

Programming Period 2007 – 2013

OPERATIONAL PROGRAMME

Title: EUROPEAN TERRITORIAL COOPERATION PROGRAMME GREECE –
ITALY
OP Code
CCI 007CB163PO060

Athens, October 2007

ABBREVIATIONS

Avg	Average
APQ	Apulia water company
BT	Biological Treatment
CSG	Community Strategic Guidelines
ERDF	European Regional Development Fund
EU	European Union
FCC	Financial Control Committee
FYROM	Former Yugoslav Republic of Macedonia
GNPPC	Gross National Product per capita
GVA	Gross Value Added
ICT	Information and Communication Technology
IG	Integrated Guidelines
IIS	Integrated Information System
ISTAT	Italian National Institute of Statistics
JMD	Joint Ministerial Decision
JTS	Joint Technical Secretariat
MA	Managing Authority
MC	Monitoring Committee
MCS	Management and Control Systems
MNEC	Ministry of Economy and Finance (Greece)
MOU	Management Organisation Unit
MU.RE.TH	Municipal Regional Theatre
NGO	Non-governmental Organizations
NRP	National Reform Programme
NSRF	National Strategic Reference Framework
NSSG	National Statistical Service of Greece
OP	Operational Programme
PA	Priority Axis
PATHE	Road Axis Patra-Athens-Thessaloniki-Evzoni
PPP	Purchasing Power Parities
PSCI	Proposed Sites of Community Interest
PTR	Project Technical Report
R&D	Research and Development
ROP	Regional Operational Programme
SME	Small & Medium Sized Enterprises
SPA	SPA-Special Protection Areas
SWL	Sanitary Waste Landfill
TEN	Trans-European Network
TEI	Technological Educational Institute

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1 Introduction

The Regulation (EU) No 1083/2006, related to the general rules for the EU Structural Funds for the Programming Period 2007-2013, sets up 3 Objectives aiming at the reinforcement of the economic and social cohesion of the European Union:

- Objective 1 "Convergence",
- Objective 2 "Regional competitiveness and Employment" and
- Objective 3 "European Territorial Cooperation".

As stated in the Regulation No 1080/2006, Article 6 for the ERDF, related to Objective 3 and specifically the Cross-border cooperation, the main objective is the promotion of economic, social, environmental and cultural activities between the Member states. Consequently, within this framework, the intention of the European Territorial Cooperation for the period 2007-2013 is focused on the following:

- encouragement of entrepreneurship (with emphasis on SMEs, tourism, culture and cross-border trade);
- protection and common management of the natural and cultural resources, prevention of natural and technological risks;
- support of the interactions between urban and rural regions;
- improvement of the access to the means of transport, the networks of information and communication;
- cross-border systems of water, waste and energy management;
- common use of health, culture, tourism and education infrastructures.

In addition, issues of administrative collaboration, labour market employment, equality, vocational education, social integration, R&D are also raised.

1.1 Summary of the programme preparation

The current programme is the result of an intensive and detailed working process, which required a large degree of cooperation, discussions and a number of technical meetings and open debates.

Task Force in the eligible locations across the programme area met regularly and discussed on the Programme from July 2006 till October 2007. The Programme was gradually developed on the basis of these discussions and meetings.

The following table summarises the task forces and the technical meetings held:

Table 1-1: Technical meetings and Task Forces

Date	Place	Task	Participants
2006	Rome	Constitution of Task Force and Programming Committee	-Members of the Italian and Greek of TF and PC Representatives of EU
07-09-2006	Thessalonica	Task Force Meeting	-Members of the Italian and Greek Task Force
22-9-2006	Thessaloniki	Task Force and Programming Committee Meeting	-Members of the Italian and Greek of TF and PC -Representatives of EU - Consultant
26-11-2006	Lecce	Public consultation with Italian local partners	-Members of the Italian and Greek Task Force -Representatives of local potential beneficiaries - Consultant
27-11-2006	Lecce	Task Force and Programming Committee Meeting	-Members of the Italian and Greek of TF and PC - Representatives of EU - Consultant
25-01-2007	Athens	Public consultation with Greek local partners	-Members of the Italian and Greek Task Force -Representatives of local potential beneficiaries - Consultant
26-02-2007	Thessaloniki	Task Force Meeting	-Members of the Italian and Greek Task Force - Consultant
09-03-2007	Brussels	Task Force and Programming Committee Meeting	-Members of the Italian and Greek of TF and PC - Representatives of EU - Consultant
17-05-2007	Rome	Task Force and Programming Committee Meeting	-Members of the Italian and Greek of TF and PC - Representatives of EU - Consultant
7/8-6-2007	Athens	Task Force and Programming	-Members of the Italian and Greek of TF - Consultant
4/5-10-2007	Rome	Task Force and Programming Committee Meeting	Members of the Italian and Greek of TF and PC - Representatives of EU - Consultant

1.2 Contribution of the partnership

The objectives of the CBC Programme Greece-Italy have been pursued in the framework of a close partnership with the competent regional and local authority representatives, the economic and social partners and other appropriate bodies. During the preparation phase of the Programme the structure of the Programme was presented to the relevant bodies mentioned above.

The Public Consultations also occurred at presenting the planning progress of the Programme to all interested parties. Two Public Consultations were held:

- *1st Public consultation* took place in Lecce on November 26th, 2006 where the initial structure and strategy of the CBC Programme was presented and suggestions have been submitted and discussed by the Task Force, and
- *2nd Public consultation* took place in Athens on January 23rd, 2007 where the strategy of the CBC Programme was discussed and suggestions have been also submitted and discussed by the Task Force.

Both Public Consultations included a series of presentations related to:

- the institutional framework of Cross-border Cooperation Programme for the programming period 2007-13,
- the, up to the time implementation progress physical and economical progress of the Interreg IIIA Greece-Italy 2000-2006 Programme and the current situation analysis of the Programming Area
- the suggested programme strategy for the period 2007-2013.
- a series of specific projects, which could be considered in the programme

The presentations were open to discussions and were followed by remarks from the regional authority representatives, in relation, mostly, to the experience gained during the programming period 2000-06 and suggestions on the programme strategy.

The basic points of the two Public Consultations were the following:

- The participants agreed that the programme is very important for the maritime cross border area and will act supplementary to other sectoral and regional programmes funded by the Structural Funds in the programming area.
- The experience gained by the Interreg IIIA Greece – Italy is valuable in terms of effective management of the new programme, avoiding immature or obscure cross-border projects and upgrading the existing legislation wherever required.

1.3 Official Language

The official language is English. Additionally to the English language, other working languages are the national languages of the participating countries, i.e. Greek and Italian.

1.4 Programme Area

Table 1-2 presents the eligible territories for the Cross Border Cooperation Programme Greece-Italy 2007-2013, in compliance with article 7 EC Reg. 1083/2006 and in accordance to the rule for the maritime border line, that consent this type of cooperation between border territories NUTS III of each member State that are not more far than 150 km coast to coast.

Table 1-2: Eligible regions for Cross-Border Programme Greece-Italy

REGIONS/ NUTS I	NUTS II	NUTS III
GREECE	Region of Western Greece	Prefecture of Etoloakarnania
		Prefecture of Achaia
	Region of Ionian Islands	Prefecture of Corfu
		Prefecture of Lefkada
		Prefecture of Cephalonia
		Prefecture of Zakynthos
	Region of Epirus	Prefecture of Ioannina
		Prefecture of Preveza
		Prefecture of Thesprotia
		Prefecture of Arta
ITALY	Region of Apulia	Province of Bari
		Province of Brindisi
		Province of Lecce

Source: Eurostat 2006

The following NUTS III areas *are not fully included* in the eligible areas, on the basis of the EC Decision n. 5144/2006 but nevertheless they represent nodal areas for both the Region of Western Greece and the Region of Apulia however according to art. 21 REG. CE 1080/2006 and to point of the Programme approval decision (.....), they have been included as **adjacent territories** and therefore funding for operations in these territories can be admitted up to 20% of the total expenditure provided by the ERDF in the Programme.

Table 1-3: adjacent territories for Cross-Border Programme Greece-Italy

REGIONS	NUTS II	NUTS III
GREECE	Region of Western Greece	Prefecture of Ilia
ITALY	Region of Apulia	Province of Taranto
		Province of Foggia

Source: Eurostat 2006

The Programming Area is located in the south Adriatic Sea, which is a central geographical position into the Mediterranean basin and, in relation to its geopolitical location, it assumes a particular importance for the development of economic, social and political relations between the European Union and the other Mediterranean third countries within the framework of the Euro-Mediterranean cooperation.

The prefecture of Ilia is situated in the Region of Western Greece. The prefecture of Ilia is important for the programming area due to its cultural heritage, traditional products

and tourist development. Ancient Olympia, one of the most important archaeological places in Greece and a tourist destination of cultural importance is located at a close distance from Pirgos, the capital of Ilia. Other important cultural sites include the Castle of Kilini, Kaiafas Lake etc. The prefecture of Ilia's economy is centred on grape, oil and wine which consist its traditional products. In addition agricultural, meat and dairy products are produced.

The provinces of Foggia and Taranto are located in the Region of Apulia. The province of Foggia's economy is centred on agriculture and food processing as well as on quality controls and food security while the province of Taranto is strongly important for the programming area because of the role played in the transport /accessibility sector, centred on the Port of Taranto. The territories included in the provinces of Taranto and Foggia play a fundamental role in the Apulia's regional development, especially in the sectors of mobility/territorial accessibility (Province of Taranto) and innovation/competitiveness of the SME (Province of Foggia).

It follows that the inclusion of provinces of Taranto, Foggia, and the prefecture of Ilia in the Programme would contribute significantly to the enhancement of the coherence and continuity of the cooperation action and increase the impact of the Programme on the regional territory, allowing a more holistic and integrated approach to the pursuing of the strategic development objectives of the cross-border cooperation.

2 Analysis of current situation

2.1 Preface

The analysis of the current situation provides information regarding the participant territories in the Programme. It is focused on the synthetical description of each distinct regional sector. According to Article 12 of the ERDF Regulation each Operational Programme under the “*European territorial cooperation*” objective shall contain some of the following information:

- Geographical reference
- Geomorphological data
- Demographic data,
- Financial data
- Financial data per sector
- Infrastructure and quality life
 - √ labour market,
 - √ education,
 - √ health – welfare,
 - √ infrastructure and accessibility,
 - √ research and innovation,
 - √ culture,
 - √ environment.

The context analysis is based on statistical information related to the most recent data available. Information acquired either by Eurostat or the National Statistical Institutes of Italy and Greece has been used for the preparation of this chapter. A detailed table of structural indicators per eligible region and the whole programming area is provided in Annex I.

