerce/industry/agriculture/maritime), networks and clusters (18% for PO1, 5% for PO2), academic institutions (13% for PO1, 28% for PO2), and interregional cooperation agencies and organisations (3%).

The organisations operated at national level (40% for PO1, 46% for PO2) or regional level (30% for PO1, 16% for PO2), with 13-14% for PO1, and 7% for PO2 of entities functioning both at local and interregional/European level.

- Through group interviews (Delphi) - two transnational thematic on-line consultation events, held in English, one for PO2 on 26 April 2021 with 56 programme partners participating, and one for PO1 organized on 28 April 2021 with 52 programme partners participating. The participants covered the programme area and were from among relevant organizations with thematic expertise, covering the local, regional and local level, from among public institutions, academic and research institutions, umbrella organizations, civil society organizations (see the list on www.blacksea-cbc.net)

The conclusions of the second round of consultations were discussed during the 4th JPC on-line meeting, on 27 May 2021, and following the discussions there were agreed the types of actions under the selected POs relevant to receive support.

Round 3

[The Programme strategy resulting from the previous rounds of consultations, endorsed by the JPC, published on the Programme website for wide public consultations - to be further developed.]

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

The approach to communication and visibility for the Programme takes into account the wide Programme area and large population in relation to the Programme budget, and therefore the resources available for communication and visibility. It builds on visibility raised and initiatives implemented during the 2007-2013 and 2014-2020 Black Sea Basin Programmes.

The following general **communication objectives** are considered by taking into account the communication needs specific for each stage of Programme life cycle and the communication needs of each target group:

1. To support the successful implementation of the Programme by ensuring an effective communication system.
2. To increase the knowledge of the potential beneficiaries on the financing opportunities offered by the Programme and to facilitate the development of strong transnational partnerships and networks.
3. To support beneficiaries in project implementation in a way that enforces result-orientation and ensures efficiency and to facilitate the capitalization of results for maximizing/multiplying the impact of the Programme.
4. To increase the visibility of the Programme, public awareness on the activities and results and on the positive impact and added value of EU and national financial support for the citizens from Programme area.
5. To ensure transparency in the use of the EU funds.

The Programme identified the following **target groups** from all participating countries in the Programme: general public (citizens from the Programme area and EU general public), beneficiaries and potential beneficiaries, governmental and non/governmental actors at national and regional level, umbrella bodies/associations, EU institutions and bodies, other bodies and international donors working in the BSB region, national/regional/local media, other Interreg programmes, Programme's management structures and other national bodies in the participating countries, structures of the relevant macro-regional and sea-basin strategies.

A mix of **communication channels** is considered, customized to the context of the Black Sea Basin region, to the type of the target group and to each stage of the life cycle of the Programme.

A dedicated *website* had been set-up: www.blacksea-cbc.net and the section dedicated to Interreg NEXT Black Sea Basin is functional since January 2021. All documents related to the programming process were posted for public consultations in this section. The website shall present all the information required by art. 36(2) of Interreg Regulation (EU)2021/1059

and also all mandatory data mentioned in art. 36(3) of Interreg Regulation (EU) 2021/1059 will be published, respectively:

- a short summary of the planned call will be published on the website, one month before the launching of a call for proposals, at the latest;
- the list of selected operations, in open, machine-readable format will be updated, at least every four months.

As *social media* was intensively used for promoting the Programme and project results during the programming period 2014-2020, the new Programme will continue this approach. The Programme will encourage the beneficiaries to be more active in promoting their projects on social media, by providing them with specific guidelines regarding the visibility rules.

Facebook is the most common social media platform used during 2014-2020 period and the most popular social media platform in all BSB participating countries. *Instagram* is used by the Programme for sharing visual content to connect and interact with the followers and users, addressed mostly to younger generations. The use of other social media platforms may be investigated, depending on the evolving IT trends.

Other digital activities shall refer to feeding and using *online information/knowledge management platforms*.

The following events will be organised:

- *promotional public events* addressing all target groups (e.g. launching and closing conferences, EC Day, promotion of projects etc.);
- *events* with the purpose of offering support to potential beneficiaries in preparing their project ideas and applications (e.g. info days, partner fora, trainings, thematic seminars);
- *thematic seminars and trainings* to support beneficiaries, covering topics related to the implementation of the project, on-line meetings, etc;

In addition, there is also envisaged participation in events organised by other actors, either at regional or EU level.

There are also going to be used electronic and/or printed *publications, audio-visual productions, promotional materials* and also an *online promotion of projects campaign*.

The total **estimated budget** foreseen for communication and visibility purposes will be at least 0.3% of the Programme's total financial allocation⁴².