2.2 General Characteristics of cooperation Area (Western Greece, Ionian Islands, Epirus and Apulia)

The eligible geographical area (programming – cooperation area) consists of NUTS II territorial units: (Region of Western Greece) eligible prefectures: Etoloakarnania, Ilia, Achaia; (Region of Ionian Islands) eligible prefectures: Corfu, Lefkada, Cephalonia, Zakynthos; (Region of Epirus) eligible prefectures: Ioannina, Preveza, Thesprotia, Arta; (Region of Apulia) eligible provinces: Lecce, Bari, Brindisi, Taranto and Foggia. The Programme eligible area is presented in Figure 2-1.

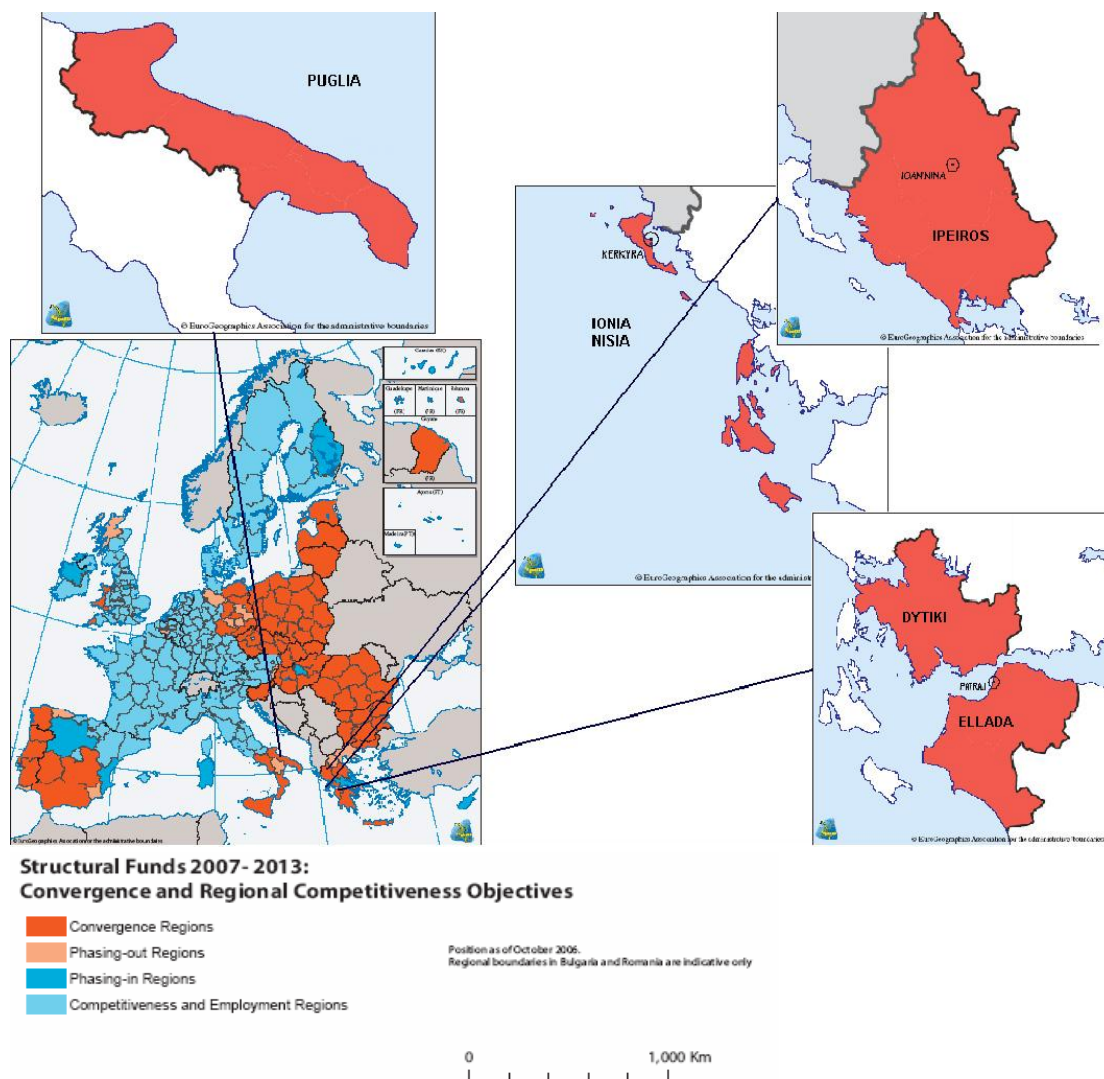


Figure 2-1: Mapping of Eligible Programming Area

2.2.1 Geomorphological Data

The Programming Area covers a total of 42,218 km². It consists of 4 Regions, divided into 11 Prefectures, which cover approximately 54% of the total area, and 5 provinces, which cover the remaining 46% of the programming area. The largest region in the programming area, in terms of area size, is the Apulia Region (19,358 km²), which accounts for 45,9% of the programming area.

Table 2-1: Total area of eligible Programming Area

	NUTS II	Km2	% of Programming Area
GREECE	Region of Western Greece	11,350	26,9
	Region of Ionian Islands	2,307	5,5
	Region of Epirus	9,203	21,8
ITALY	Region of Apulia	19,358	45,9
Total Programming Area		42,218	100

Source: Eurostat 2006

2.2.2 Demographic Data

The total population of the Programming Area is 5,330,676 people and its share in the EU-25 is equal to 1.2%. The population density equals to 126.3 people per km², and exhibits differentiations between the three Greek regions and Apulia region. In specific, the population density in Apulia is almost two and a half times the population density of the Ionian Islands, which is the Greek region with the highest population density in the programming area.

Table 2-2: Population Level and Population Density (2003)

COUNTRY	NUTS II	POPULATION	% POPULATION OF PROGRAMMING AREA	Inhabitans/km ²
GREECE	Region of Western Greece	730,238	13.7	66.2
	Region of Ionian Islands	218,594	4.1	95.6
	Region of Epirus	340,854	6.4	37.6
ITALY	Region of Apulia	4,040,990	75.8	211.3
Total Programming Area		5,330,676	100	126.3

Source: Eurostat 2006

Generally the cooperation area includes 11 Prefectures (Greek part, 24% of the total population of the programming area), and 5 provinces (Italian part 76% of the population), There is a significant inequality in the spatial distribution of the population (from approximately 4 million in the broader region of Apulia to 218, 5 thousand residents in Ionian Islands) and a subsequent large unequal distribution in population density (from 211 people/km² in the Italian part to 37 people /km² in the Greek part, region of Ipirus).

2.3 Quantification of current situation with the use of structural indicators

2.3.1 Financial Data

Indicative GNP data

In the Programming Area, the GNP expressed in Purchasing Power Parities (PPP) is equal to 81,175 million €, which corresponds to 0.62% of the total GNP produced in EU-25. The GNP (PPP) of the programming area for 2003 was marginally improved by 0.4% compared to 2002. The per capita wealth, measured by the Gross National Product per capita, GNPPC (PPP), equals to 15,228 €. Proportionately, the GNPPC expressed in Purchasing Power Parities (PPP) in the programming area, amounts to 70% of the European average GNPPC.

Table 2-3: Regional distribution of GNP and GNP per capita, 2003

	Western Greece	Ionian Islands	Epirus	Apulia	Programming Area ¹	EU-25
GNP (PPP) [2002]	9,313.6	3,279.4	4,592.0	63,647.9	80,832.9	9,814,709.1
GNP (PPP) [2003]	9,937.1	3,526.2	4,901.2	62,810.8	81,175.3	9,953,329.3
GNP as % of national GNP	5.11	1.81	2.52	4.65	0.62	
% of GNP change (2002-2003)	6.7	7.5	6.7	-1.3	0.4	1.4
GNPPC (PPP) [2002]	12,822.1	15,276.5	13,599.8	15,826	15,233.3	21,536.1
GNPPC (PPP) [2003]	13,628.1	16,218.0	14,438.9	15,576.2	15,228.0	21,740.6
GNPPC (PPP) as % of EU-25, EE25=100 [2003]	62.7	72.6	66.4	71.6	70.0	100
GNPPC (PPP) ranking order in country	12	9	11	20		
Avg GNP per capita in PPP for period 2000- 2003	12,331.5	14,631.7	12,976.9	15,406.3	13,836.6*	21,059.5
Avg GNP per capita in PPP as % of EU-25 Avg for period 2000- 2003	58.6	69.5	61.6	73,2	65.7	100.0

Source: Eurostat 2006

*Average per average GNP capita of Programming Area regions

An analysis of the GNPPC per eligible region (table 2-3) shows that the GNPPC in the region of Western Greece is lagging behind, both on a national and European level. In particular, for the year 2003, the regional GNPPC for Western Greece corresponded to 77.3% (see Annex 1) of the Greece's GNPPC and to 62.7% of the average European GNPPC in PPP (EU-25=100). Nevertheless, this region grew (GNP shift) at a higher rate than the community average (both EU-25 and EU-15) for the period 2000-2003, and consequently the per capita product difference with the European Union has gradually decreased. In the Region of the Ionian Islands and for the year 2003, the GNP per capita corresponded to 74.6% of the EU-25 average. The progress towards convergence which is noted in the Ionian Islands is relatively satisfactory, given the fact that the average regional GNP per capita in PPP for the period 2000-2003 – a period which constitutes the planning base for the eligibility of Regions in the framework of Objective 3 of the Structural Funds, for the programming period 2007-2013 - amounts to 69.5% of the EU-25 average. However, and obviously due to their size, the Ionian Islands remain the weakest Greek Region as regards Gross Domestic Product (GDP) production. In specific, the Ionian islands barely produce 1.81% of the total GDP of Greece. In the Region of Epirus for the year 2003, the GDP per capita in terms of the Region's Purchasing Power Parities (PPP) amounts to 66.4% of the EU-25 average. Accordingly, the GNPPC for the same year (2003) was equal to 66.4% of the average European GDP per capita (EU-25). The Region of Epirus produces 2.52% of the national GDP.

¹ The indicators of the programming area for the total GNP (in euros and PPP) are the result of the sum of the individual GNPs of the eligible regions. Similarly, the indicators of the programming area for the GNPPC (in euros and PPPs) are the result of the sum of the individual GNPs of the eligible regions compared to the total population of these regions.

With reference to Apulia region the, GNPPC in PPP amounts to 15,576.2 €, which corresponds to 71.6% of the EU-25 average. In recent years, particularly since 2002, a major shift has been observed in the economy of Apulia towards the tertiary sector, along with a significant recession of the primary and a slight recession of the secondary sector – a phenomenon which had also been observed in 1999, with greater intensity, during the planning phase of the previous programming period. The Gross National Product (GNP) in PPP for Apulia reached 62,810 million €, which indicated a decrease of 1.3% compared to 2002. It is worth noting that during this particular period (2002-2003), this specific region was the only one to present a negative sign in GNP variation within the programming area.

In the cooperation area, the GNP expressed in Purchasing Power Parities (PPP), which is equal to 81,175.3M€, is equivalent to 0.8% of the total GNP produced in EU-25 and has shown a small annual increase (of 0.2% since 2002). The GNPPC expressed in Purchasing Power Parities (PPP) is equal to 70% of the European average GNPPC. The Programming Area is characterised by a relative delay in its socio-economic growth, compared to the broader national and European territories. It should also mention that the whole cooperation area belongs financially to the Eurozone and politically to the Western world, both being elements ensure economic and political stability and gives the opportunity for an economical development.