⁴² Percentage recommended by EC – final percentage to be set after the budget is known –

The communication and information measures will be subject to evaluations as part of the Programme evaluations, based on the following main relevant **indicators**:

- Events:
 - output indicators: number of events organised (target), number of attendees – physical and online (target);
 - result indicator: level of satisfaction of participants expressed via evaluations following the events (% satisfied or very satisfied).

- Website and social media:
 - output indicators: website's number of sessions (target), impact on social media accounts (target);
 - result indicators: number of new visitors on the programme website (%), engagement rate of the posts on Facebook (%), number of hashtag mentions on Instagram (%).

It is estimated that the final targets to be achieved in 2029 for the result indicators will be 10% higher than the baseline values calculated based on previous programming period experience. Sources of data for monitoring and evaluation will be surveys, the internal databases from MA and JS, Google Analytics and specific tracking tools for social media platforms.

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

Following the 4th JPC meeting on 27 May 2021, the participating countries decided that the programme shall support projects of limited financial volume directly within the programme, pursuant to art. 24.1(a) of Interreg Regulation (EU) 2021/1059.

The legal framework allows for various terms to be used for this type of projects, such as small-scale projects, projects of limited financial value or small projects, nevertheless within the Interreg NEXT Black Sea Basin Programme they shall be named small-scale projects.

On the other hand, the regulatory framework does not include a definition of the small-scale projects, therefore the concept of small-scale projects within the Interreg NEXT Black Sea Basin Programme can be defined as projects which reinforce transnational relationships based on mutual trust at local and regional level in the Black Sea Basin, with a clear and undeniable added value for citizens and for the area in which they are implemented.

Small-scale projects within the Interreg NEXT Black Sea Basin Programme will generally have the following characteristics:

- **Indicative types of activities:** indicative activities include transnational and cross-border cooperation activities, including people-to-people activities, capitalizing to the largest extent possible upon previous Programme results, testing concrete and innovative solutions through pilot actions on a small scale, exchange of best practices and transfer of know how activities.

- **Indicative project size:** min. 250,000 euro – max. 500,000 euro in EU funds

The project size takes into account the lessons learnt from the previous Black Sea Basin programmes regarding the average project size which amounted to around 700,000 euros and the reduced interest for lower budgets, the need to have a slightly larger partnership due to the Programme area size, at the same time encouraging and allowing for the participation of smaller local organizations.

- **Target groups:** mainly regional and local public authorities, NGOs, local organizations and youth groups, higher education and research institutions, schools/education and training centres, business support organisations, including chambers of commerce, networks, other regional or local entities, , general public/citizens.

- **Thematic scope:** across all Programme priorities and Specific Objectives

The Programme budget allocation for small-scale projects shall be decided upon by the JPC members after the financial envelope for the Interreg NEXT BSB Programme becomes available.

Overall, the small-scale projects shall aim to strengthen the people-to-people cooperation in the Programme area in the environmental and research fields through balanced partnerships implementing activities to address the relevant Programme area challenges using a small budget. Small-scale projects can also develop practical and durable solutions to challenges in

the region, but these projects will mainly build trust for further cooperation initiatives, initiating and keeping networks, and, as such, bring the Programme closer to the citizens.

Support to small projects under Small Project Funds as defined in art. 25 of Interreg Regulation (EU) 2021/1059 is not planned by the Interreg NEXT Black Sea Basin Programme. Such instruments could be highly challenging in view of the transnational cooperation character, the nature of supported activities and the wide geographical scale of project partnerships funded by the Programme.

7. Implementing provisions

7.1. Programme authorities

Table 10

Programme authorities	Name of the institution	Contact name	E-mail
Managing authority	Ministry of Development, Public Works and Administration, Romania		
National authority (for programmes with participating third or partner countries, if appropriate)	Ministry of Foreign Affairs, Armenia		
	Ministry of Regional Development and Public Works, Bulgaria		
	Ministry of Foreign Affairs of Georgia		
	Ministry of Development and Investments, Managing Authority of ETC Programmes, Greece		
	Ministry of Finance of the Republic of Moldova		
	Ministry of Development, Public Works and Administration, Romania		
	Ministry of Economic Development of the Russian Federation		
	Ministry of Foreign Affairs Directorate for EU Affairs, Turkey		
	Secretariat of		

	Cabinet of Ministers of Ukraine with involvement of other government authority (tbd) Ukraine		
Audit authority	Audit Authority within the Romanian Court of Accounts,-		
Group of auditors representatives	Audit Chamber Department of Methodology, Analysis and International Relations, Armenia		
	Audit of EU Funds Executive Agency, Bulgaria		
	State Audit Office of Georgia		
	Directorate General of Audits of Co-financed Programmes EDEL (Greek Audit Authority)		
	Court of Accounts, Republic of Moldova		
	Russian Federation		
	Ministry of Treasury and Finance, Turkey		
	Accounting Chamber, Ukraine		
Body to which the payments are to be made by the Commission	Ministry of Development, Public Works and Administration		

7.2. Procedure for setting up the joint secretariat

In accordance with Article 17(6)(b) of the Interreg Regulation (EU)2021/1059 and considering the valuable support for the successful implementation of the previous programme, the JPC decided to maintain the structural and implementation arrangements already in place and to continue to entrust the role of the Joint Secretariat for the 2021-2027 programming period to the South-East Regional-Development Agency, based in Constanta, Romania.

The arguments substantiating the JPC decision were:

- the experience from the 2014-2020 programming periods allows for a swift start to the implementation of the new Programme (the preparation and launch of a call for proposals soon after the Programme's approval in order to ensure a high level of absorption);
- successful accomplishment of the tasks during the previous programming period;
- the management structures and the working procedures of the JS have been audited during 2014-2020 programming period and only minor changes are needed in order to reflect the provisions of the new EU regulations and the lessons learned;
- The JS staff working for the previous programme are already trained and experienced.

The Joint Secretariat will continue supporting and assisting:

- The Managing Authority and the Monitoring Committee in carrying out their functions;
- Applicants and beneficiaries in effectively participating in the programme.

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

According to the Common Provision Regulation⁴³, each participating country shall be responsible for investigating irregularities committed by the beneficiaries located on its territory. The participating country shall make the financial corrections in connection with individual or systemic irregularities detected in operations or operational programme. Financial correction shall consist of cancelling all or part of the public contribution to an

⁴³ REGULATION (EU) 2021/1060 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 24 June 2021 laying down common provisions on the European Regional Development Fund, the European Social Fund Plus, the Cohesion Fund, the Just Transition Fund and the European Maritime, Fisheries and Aquaculture Fund and financial rules for those and for the Asylum, Migration and Integration Fund, the Internal Security Fund and the Instrument for Financial Support for Border Management and Visa Policy

operation or to the operational programme. In the case of a systematic irregularity, the partner countries and member states shall extend its investigation to cover all operations potentially affected, case by case.

The Commission has the right of making financial corrections by cancelling all or part of the Union contribution to the programme and effecting recovery from the participating countries in order to exclude from Union financing expenditure which is in breach of applicable Union and national law, including in relation to deficiencies in the management and control systems. In case of any financial corrections imposed by the Commission, the participating countries commit to reimburse to the Programme accounts the amount representing the percentage of the financial correction applied to the expenditure paid by their beneficiaries and declared by the MA to the European Commission at the date of the decision to apply the financial correction.

The financial correction by the Commission shall not prejudice the participating countries' obligation to pursue recoveries under the provisions of the applicable European Regulations. Financial corrections shall be recorded in the annual accounts by the Managing Authority for the accounting year in which the cancellation is decided.

According to art 52. of the Interreg Regulation (EU) 2021/1059, the MA shall ensure that any amount paid as a result of an irregularity is recovered from the lead partner. Partners shall repay the lead partner any amounts unduly paid. If the lead partner does not succeed in securing repayment from other partner or if the MA does not succeed in securing repayment from the lead partner, the participating countries on whose territory the partner concerned is located shall reimburse the MA the amount unduly paid to that partner. The MA shall be responsible for reimbursing the amounts concerned to the general budget of the Union, in accordance with the apportionment of liabilities among the participating countries as laid down herein.

Once the participating country has reimbursed the MA any amounts unduly paid to a partner, it may continue or start a recovery procedure against that partner pursuant to its national law.

Where a the participating country has not reimbursed the MA any amounts unduly paid to a partner, those amounts shall be subject to a recovery order issued by the Commission which shall be executed, where possible, by offsetting to the participating countries. Such recovery shall not constitute a financial correction and shall not reduce the support from the ERDF or any external financing instrument of the Union to the Programme. The amount recovered shall constitute assigned revenue in accordance with Article 21(3) of the Financial Regulation.

With regard to amounts not reimbursed to the MA by a Member State, the offsetting shall concern subsequent payments to the Programme. The MA shall then offset with regard to that Member State in accordance with the apportionment of liabilities among the participating Member States set out herein in the event of financial corrections imposed by the MA or the Commission.

With regard to amounts not reimbursed to the MA by a partner country the offsetting shall concern subsequent payments to programmes under the respective external financing

The participating countries in the Programme decided that neither the lead beneficiary nor the Programme's MA is obliged to recover an amount unduly paid that does not exceed EUR 250, not including interest, from any operation in an accounting year, per partner.

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

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

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

APPENDICES

Map 1: Map of the programme area

Appendix 1: Union contribution based on unit costs, lump sums and flat rates

Appendix 2: Union contribution based on financing not linked to costs

Appendix 3: List of planned operations of strategic importance with a timetable