Labour market

The total economically active population within the programming area is 1,968.2 thousand €, with 73% of the active population concentrated in the region of Apulia. However, the Apulia region presents the lowest percentage of economically active citizens compared to the total population in the programming area.

In relation to the labour market, the programming area is characterized by relatively high unemployment (12.8%) compared to the EU-25 (9%) and respectively stagnant employment rate (55.4%) compared to the EU-25 (63.7%). In addition women employment in the programming area is low (47.8%), compared to European average of 62.5%.

Table 2-4: Employment & unemployment indicators (2005)

	Western Greece	Ionian Islands	Epirus	Apulia	Programming Area	EU-25
Economically active population 15 yrs and over [2005] (thousands)	299.7	99.2	138.6	1.430.7	1,968.2	217,648.3
Men	188.0	58.4	84.8	960.6	1,291.8	120,640.0
Women	111.7	40.8	53.7	470.1	676.3	97,008.3
% Economically active population 15-64 yrs [2005]	63.4	70.2	63.8	52.3	62.4	70.1
Men	77.0	82.3	77.2	71.3	77.0	77.8
Women	49.1	58.0	50.2	33.9	47.8	62.5
% Economically active population 55-64 yrs [2005]	44.0	51.8	46.9	29.2	43.0	45.5

	Western Greece	Ionian Islands	Epirus	Apulia	Programming Area	EU-25
Men	60.6	71.0	62.9	44.3	59.7	55.5
Women	28.1	34.2	31.7	15.1	27.3	36.0
% Employed 15 - 64 yrs [2005]	56.6	64.1	56.3	44.6	55.4	63.7
Men	72.5	77.4	71.8	62.9	71.2	71.2
Women	39.8	50.6	40.5	26.8	39.4	56.2
% Employed 15 - 24 yrs [2005]	21.0	30.1	16.4	20.0	21.9	36.7
Men	27.7	38.1	22.2	26.4	28.6	39.6
Women	13.7	22.1	10.7	13.6	15.0	33.7
% Employed 55 - 64 yrs [2005]	42.9	49.9	45.4	27.7	41.5	42.5
Men	58.8	67.9	60.6	42.0	57.3	51.8
Women	27.7	33.4	30.8	14.4	26.6	33.7
% Unemployed 15 yrs and over [2005]	10.6	8.5	11.5	14.6	12.8	9.0
Men	5.8	5.8	6.8	11.5	9.4	8.3
Women	18.6	12.4	19.0	20.9	19.1	9.9
% Long-term unemployed (out of total unemployed) [2005]	58.04	25.18	62.76	56.86	56.3	45.47

Source: Eurostat 2006

The cooperation area is characterized by a low performance in employment, with the employment rate being lower than the European average (EU-25) for all age groups, and with the problem being more intensely felt amongst youth (15 - 24 years) and women aged 55-64 years. The basic cause for this low performance as regards employment is the particularly low level of women's participation (39.4%), compared to the target for its increase to 60% by 2010. There is a high unemployment rate (12.8% as opposed to 9% in EU-25), and the percentage of long-term unemployment is also high (56.3% of the total unemployed persons as opposed to 45.4% in EU-25). The high rate of unemployment among women and young people, means that the formulated labour market continues to lead towards an abandonment of rural areas and internal migration. The lack of employment opportunities for a major part of the population in the intervention area results in a feeling of lacking social solidarity and a low quality of life, combined with a delay in its productive potential and the processes for social inclusion.

2.3.2 Financial data per sector

The tertiary sector in the Programming Area is dominant with 74%, followed by the secondary sector (20%) and the primary sector with 6% (2003, Eurostat). The distribution of the Gross Value Added (GVA) in the three productive sectors of the eligible region indicates that:

- the share of the primary sector is low compared to the two other sectors
- the tertiary sector is the dominant productive sector in the eligible region with an explicitly high percentage in the Ionian islands.
-

In 2005, the total number of enterprises in the programming area was 436.368. There were 168,920 enterprises active in the tertiary sector and 154,968 in the secondary sector. The Apulia region hosts the majority of enterprises and particularly hosts the 88% of the secondary sector businesses and 62% of the tertiary sector businesses in the programming area. The total number of Apulia enterprises is 295,724 (excluding the

agricultural enterprises) and 96% of them employ less than 10 persons (Source Italian CoC - UnionCamere 2005)

Table 2-5: Main economic sectors in the programming area

	Primary	Secondary	Tertiary	Unknown sector	Total
Epirus	1.432	5.772	16.332	964	24.500
Ionian Island	308	4.208	19.529	1.438	25.483
W. Greece	850	8.704	28.437	4.243	42.234
Apulia	103.246	136.284	104.622	=	344.152
Programming area	105.836	154.968	168.920	6.645	436.369

Source: Greek data's is provided by the NSSG Company Register (2001), and Italian data's by ISTAT (2002). It is worth noting that only secondary and tertiary sector companies are included in the total number of Italian businesses provided by ISTAT

The GVA is increasing in all the productive sectors of the programming area, with particular development noted in the tertiary sector. In total, the GVA is 16.3% higher compared to 2000.

The GNP in the programming area had a stagnating trend (0,4%) in the years 2002-2003 mostly because of the crisis in the traditional manufacturing sectors (with the exception of the construction sector). Only the tertiary sector, and especially the tourist sector in the costal areas and in the islands, exhibited a positive trend in terms of economic growth.

Table 2-6: Distribution of Gross Value Added per production sector, (2003)

	Western Greece	Ionian Islands	Epirus	Apulia	Programming Area
production sector total					
GVA (M€) [2003]	6,969.4	2,473.1	3,437.5	55,509.8	68,390
% participation in country [2003]	5.1	1.8	2.5	4.6	
% participation in programming region [2003]	10.2	3.6	5.0	81.2	100.0
primary sector					
GVA (M€) [2003]	856.4	191.6	299.4	2914.2	4,262
% participation in country [2003]	9.3	2.1	3.2	9.6	
% participation in programming region [2003]	20.1	4.5	7.0	68.4	100.0
secondary sector					
GVA (M€) [2003]	1,164.30	315.9	528.3	11,513.3	13,522
% participation in country [2003]	3.9	1.1	1.8	3.6	
% participation in programming region [2003]	8.6	2.3	3.9	85.1	100.0
tertiary sector					
GVA (M€) [2003]	4,948.70	1,965.60	2,610	41,082.3	50,606
% participation in	5.1	2.0	2.7	4.9	

	Western Greece	Ionian Islands	Epirus	Apulia	Programming Area
country [2003]					
% participation in programming region [2003]	9.8	3.9	5.2	81.2	100,0

Source: Eurostat 2006

In relation to tourism the programming area accepted in 2005 approximately 4.5 million domestic and foreign tourists with a total of about 19 million overnight stays. In comparison to 2001, the programming region exhibited 14% increase in arrivals and an 11.5% increase in overnight stays in the year 2005. This increase is recorded mostly in Apulia and the Ionian Islands which both increased the foreign tourists arrivals by 53% and 19% respectively.

The tourism infrastructure in the programming area entails 2,210 hotels and other similar types of accommodation, with an average number of 81 beds per hotel. In addition, there exist also 285 campsites, with a total capacity of 123,142 beds. For each domestic and foreign tourist, there is an average corresponding rate of 4.3 overnight stays, and this ratio is diachronically stable.

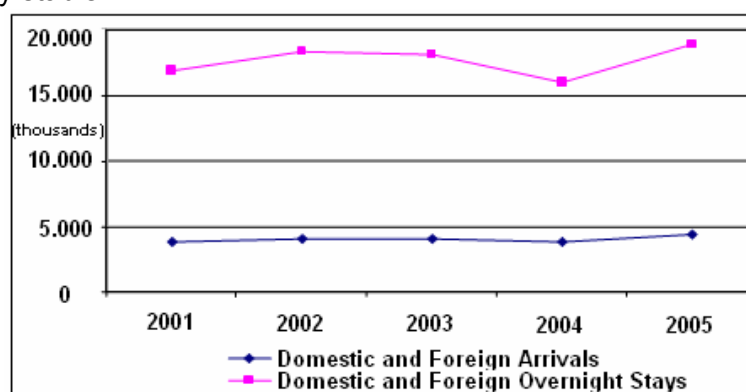


Figure 2-2: Diachronic Evolution of domestic and foreign arrivals and overnight stays at hotels and campsites

In particular, priority could be given to the development of alternative forms of tourism by making full use of the advantages offered by the physical diversity of the region and its rich natural resources.

Table 2-7: Number of Accommodation sites, rooms and beds in hotels and tourist campsites, (2005).

Geographical Unit	Hotels and similar accommodation			Tourist campsites		Total			
	No of accom. sites	No of rooms	No of beds	No of accom. Sites	No of beds	No of accom. sites	%	No of beds	%
Epirus	253	5,637	10,933	19	4,479	272	10.9	15,412	5.1
Ionian Islands	883	42,927	81,959	30	7,473	913	36.6	89,432	29.7
Western Greece	243	8,380	16,157	28	7,129	271	10.9	23,286	7.7
Apulia	831	33,173	69,308	208	104,061	1039	41.6	173,369	57.5
Programming area	2,210	90,117	178,357	285	123,142	2495	100.0	301,499	100.0

Source: Eurostat 2006

The export trade from Apulia towards Greece plays an important role. Greece is the sixth commercial partner of Apulia region with 370 million of Euro value in 2005 (it was 354 million of Euro value in 2003), even though the export in the period 2005-2004 has registered a decrease of 0,2%. However, France remains the first destination of Apulia exports with 903 million of Euro value in 2005 (*Source: Elaboration of Apulia Print on ISTAT data*).

Italy globally constitutes the second more important export destination of Greece with total value of exports 1,861.9 mil. Euro (2006), showing an increase by 26% in 2005. The most important export products are oils and greases of vegetable origin, ferrous metals and fishery. From this point of view the maritime transport in the programming area acquires particular importance in the frames of cross-border trade between Greece and Italy. According to the distribution of Greek export at regional level 6% of total is exported to Apulia. It has to be highlighted that in 2004 the Greek exports to Apulia marked important reduction compared to 2003 (-49,1%), while the imports from Apulia increased by 4,3% (ISTAT).

2.3.3 Infrastructure and Quality of life

Education

The level of education in the programming area, measured in relation to the highest level of education of the people aged 25-64, is low, since 57.5% of the population aged 25-64 have only completed the first part of secondary education. This percentage is far higher than the percentage of people who have also completed the second part of secondary education (31.7%). Finally, only 10.8% of the population aged 25-64 in the programming area has completed higher education. The total number of pupils/students in the programming area is 1,124,244.

Relative to education is the fact that in the programming area exists an influential network of universities and research centres, which provides an extensive system of higher education, and prepares highly-qualified staff for the labour market. On the other hand, also exists a widespread network of small businesses, with the potential to form the basis for a new development process.

Table 2-8: Educational level of people aged 25-64 yrs, (2004)

Indicators	Western Greece	Ionian Islands	Epirus	Apulia	Programming Area		EE25*
					No. (1000)	%	%
Total (ISCED 1997)	373.2	115.2	171.9	2,181.2	2,841.5	100	100
Primary and first part of secondary education, Level 0-2 (ISCED 1997)	181.3	65.9	84.9	1,301.5	1,633.6	57.5	30.1
Second part of secondary education, Level 3-4 (ISCED 1997)	130.8	35.2	54.4	680.5	900.9	31.7	47.5
Higher Education, Level 5-6 (ISCED 1997)	61	14.1	32.6	199.2	306.9	10.8	22.3

Source: Eurostat 2006

*Estimation

Table 2-9: Pupils/Students per educational level, (2004).

Indicators	Western Greece	Ionian Islands	Epirus	Apulia	Programming	%
					Area	
Total no of pupils/students (ISCED 1997)	163,741	32,189	69,541	858,773	1,124,244	100
Preschool education - Level 0 (ISCED 1997)	9,905	3,031	4,350	132,813	150,099	13.4
Primary Education - Level 1 (ISCED 1997)	45,100	12,097	18,868	224,013	300,078	26.7
Lower secondary education - Level 2 (ISCED 1997)	23,513	7,168	9,569	154,353	194,603	17.3
Upper secondary education - Level 3 (ISCED 1997)	25,666	6,812	11,239	225,033	268,750	23.9
Post-secondary education - Level 4 (ISCED 1997)	1,630	694	666	3,296	6,286	0.6
Higher Education - Level 5-6 (ISCED 1997)	57,927	2,387	24,849	119,265	204,428	18.2

Source: Eurostat 2006

Health Welfare

In the programming area, the indicators referring to the ratio of beds, doctors and nursing staff are unevenly distributed in the respective border maritime territories. That in particular, is further aggravated in the island regions by a shortage in personnel as well as in technical and other scientific equipment. The above variegated framework in combination with the established weaknesses in the communication and transport networks between the maritime borders territories, serve to keep the health-welfare provision at a low level. In addition, there are serious accessibility problems in several

rural areas, particularly on the islands, which are covered by small regional medical offices. In general, there is a definite need to upgrade and complement the health-welfare facilities, both in primary and secondary care, in order to achieve a satisfactory level of services, at an initial phase.

In total, there are 137 hospitals and 41 Health Centres operating in the Programming Area, covering the healthcare of the residents in the area, with a total number of 20,850 beds. Healthcare services for all of the population in the Programming Area are provided by 12,822 doctors.

Table 2-10: Beds, Doctors, and Nursing Staff per geographical unit in the Programming Region (2004-2005)

Indicator	Western Greece	Ionian Islands	Epirus	Apulia	Total in programme area
Inhabitants	730,238	218,594	340,854	4,068,167	5,357,853
Beds of Hospitals	2,105	987	1,535	15,991*	20,618
Doctors of Hospitals	2,810	729	1,715	7,161*	12,415
Hospitals	18	7	7	105*	137
Health Centres (H.C)	18	7	16	-	41
Beds of H.C	111	38	83		232
Doctors of H.C	208	42	157		407
Doctors	3,018	771	1,872	7,161*	12,822
Beds	2,216	1,025	1,618	15,991*	20,850
Inhabitants / Doctor	242	284	182	568	418
Inhabitants / Bed	330	213	211	254	257

Source: Eurostat, Istat*.

It should also be pointed out that the geographical morphology of the Programming Area, particularly in the Greek side it is full of islands and mountains territories, serves as yet another element of socio-economic backwardness, creating serious problems in the development of relations of cooperation and communication, which mainly affect the access to healthcare service provision.

Transport and infrastructure

The transport infrastructures in the programming area, roads, railways, ports and airports, along with existing entry-exit gates facilitate for the mobility of people and products. Specifically the programming area is connected with the most important Trans-European axes that cross South-East Mediterranean and Balkans. In Apulia, the programming area is connected with the Corridor I (Bari-Napoli) and the Adriatic Sea Branch of Corridor V (Bari-Trieste), Corridor VIII (Bari-Valona), while the Greek territories are connected via Egnatia and PATHE axis with the Corridor X. All the ports of the programming area are of interest for the Mediterranean Seaways. Connection to these important axes needs however to be reinforced and improved and additionally all inter modal transport needs to be strengthened.

Specifically, as regards to the road axes, the main national roads in the programming area are the central artery, connecting the city of Patra to Athens, forming part of the basic national axis PATHE (Road Axis Patra – Athens – Thessaloniki – Evzoni) and belonging to the trans-European networks. The connection of the Region of Epirus with Northern Greece through the gradual completion of the near by “Egnatia Odos” motorway will also be improved through with the construction of the planned near by motorway, known as the “Western Axis” or “Ionia Odos”.The Apulia territories are crossed by the A14 (Bari-Bologna) Adriatic Motorway and by the A16 (Bari-Napoli).

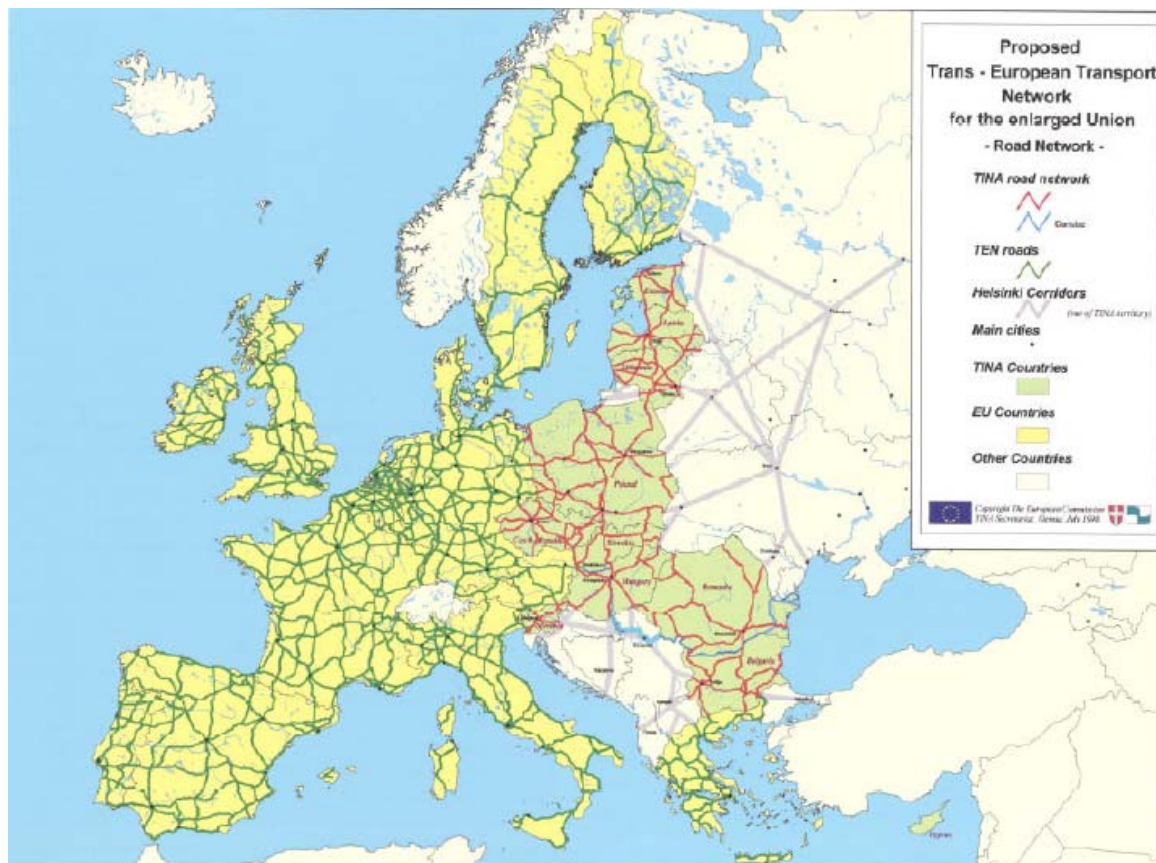


Figure 2-3: Transport Networks in the eligible area

Concerning the marine routes, the cross-border programming area is connected through a system of ports, equipped to manage the circulation of people and goods. The main ports in the programming area are Bari, Brindisi, Taranto, Patra, Igoumenitsa and, to a lesser degree, Corfu. The port of Bari operates as a sea port for passengers and for cruise ships, apart from its commercial shipping activity. The port of Brindisi is known for the loading/unloading and storage services it provides, which are related to the activities of the oil and energy industry. The ports of Bari and Brindisi have frequent, regular, weekly connections to the main ports of Greece (Igoumenitsa, Patra). In particular, up to two crossings to the Greek ports of Igoumenitsa and Patra take place on a daily basis. The lines operating from the ports of Bari and Brindisi are direct ferry lines.

Table 2-11: Goods movement (in tone of measures unit) between Bari and Brindisi ports and the Greek ports

Ports	2004		2005		2006	
	Goods loaded	Goods unloaded	Goods loaded	Goods unloaded	Goods loaded	Goods unloaded
Corfu	285	5.187	646	6.213	38	6.973
Igoumenitsa	512.506	510.454	626.297	551.779	760.551	701.689
Patra	374.954	336.109	429.452	412.600	575.224	792.633
Total	887.745	851.750	1.056.395	970.592	1.335.813	1.501.295

Source: Eurostat, Istat, ESYE.

Table 2-12: Goods movement (in tone of measures unit) between Bari and Brindisi ports and the Greek ports

Ports	2004		2005		2006	
	Passengers disembarked	Passengers embarked	Passengers disembarked	Passengers embarked	Passengers disembarked	Passengers embarked
Corfu	102.470	137.451	85.848	127.073	68.519	86.003
Igoumenitsa	198.574	214.668	183.580	177.980	185.373	182.365
Patra	126.350	109.988	138.568	139.427	160.350	166.483
Total	427.394	462.107	407.996	444.480	414.242	434.851

Source: Eurostat, Istat, ESYE.

The port of Taranto is one of the main ports in Italy especially for the connections with the international ports in the Mediterranean basin and on weekly basis to the Far East, such as China.

The port of Patras dominates in the region due to its strategic position, as the Western Gate of Greece to the Adriatic Sea and to Western Europe. The port facilities can cater for cargo ships with a capacity of 25,000 tons and passenger ships of 16,000 GRT, up to 220m in length. Other less important ports in the region of Western Greece are the ports of Egio, Kyllini, Katakolo, Mesologgi, Astakos, Amfilochia. All prefectures in the Region of the Ionian Islands have ports. Also there are four ports in the region of Epirus, the port of Igoumenitsa, which is of national importance, and the port of Preveza. Finally, Apulia has 77 secondary ports. The ports are some of the most important ports of Italy and Greece, which constitutes a major commercial point for the reception and dispatch of products, and a bridge facilitating trade between Europe, Africa and Asia. This crossroads of commercial communication gradually acquires a particular significance, in view of the establishment of the Free Trade Area of the Euro-Mediterranean Partnership

As regards to railway networks, the region of Western Greece has a railway network of over 300km, which traverses the coastal zone of the Achaia and Ilia prefectures and makes part of the Athens-Patra-Pyrgos-Kalamata connection. The region of Apulia has a railway network of 841.1km. Daily connections are provided by Eurostar Rail lines with Roma-Termini and Milan-Centrale Railway Stations.

Concerning air transport networks, the programming area has 13 airports –the two central airports of Apulia (the international airports of Bari and Brindisi) are the main

airports in the Italian part of the programming area. Other airports are in the programming area as in Foggia, Taranto, Araxos, Aktio and Andravida. They are only able to cater for commercial and charter flights.

In total, the number of people who embark and disembark at ports and airports in the programming area are 24,601.7 thousand and 5,958.7 thousand people respectively.

2.3.4 Research and innovation

In the programming area there are relevant research and innovation institutions such as the University of Ioannina, the TEI of Epirus, the Scientific and Technological Park of Epirus, the Polytechnic and University of Bari, the University of Lecce, the University of Foggia, the City- Research of Brindisi, Technopolis Scientific Pole, the CNR institutes and the nanotechnologies and hearth spatial observation technologies districts in Lecce and Bari, Laboratories of European Spatial Agency in Lecce, IAMB, etc. The existence of these communities creates opportunities and prospects for the growth of research and technology accessible to the productive process and responsive to social needs, particularly with reference to specialised sectors (e.g. energy, primary production etc). Nevertheless, the level of innovation in the social and economic sectors of programming area, as confirmed by the data on expenditures for the transition to a knowledge economy, and by the number of registered patents, is deficient when compared to the European average. The average expenditure for research and innovation corresponds to approximately 0.6% of the GNP of the programming area (Eurostat, 2000). According to the available data from Eurostat (2000), the expenses on R&D in the Region of Western Greece are equal to 0.92% of its GNP, for the Region of the Ionian Islands this percentage is 0.12%, for the Region of Epirus it is 0.87% and, finally, for the Region of Apulia it is 0.51%. An indicative example is the very limited number of patents granted, which is an indicator of R&D performance. Specifically, the patents granted per million people are 6.1 for the Region of Western Greece, 1.2 for Epirus, 5.3 for the Ionian Islands, and 9.5 for Apulia, when the European average is over 100.

In the programming area many new and innovative small enterprises are developing. As mention in the paragraph 2.3.2 “financial data per sector” the total number of enterprises in the programming area was 436.368 in the 2005. It is an opportunity to linking the research and innovation institutions with the enterprises and to create a more competitive labour.

2.3.5 Culture

Culture is a comparative advantage of the intervention area constituting a basic element for attracting tourist interest. The Programming Area hosts a large number of archaeological sites, museums, etc., such as, the Ancient Olympia, the Venetian Castles, the Patra Carnival, the performances of the MU.RE.TH, the Municipal Conservatoire and the Soloists’ Orchestra of Patra and 18 important museums in the surrounding of the Region of Western Greece. In the region of Epirus there is the ancient Theatre of Dodoni, one of the largest and best-preserved theatres of the ancient world,

with a capacity of 17,000 audiences, along with the Wax Figure Museum of Pavlos Vrellis, the Byzantine Museum of Ioannina, etc. The region of Apulia has 14 archaeological sites and 89 Museums. It is worth noting that there are two designated Unesco sites in Apulia, in the province of Bari (the Castel del Monte and the “trulli” of Alberobello).

The evolution of historical geography has created an exceptional wealth of cultural heritage, which is combined with the natural beauty of the environment and important points of historical interest. This combination along with the continuous development of the tourism product and the improved tourism infrastructure, serve to create a substantial framework of positive factors that affect the social and economic environment of the intervention area.

2.3.6 Environment

Natural Resources

The programming area includes numerous sites, which are part of the NATURA 2000 European network of protected sites. In specific, in the Region of Western Greece there exist 31 Special Protected Areas (SPA) and Sites of Community Importance (SCI) all included in the Natura 2000 network, two (2) protected aesthetic forests and seven (7) natural monuments, along with important landscapes of particular natural beauty. In the Region of Epirus the proposed sites for inclusion in the European network NATURA 2000 (National List NATURA 2000) correspond to, approximately, 28% of the total regional surface (more than 10 percentage points above the national average of 17%). In the Region of the Ionian Islands there exist 17 SPAs and SCIs, which according to the 79/409/EEC (JMD 414885/1985) and 92/43/EEC (JMD 33318/98) regulations, refer to outstanding ecosystems and sites. In the region of Apulia, the protected Natura areas cover approximately 37,000 acres and there exist 74 SCIs and 16 Natural Sites 2000, (characterized by the “Habitat” EC directive), two national parks (Gargano National Park and Alta Murgia National Park) and 16 regional parks. However several of these areas may have been devastated by the recent fires of this summer in Ilia and Gargano natural areas.

Waste treatment

The programming area is endowed with particular natural beauty which is threatened by human activities in rural and coastal areas resulting to environmental pollution. This pollution is linked to unprocessed waste from ports, the use of fertilizers in rural areas, industrial waste and air pollutants. The programming area is characterized by a lack of infrastructure related to biological treatment (BT) and Sanitary Waste Landfill (SWL) sites. Concretely, for the management of solid waste in Western Greece there exists one SWL (in Patras), while two other SWL have just been completed. In the region of Ionian Islands the creation of new SWL was delayed and thus solid waste management is still problematic. In average, there exists SWL per Prefecture, which in most cases does not cover the needs of the respective region. In the Region of Epirus two SWL are

functioning but the management of solid waste is still questionable. Regarding the management of fluid and solid waste, various processing units for fluid waste have been constructed or are currently under construction, but the overall level of progress is not satisfactory.

Even though there is a high degree of geographic cover of solid waste treatment nevertheless some regions are lacking such facilities them (Ithaki, western coast of Corfu etc). In the Apulia territory there exist for the treatment of solid waste 4 incinerators (1 in Foggia, 2 in Lecce and 1 in Barletta).

Problems of air pollution are, normally found in the big urban centres and in certain industrial concentrations. Even if with different intensity of the air pollution, affected areas are spread throughout all regions of programming area. The quality of atmospheric environment is also affected by the agricultural activities. Specifically, in the region of Epirus high concentrations of nitrogen have been reported in the flat country where two big urban centres, Preveza and Arta, are located. The main source of pollution is the intense farming activity in flat areas as well as the livestock-farming. In the Region of Western Greece the higher concentrations of polluting gases (central heatings, industries etc) are reported in the metropolitan city of Patras. The region of the Ionian Islands is facing the lower atmospheric pollution in the entire programming area as a result of the declined industrial activity. It should be noted though that the areas of Taranto and Brindisi exhibit also high levels of pollution because of their proximity to industrial zones and the activities related to electricity production, coal mining and petrol plants.

The basic pollutants that are emitted in atmosphere include:

- Particles and dust that is emitted in the atmosphere by the various work of soil.
- Monoxide of coal (CO), hydrocarbons (H_xC_y) and volatile organic unions (VOC) which are emitted as a by product of incomplete combustion of petroleum in rural instruments.
- Dioxide sulphur (SO_2) which is emitted mostly by the sulphur that exists in oil and in other fuels.

Energy

Despite the potential of the programming areas to produce energy using renewable sources, these possibilities are still not fully used. Practices for saving energy have in general not yet been adopted. The production of energy from renewable resources in Apulia accounts for only 1.48% of the total 30,844.4 GWh produced, which is small compared on one hand to the 12.7% in the EU 25 and on the other hand TO the objective, set by the Community directives, that by the year 2010, roughly 20% of the total energy production should be covered by renewable sources.

For Greece, according to the data provided by the Centre of Renewable Sources of Energy (KAPE), in year 2001 the produced energy from renewable sources was 1.020 GWh (or 2,5% of the total energy production) emanating from wind parks (74,%),

hydroelectric plants (18%) and biofuels (8%). The low national share of renewable resources to energy production in Greece is also reflected to regions.

It should be pointed that the challenges faced in the environmental field are significant, since there are major shortages in energy and environmental networks as well as a lack of water resources and insufficient relations regarding the management of the common cultural heritage and NATURA 2000 sites.

2.4 Lessons Learnt

The INTERREG programme contributed significantly to establish and enhance cross-border cooperation networks and played a role in bringing people and territorial institutions together, as to develop a common understanding of development problems, challenges and solutions. The Community Initiative Programme (C.I.P.) INTERREG IIIA Greece-Italy 2000-2006 endowed the involved parts of the cross-border area with significant experience. The lessons both sides learned during the implementation of the programme are related to the content of the projects as well as to the management of cross-border partnership.

The current programme attempts to capitalise on the relevant experience gained by the participants and by the programme implementation structures by addressing a number of critical issues which emerged in its implementation. Among the weak points to be addressed, is the demand stated by final beneficiaries asking for clear implementation guidelines, (implementation manual) which should be provided at the proper time, i.e. at the first stages of programme' s implementation. In addition, the final beneficiaries request the simplification of the Programme management system and for increased and more effective communication. In order to respond to this demand the present OP will introduce innovative methods to ensure an effective and efficient OP execution (potential capitalisation/knowledge management) and put more attention to the dialogue with the participants.

Moreover the delayed beginning of INTERREG IIIA Greece-Italy 2000-2006 programme implementation effected significantly the programme as remarked in the Mid-term evaluation report of the CIP INTERREG IIIA Greece-Italy where emphasis is put on the need to improve and correct this aspect by putting in place administrative mechanisms which guarantees a prompt and smooth implementation.

Therefore, the main conclusions that can be drawn from the implementation of projects can be summarized as follows:

- Timely start-up of the Programme leads to smoother implementation and minimizes the risk of time or budget revision
- Better organization of projects e.g. the maturity of projects leads to smoother implementation and minimizes the risk of time or budget deviation

- Implementation provisions and guidelines should be simple, clear and in fit time in order to easy the final beneficiaries to develop real joint crossborder actions otherwise they act as obstacles during implementation
- Joint preparation actions and dissemination activities enable the stakeholders to form timely mature projects
- Close synergy of the projects with relevant development actions funded by other instruments (e.g. Sectoral or regional Operational programmes) ensure viability and multiplication of results
- Enhancement of the region's natural and cultural wealth could be a valuable point of reference for the development of closer relations between the residents of the cross-border regions and for the protection and development of the natural environment.
- Human resources development should be a connective factor that will boost all the actions included in the proposed programme, aimed at creating or supporting institutions and structures to improve the quality of life for the residents in the coastal area.
- Further improvement in the cross-border infrastructure is essential to strengthen the region's position and boost the overall economic and social development of the cross-border and broader region. Prospects for improving a number of supplementary projects aimed at improving the quality of life of residents of the border region also seem to be a key element in the development of the broader region.

The reinforcement of actions related to the creation of healthier prerequisites for further growth in cross-border entrepreneurial activity in sectors of common interest would have a multiplier effect on further development of the region's economic structure.

2.5 S.W.OT. Analysis

The combined analysis of strong points and weaknesses along with the opportunities and threats of the maritime border area results to a preliminary set of objectives, the development strategy and the strategic priorities hierarchy taking into account the time frame (short, mid or long term) available for the implementation of the development objectives.

The following table (Table 2-13) presents the SWOT analysis emanating from the socio-economic analysis that was presented in chapters 2.1 and 2.2. The SWOT analysis is structured in eight basic issues horizontally:

- Economy activities
- Innovation
- Competitiveness
- Accessibility
- Culture
- Education
- Health
- Environmental activities

The result of the SWOT analysis composes the framework of both the development vision and the choice of public policies that are suitable to cover the endogenous needs taking into account the existing external potential

Practically, the policy process is built via regrouping the quadrants of the SWOT analysis as presented in the following diagram. In specific, the diagram explains schematically the way of exploiting the SWOT analysis into the formation of nodal policy choices for the intervention area, based on the combined reading of quadrants per pair (e.g. strong points with opportunities, weaknesses with opportunities, strong points with threats, weaknesses with threats). The combined quadrants lead to alternative but realistic policy directions, which are classified in four categories according to their character.

Table 2-13: Use of the SWOT analysis for policy choices

	Strong points	Weaknesses
Opportunities	Accelerative policies	Structural policies
Threats	Stabilisation policies	Preventive policies

The categories of policy directions are the following:

1. **Accelerative policies** (growth-accelerating/expansionary policies). They aim in dilating the rate of economic growth and maintaining- enlarging the competitive advantages.
2. **Structural policies**. They face chronic distortions and development lags and contribute in sustaining the economic growth rate.
3. **Stabilisation policies**. They are focused policies, which neutralise or compensate specific negative trends or tendencies in the development environment.
4. **Preventive policies** (discretionary policies). They comprise selective policies, which anticipate and blunt negative effects in the economic growth. rate

The result of this methodology is an integrated approach of the development vision for the programming area. In specific Chapter 3, which follows, introduces ways of developing the intervention area in the short and mid term future, underlines basic strategic priorities and reveals the governing axes for growth.

The following table summarizes the policy directions.

Table 2-14: Policy directions

	STRONG POINTS	WEAKNESSES
	ACCELERATIVE POLICIES	STRUCTURAL POLICIES
OPPORTUNITIES	<ul style="list-style-type: none"> ➤ Promotion of export services in neighbouring developing countries ➤ Development of productive synergies and complementarity with sectors of high efficiency. ➤ Integrated and sustainable approach of entrepreneurship ➤ Networking of Research and Technological institutions in the programme area ➤ Appointment of the programming area as conjunctive ring between EU and Mediterranean (eg supply of EC with natural gas). 	<ul style="list-style-type: none"> ➤ Completion of transport infrastructures. ➤ Strengthening of the technological and entrepreneurial innovation through state support, financial motives and capital investment combating private under - investment in the RTD ➤ Development of transnational and territorial collaboration in order to face common environmental problems. ➤ Sustainable energy policy ➤ Upgrading traditional industrial sectors to high value added ones in accordance with the spatial plan alongside the maritime border
	STABILISATION POLICIES	PREVENTIVE POLICIES
THREATS	<ul style="list-style-type: none"> ➤ Promotion of entrepreneurial collaborations alongside the maritime border ➤ Enhancing the creation of international enterprises with top entrepreneurial structure. ➤ Further support of production networks and diffusion of innovation ➤ Development of internal market and adoption of innovations towards the creation of scale economies and the improvement of competitiveness 	<ul style="list-style-type: none"> ➤ Encouragement of production for new products and services, mainly via the exploitation of digital technologies. ➤ Formation of attractive conditions for enterprises and highly skilful personnel ➤ Prevention and management of dangers and risks

Figure 2-4: S.W.O.T. Analysis

Economy	
Strengths	Weaknesses
<ul style="list-style-type: none"> Strong tertiary sector 	<ul style="list-style-type: none"> Low per capita GNP and high degree of differentiation within the programming area Insufficient integration of tourist services, infrastructures and fast direct connections
Opportunities	Threats
<ul style="list-style-type: none"> Development of integrated tourist services and infrastructure aiming to attract more tourists. 	<ul style="list-style-type: none"> Competition from other territories which can offer integrated tourist and enterprises services High level unemployment of women and youngsters
Innovation	
Strengths	Weaknesses
<ul style="list-style-type: none"> Adequate number of universities and scientific centres Presence of innovative and high tech enterprise clusters (Aerospatiale industry, Earth observation, Mediterranean Agro-techniques, Renewable energy sources) 	<ul style="list-style-type: none"> Low numbers of patents registry and low rate of expenditure for research and innovation
Opportunities	Threats
<ul style="list-style-type: none"> Cooperation, network and exchange of knowledge between universities, scientific centers and enterprises 	<ul style="list-style-type: none"> Competition from other places in the Mediterranean basin where innovative and high technologies enterprises are present (Spanish Mediterranean cities coast, Montpellier, Genoa, Naples, Venice, Thessalonica, etc)
Competitiveness	
Strengths	Weaknesses
<ul style="list-style-type: none"> High number of enterprises in many economic sectors 	<ul style="list-style-type: none"> Micro and small enterprises which do not invest much in innovation
Opportunities	Threats
<ul style="list-style-type: none"> Creation of new market (products and services) in the programming area at national, European and Mediterranean level 	<ul style="list-style-type: none"> Low competitiveness of the programming area economy within the global market Stagnation of traditional economic sectors
Accessibility	
Strengths	Weaknesses
<ul style="list-style-type: none"> The geographical position near the main Mediterranean and Balkan Trans-European Axis and Mediterranean Sea- 	<ul style="list-style-type: none"> Low integration of transport modality and of transport related services

<ul style="list-style-type: none"> Motorways makes the programming area accessible through its connection with the other European countries Adequate level of road and maritime infrastructure 	<ul style="list-style-type: none"> Accessibility problems in several rural areas, particularly islander areas Weaknesses in the communication and transport networks within the programming area Competition from the Northern European ports and airports
Opportunities	Threats
<ul style="list-style-type: none"> Ports, located in a strategic position, can support trade and cooperation with the East and West Mediterranean region and increase connections with commercial points of receipting and dispatching products and people between Europe, Africa and Asia. Improvement of transport, information and communication networks and services as to increase transport efficiency and competitiveness Development of accessibility for goods and people through networks and services 	<ul style="list-style-type: none"> Low competitiveness of transport operation (ports, airports etc.) to compete within the European and Mediterranean area Competition from other territory which can offer integrated logistic services
Culture	
Strengths	Weaknesses
<ul style="list-style-type: none"> Important endowment of natural and cultural patrimony that attracts many tourists High number of cultural interest sites 	<ul style="list-style-type: none"> Weak promotion and lack of active management of cultural sites
Opportunities	Threats
<ul style="list-style-type: none"> Promotion and common management of cultural sites in order to increase their attractiveness 	<ul style="list-style-type: none"> Degradation of natural and cultural heritage
Education	
Strengths	Weaknesses
<ul style="list-style-type: none"> The 1/5 of the total population of the programming area are students Adequate education infrastructures and research activities in the Programming area Considerable student exchange alongside the maritime border 	<ul style="list-style-type: none"> Weak link between education offer and labour market demand
Opportunities	Threats
<ul style="list-style-type: none"> Cooperation and exchange of knowledge between all the levels of education system 	<ul style="list-style-type: none"> Increasing of young migration towards other more attractive places, internal or at European level Increasing of young people moving to on social degrade and economical instability

Health	
Strengths	Weaknesses
<ul style="list-style-type: none"> ▪ Significant number of Health services in the Programming Area 	<ul style="list-style-type: none"> ▪ Absence of additional units of health ▪ Such territories (islands, rural and mountains) suffer of a shortage personnel as well as technical and scientific health equipment.
Opportunities	Threats
<ul style="list-style-type: none"> ▪ Development of cooperation and networking services, such as e-health, between the Hospitals and the Health centres of the programming area 	<ul style="list-style-type: none"> ▪ Inhabitants mobility for medical examination and treatment due to insufficient health services
Environmental activities and Energy	
Strengths	Weaknesses
<ul style="list-style-type: none"> ▪ Rich environmental endowment ▪ Environmental networks ▪ Adequate number of Protected areas ▪ Favourable conditions for the use of renewable energy sources because of the good geographical position. ▪ Participation in the Trans European oil gas networks 	<ul style="list-style-type: none"> ▪ Lack of a concrete strategy for the social and economic development of protected areas ▪ Low energy production rate from renewable resources ▪ Air pollution in the urban centres ▪ Deficient measures for monitoring and protecting the environment both from natural disasters and human activities
Opportunities	Threats
<ul style="list-style-type: none"> ▪ Implementation of joint strategies for the management of the protected areas ▪ Development of legislation framework concerning renewable energy resources 	<ul style="list-style-type: none"> ▪ Degradation of the environment in the absence of effective management ▪ Loss of precious biodiversity ▪ Increase of energy deficit between the potential and effective production of renewable energy, in despite of the increasing use of fossil font of energy for internal consuming

2.6 Coherence with horizontal policies

2.6.1 Gender Equality and Equal Opportunities

The application of the equal opportunities principle is a strategic choice of the Operational Programme Greece – Italy, which is consistent with the revised European Strategy for Employment, the guidelines for Economic Enlargement and Employment (2005-2008) and the cohesion guidelines 2007-2013.

The equal opportunities principle is closely linked to the achievement of the goals of the Structural Funds, but is mainly a measure that reinforces social justice and democracy. The strategic objectives of the Structural Funds—development, competitiveness and employment- greatly depend on the active participation of the entire active population in economic and social life. The inability to eliminate the factors that prohibit the full participation of men and women results in a limited effectiveness of interventions.

According to article 8 of Reg. (EC) No 1198/2006, the Member-States and the Commission ensure the promotion of equality between men and women, as well as the incorporation of the gender dimension in all the different implementing stages of the activities of the Fund.

The foreseen measures for promoting gender equality and non-discrimination in the various implementing stages of the OP cross-border cooperation Greece-Italy include:

- A balanced participation of men and women in all the required management and monitoring structures (Managing Authority, Joint Technical Secretariat, Monitoring Committee, etc), along with representatives of state authorities responsible for equality issues.
- Taking the necessary steps to publicise the programme (as described in the implementing provisions) and the specific actions involved, in order to ensure the greatest possible access to community co-funding. An indicative example is sending the calls to all the members of the programme's monitoring committee and to all potentially interested parties.
- Monitoring and update of the monitoring committee and of the European Commission, through the annual report, emphasising on the measures undertaken for the provision of equal opportunities, their effectiveness and the corrective interventions required in order to ensure non-discrimination in the framework of the OP.

2.6.2 Sustainable development (article 3 of (EC) No 1083/2006

Current situation analysis revealed some problems related to environment, which are systemized below:

- Lacks in environmental infrastructures, mainly in small islands and some rural areas in the programming area.
- The natural and cultural environment consist major resources for the development of the programming area.

- The geopolitical position of the programme area is sensitive to potential dangers of pollution and destruction of the environmental resource.
- The applied tourist growth model contributes, occasionally, to the anarchy in the cities planning neglecting the existing capacity and sustainability with consecutive problems (conflicts in the uses of land, anarchic layout, degradation of the natural and structured environment)
- Insufficient management of common cultural heritage and regions NATURA 2000.
- Existence of rather important problems related to the water resources.

Therefore, the CBC Greece Italy 2007-2013 elects the sustainable growth as a distinguishable objective within the strategic objective 3 *«Improving the quality of life, protection of the environment and enhancement of social and cultural cohesion»*.

The categories of sustainable growth related interventions have an indicative budget equal to 19% of the total Community funding in the Programme. These interventions are distinguished in those that are purely environmental (e.g. protection of natural environment) and those that concern in the maintenance of environment situation and the prevention of environmental dangers.

2.7 Coordination with the ESF, EAFRD, EFF

The issue of the establishment of demarcation criteria between similar categories of actions that can be financed by different Funds is an horizontal issue and constitutes the common context for all the operational programmes, (sectoral and regional operational programmes), the Rural Development Programme (RDP) and the Fisheries Operational Programme (FOP). Details on the complementarity of the interventions are presented in Annex 2.

2.8 Prospects of the programming Area

Following the socio-economic approach that has been analysed in Chapter 1, the developmental potential and trends of the programming area are raised. It should be noted that due to the limited resources, the programme will focus on linking competitiveness and innovation with labour market by improving accessibility and the quality of habitant's life in the programming area. The aim of the programme is to contribute to the creation of a unique identity with the objective for further development and cooperation of maritime -border area, not only on European and international level, but also among the areas of the cooperation.

According to the analysis of the current situation of the programming area, it is clear that the cooperation area has certain comparative advantages (e.g. tourism, culture, marine borders, geographical and political position, etc), but also specific weaknesses (e.g. low GDP related to the EU average, low expenditure for RTD etc). The comparative advantages will form the basis for the further development of the cooperation area and the weaknesses the challenges to be addressed.

The programme implementation will have dual impact, since the proposed actions will, on the one hand, strengthen the comparative advantages and utilise the opportunities and on the other hand deal with the potential threats and weaknesses. Specifically, the developmental prospects of the area are focused on the fields below:

- Exploitation of the advantage of the geographical and political position of the programming area, in relation to the rest of the EU Member States, the Mediterranean Countries and the Balkans.
- Effective partnership between research institutions and the private sector in order to promote innovation in the economic sectors and consequently increase employment and contribute to economic growth.
- Promotion of innovation of processes and products as to improve the competitiveness of the area.
- Improve Information and Communication Technologies, in an attempt to strengthen the potential of new enterprises to produce traditional products and contribute to the increase of exports to the European and Balkan market.
- Strengthening the collaboration in health and education.
- Sustainable tourist development combined with the protection of the natural and cultural environment.
- Protection and promotion of the natural and cultural environment, according to the principle of the development of the quality of life of the habitants of the area.
- Focus on the protection and improvement of the urban environment through the development of infrastructures for liquid and solid waste management and the utilisation of alternative forms of energy
- Promotion of the communication networks, through the use of Information Technologies, with the objective of promoting common actions for the cultural and social development of the cooperation area.

3 The Development Strategy of the Programme

3.1 Strategy and formulation process and identification of the objectives of the programme

The intervention area consists of four regions which all have a maritime border. Each of the four regions has adopted a concrete development strategy, which is clearly presented in the relevant Italian and Greek NSRFs. However each regional NSRF does not focus on the cross border maritime space and therefore this programme will focus on the cross-border cooperation of the regions to the programming area. This strategy will be achieved through national and community resources.

In order to form a realistic and explicit strategy for the cross – border Programme Greece – Italy it is necessary to take into consideration all the relevant **input** such as:

- The conclusions from the analysis of the internal and external environment of the intervention area and the development perspectives
- The NSRF strategies for the eligible regions and the ROPs of Western Greece, the Ionian Islands, Epirus and Apulia
- The Regulations for the Structural Funds
- The Lisbon and Gothenburg strategy.
- The Community Strategic Guidelines (CSG).
- The National Reform Programme (NRP) of Greece and Italy.
- Other Programmes acting in the intervention area (Mediterranean, SEES, CBC-IPA Adriatic, URBACT II, INTERRG IVC, Trans MED, CBC ENPI MED)

In addition, the formulation of the strategy should also take into account the following **accepted facts**:

- The Cross-Border Programme is one of the EU funded interventions acting in the programme area and specifically the smallest one in terms of total public expenditure compared to other Regional or sectoral programmes with interventions in the programming area. Its specific mission is to improve and develop the border relations and partnership between Greece and Italy. Consequently, the strategy of the Programme should both focus on cross border actions and function in a synergistic and complementary manner with the other Programmes in the area.
- This strategy should be concrete and focus on a limited number of strategic goals emphasizing on the maritime character of the border. In addition, the strategy for the cooperation area focuses both on the utilisation of its comparative advantages, and on dealing with its weaknesses.
- The experience gained in the previous programming period (2000-06) from the relevant CIP Interreg IIIA Greece-Italy should be taken into consideration in the current Programme
- The planning process of the present Programme was supported through open consultation procedures, and for this purpose, the strategy has incorporated the bottom-up demands of local bodies, which are aware of the area needs and have management experience from the previous programming period.

3.1.1 NSRF Strategies of the eligible regions

Region of Western Greece focuses on the development and accelerated completion of transport infrastructures and services and specifically the construction and function of the western motorway axis (connecting Corinth & Patras). Upgraded transport infrastructures are expected to enhance economic restructuring in the region and boost economic development. Important place is also given to combined transports (e.g. development of merchandising stations). Emphasis will also be given in investing to the knowledge society and reorientation of productive potential into services and products high added value. Relevant interventions include the enhancement of collaboration between universities, research institutes and enterprises, foundation of young and modernisation of existing enterprises with accent in innovative products and new technologies through the exploitation of the regional tertiary educational institutes. Based on the comparative advantages as of climate, geographic place, natural and archaeological-cultural resources an important element of strategy is the tourist growth with emphasis on special - alternative forms of tourism. Finally, the region strategy focuses also on the protection and improvement of urban environment (e.g. improvement of environmental infrastructures for the treatment and management of solid and liquid waste) along with the exploitation of alternative forms of energy.

The **Ionian Island Region** focuses on the quality upgrade and differentiation of tourist product with new and alternative possibilities adjusted to the local identity. Emphasis will be given in the improvement of collaborations between (public) research institutions (mostly the Ionian University) and enterprises towards enhancement of applied research, the link of entrepreneurship with innovation and the orientation of the local traditional sectors to higher added value sectors. Special electronic services will be developed for areas with special topology, such as urban, isolated, coastal areas, aiming to the territorial cohesion. Due to the particular character of the islands, priority will be given to connecting the islands (marine connections and port infrastructures) along with their connection to the mainland. Finally, attention will be paid to the water supply, the completion and modernisation of water supply and sewerage networks and the environmental preservation of the area through a concrete waste management plan.

In the **Epirus Region** strategy is focused on the completion of transport infrastructures (Egnatia road) along with inter-trade infrastructures, which will promote the region to be the western gate of Greece from EU and Balkan countries and contribute to the enhancement of the regional competitiveness and the improvement of entrepreneurial activities. In addition, emphasis will be given on the improvement of telecommunication, especially broadband services, development of wireless networks and digital services in the enterprises and especially in remote areas. Priority will be given in innovation and entrepreneurial competitiveness through support of R&D and exploitation of tertiary education institutions in the region (development of regional innovative pole, know how transfer and exploration of technological perspectives in selected sectors). Since environment is one of the regional advantages, biological agriculture and livestock-farming will be enhanced along with alternative forms of tourism and integrated action

plans for the protected areas and ecosystems - NATURA 2000. Special interest will be given in the preservation and promotion of the cultural heritage

The **Apulian regional strategy** focuses on the improvement of social economic and transport infrastructures, which create the enabling environment for the private sector to improve its competitiveness and its innovation capacity. In particular transport policies should, respond to the needs emerging from circulation of goods and persons and improve the connections of Apulia to national and international destinations. Moreover the regional strategy addresses the need to improve the educational system in terms of infrastructure and IT technologies and better manage natural resources such as water, soil and coastal areas.

The Apulian strategic document also addresses the issue of internationalisation and territorial cooperation as to increase the degree of international projection of the regional enterprises and of the all territorial actors in the various dimensions: cross-border, trans-national, interregional and “neighborhood”. Therefore the internationalisation axes (VIII) of the FESR Regional OP pursues the general objective of “strengthening the current level of opening of the Apulia Region and support its active participation to multiple governance levels”. The general objective is declined in four priorities:

1. Ensure a governance of the regional processes of internationalisation
2. Accelerate the dissemination of internationalisation culture and knowledge
3. Strengthen the competitiveness of the international “Apulian system”.
4. Strengthen the role of the region in the context of international cooperation

Specific objectives are those of a) strengthening the capacities of the public actors to develop territorial cooperation policies; b) strengthening the cooperation between public institutions and development actors; c) consolidate the international position of the region through the valorisation of its territorial excellences in specific sectors also in view of the participation to the Mediterranean free exchange market foresees for 2010 d) improve the cooperation between institutions and local actors as to maximise the impact on the territory.

The region FESR OP focuses on the gradual transformation of its productive model from traditional productive sectors (industries of textile manufacturing products, shoes and furniture), to more dynamic sectors of high output, that are related with the new technologies. Special concern will be given to policies supporting SMEs with less than 10 employees, which consist 96% of all SMEs in the region. In addition, priority will be given to the environmental re-establishment of industrial regions (e.g. Taranto, Brindisi) along with the exploitation of alternative forms of energy.

3.2 The boarder programming framework

3.2.1 European Development framework

With the accession of ten new member states in 2004, and lately with 2 additional ones (after the accession of Romania and Bulgaria to the Union in 2007) the development gap

between regions has doubled, bringing many former recipients above the 75% threshold. As a result, most beneficiaries of the cohesion policy are now located in central and eastern Europe. Consequently, the Commission proposed a new legislative package in order to concentrate Structural and Cohesion funds spending on Lisbon (innovation, growth, jobs) and Gothenburg (sustainable development) goals. Both the Council and the European Parliament came to an agreement on the controversial reform in June/July 2006.

As from 2007, the EU Cohesion policy will revolve around three new priorities or 'objectives':

- Convergence (formerly Objective 1): support for growth and job creation in the least developed member states and regions. Regions whose per capita GDP is less than 75% of the EU average will be eligible (mostly regions from new member states), but temporary support (until 2013) will be given to regions where per capita GDP is below 75% for the EU-15 (the so-called 'statistical effect').
- Competitiveness and employment (formerly objective 2): designed to help the richer member states deal with economic and social change, globalisation and the transition to the knowledge society. Employment initiatives are to be based on the European Employment Strategy (EES) (adaptability of the workforce, job creation and accessibility to the labour market for vulnerable persons).
- Territorial co-operation: to stimulate cross-border co-operation in order to find joint solutions to problems such as urban, rural and coastal development, the development of economic relations and the networking of SMEs. A new cross-border authority will be set up to manage co-operation programmes.

According to the Community Strategic Guidelines on cohesion 2007-2013 and in line with the renewed Lisbon strategy, programmes co-financed through the cohesion policy should seek to target resources on the following three priorities:

- improving the attractiveness of Member States, regions and cities by improving accessibility, ensuring adequate quality and level of services, and preserving their environmental potential;
- encouraging innovation, entrepreneurship and the growth of the knowledge economy by research and innovation capacities, including new information and communication technologies; and
- creating more and better jobs by attracting more people into employment entrepreneurial activity, improving adaptability of workers and enterprises and increasing investment in human capital.

3.2.2 National Strategic Framework

Greece

The developmental policy of EU based on the Lisbon strategy was specialised by Greece in the National Reform Program (NRP) 2005-2008. Strategic objectives of NRP are the increase of employment and growth with social cohesion. The NRP included interventions focused on budgetary cleansing and public finances viability along with

structural changes (improvement of the entrepreneurial environment, opening of markets and increase of competition). In addition the NRP includes actions «for the promotion of the knowledge society, research, growth and innovation», «the capital markets, the environment and the viable growth, the regional and social cohesion, as well as the re-establishment of Public Administration».

In addition, Greece issued the National Strategic Reference Framework (NSRF) for the programmatic period 2007-2013 which reflects the national strategy and outlines the links of the Community priorities with the NRP. The national strategy focuses on policies, which will enable regions, but also the cities of the country, to become attractive for enterprises in a way that will both improve living standards and blunt the transregional and intraregional inequalities.

The fundamental development vision for the new programmatic period is:

"the enlargement of the country's developmental possibilities, the acceleration of economic enlargement rate and the increase of productivity in levels higher than EU average, in order to achieve real convergence and to improve quality of life for all citizens without exclusions"

For the achievement of the development vision, the strategy focuses on:

- the promotion and linking of innovation, research and entrepreneurship
- the investment in viable infrastructures,
- the investment in the human capital.

The Greek NSRF sets **five (5) thematic priorities**, which translate the strategy as follows:

- i. Investment in the productive sector of economy
- ii. Society of knowledge and innovation.
- iii. Employment and Social Cohesion.
- iv. Institutional Environment.
- v. Attractiveness of Greece and Regions, as place of investments, work and existence.

The growth strategy of the country is completed with its territorial dimension. As far as territorial development is concerned three objectives exist, which set out the content of territorial growth:

- development of a balanced and polycentric urban system and a new relation between cities and the countryside,
- equal access for all
- sustainable growth and rational management and protection of the natural and cultural heritage.

These objectives highlight five territorial priorities:

- viable urban growth,
- growth of mountainous regions,
- growth of islander regions,

- growth of rural regions and regions that are closely connected with fishery,
- Cross-border, inter-country and trans regional collaboration.

Due to its geographic place, Greece gives particular attention in **cross-border collaboration**, both in bilateral (with its internal and external borders) and in multilateral. Within the frame of bilateral collaboration, Greece develops collaborations with old and new member states as Italy, Cyprus, as well as Bulgaria (member state from 01.01.2007), with candidate member states as Turkey and with probably candidate members as Albania and FYROM. In the frame of multilateral collaboration Greece will have the possibility of collaboration with countries of Mediterranean Basin, Black Sea and the Adriatic Sea.

More concretely, the priorities that are placed in level of cross-border collaboration are the following:

- Entrepreneurship, tourism and culture
- joint protection and management of environment, water management systems, waste and energy
- promotion of Research, development of information and communication networks
- common use of health – education infrastructures and collaboration in human potential and the administrative and juridical collaboration
- accessibility services through collaboration on issues in both land and maritime borders

Italy

The main challenges faced by the Italian economy should be viewed primarily against a macroeconomic backdrop wherein the government's chief commitment is to stabilise public finances. This is fundamental both for public spending and getting the Italian economy back to stability, without which it will not be possible to achieve lasting growth. In order to deliver on the above objectives, the 2007-2009 budgets are approx. 2.3% of GDP, 1% of which will be used to correct public finances and the other 1.3% to support growth.

Regarding international challenges², faced by all EU economies, Italy intends to respond via a strategy aimed at raising the potential growth rate of the economy through measures involving productivity factors, the economic and regulatory framework, and the features of the productive system itself. This will mean greater innovation and research, greater facility in terms of access to capital markets, businesses growing in size, support for increasing international operations, and the capability to attract foreign investment.

In order to return to a growth rate consistent with the country's capacities, Italy confirms the five intermediate objectives contained in the 2006-2008 NRP, but also intends to "change gear" through five objectives:

² *International Challenges are referred as "(...) having to compete with the increasingly sharp economic growth being recorded by new countries, and global markets (...)"*

- improve market efficiency, through increasing competition and simplifying legislation, via actions to reduce entry barriers to protected markets, liberalize services, and reduce the time needed to acquire administrative authorizations;
- The aim is to encourage entrepreneurial initiative and increase the welfare of consumers. The numerous measures proposed in respect of better regulation and reform of the public administration, e.g. simplifying and reducing administrative costs, which are intended to reduce the burden of public spending on the rest of the economy and encourage companies to grow in size, also form part of the same rationale.
- Promote research and innovation, with targeted incentives to strengthen public private partnership. The goal is to reach a degree of investment in research equal to 2.5% of GDP by 2010, two-thirds of which will be funded by the private sector;
- Incentive mechanisms for private investment, such as tax credit on research and grants to researchers, aim to provide immediate impetus for research activities. The government's intention is to extend the range of sectors for investment, opening it up in particular to sectors of excellence or high technology, and developing a programme to leverage more fully on human resources, with the objective of setting up centres of excellence and attracting highly-qualified specialists.
- International research programme agreements improve the competitiveness of the public research system. In conjunction with the United States, Israel and Japan a total of 56 projects have been approved, the majority of which have already been launched. Other scientific cooperation agreements with Mediterranean countries (Morocco, Tunisia, Palestine and Turkey) are currently being finalized. Other projects with Canada, the United Kingdom and India are currently being appraised.
- The research and innovation policies take into account the fact that the majority of the Italian enterprises are SMEs.
- increase participation in the labour market and encourage investment in human capital, thus rendering employment policies into policies increasing the quality of work, enhance efforts in terms of permanent training, and boost the education system's effectiveness;
- The government aims at reducing areas of inactivity, increase the rate of "good" employment, make work more attractive and rewarding, and tackle the black market economy, thus reducing the under-employment of human resources and forms of job insecurity that continue to characterize the Italian economy and society. Steps have already been taken in order to reduce the tax wedge both as far as employers and employees are concerned. In order to tackle the ageing of the Italian society, young people and women should be encouraged into work through active employment policies, as well as more experienced workers to remain in the job market through a series of re-employment incentives, while social policies should be able to offer more services and assistance. A policy of "flexicurity" which ensures adequate protection for the worker against a backdrop of increased flexibility and more frequent job changes, a reform of the pension system in such a way as to gradually extend the average working life, and a controlled immigration policy will contribute to a more active and fairer society by reducing the forms of social exclusion currently reflected in Italian society.

- upgrade infrastructures, through concentrating funding on projects deemed to be a priority for our economy, with a view to increasing the country's productivity;
- The goal is to reduce the disparities between Central/Northern Italy and Southern Italy. Funds are geared towards both physical infrastructure and technology for transport. The project for a "logistics plan", that should render Italy a platform for Europe, will allow for an expansion in commercial flows arriving in the Mediterranean. The national logistics plan was approved by the inter-ministerial committee or CIPE with the following objectives: encouraging auto-transport companies to grow in size; re-balancing the competitiveness of Italian auto-transport firms vis-à-vis non-Italian companies; ensuring efficient allocation of traffic; renewing the vehicle fleet; finalizing deregulatory measures and de-legislation in order to remove barriers to the auto-transport market.
- Reconcile environment protection with technological progress, through developing technologies to increase energy efficiency and support the competitiveness of Italian business.
- Protecting the environment is an opportunity to develop excellence technologies in area such as energy efficiency, increased use of renewable energy sources, and development of hydrogen as an energy carrier. It is a priority for Italy to step up international dialogue between consumer countries and bilateral relations with producer countries, as it is to develop plans for energy infrastructure corridors with the Euro- Mediterranean area and the countries of South-East Europe.
- Italian regional policy, based on close co-operation between government and regions, will provide a substantial contribution to attaining the Lisbon objectives. A significant proportion of the micro-economic and employment policies described in the Report for 2006-2008 use funding sources, such as structural funds and funds for under-utilized areas, that are specifically designed for such purposes. Regional development policy, which will be finalized in the 2007-2013 national strategic framework, is intended to make an increasing commitment to growth and employment.

3.3 Strategy Vision for Development

The strategy for the intervention area focuses on both the comparative advantages, and the tackling of weaknesses. In addition, the strategy tries to satisfy the national (NSRF, NRP) and Community (Lisbon strategy, Community Strategic Guidelines) guidelines, Structural Funds Regulations) and to confront potential risks en route to the economic and social convergence

Based on the former analysis, the Overall Objective for the development of the programming area during the programming period 2007-2013 is the following:

To strengthen the competitiveness and territorial cohesion in the programme area towards sustainable development by linking the potential from both sides of the cross-border maritime line

The programme will especially aim at connecting markets and communities by improving their accessibility. Thematic specialization of the Cross Border Programme will enable know how transfer across the cross border intervention area and will set the ground upon which common structures for sustainable development will be created. The joint activation of both the human and economic capital in the cross-border regions will lead to a more rapid integration within the global economy, to improved internal cohesion, to increased investment attractiveness and to upgraded environmental quality.

3.4 Strategic Objectives and Axes

Territorial cooperation for the eligible regions constitutes both a challenge and an opportunity for the programming period 2007-2013. Polycentric spatial development with a new relationship between urban and rural areas parity of access to infrastructure and knowledge along with wise management of the natural and cultural heritage represent already major objectives for balanced and sustainable growth, which are included in the European Territorial Development Plan. Regarding the fundamental elements of the programming period 2007-2013 the following should be highlighted:

- The incorporation of territorial collaboration within the generic objective of social and economic cohesion in the EU.
- The consolidated, multifaceted experience, which should be exploited towards the continuation and expansion of territorial cooperation and its adaptation within the objectives of sustainable growth and knowledge society.

Within this framework achieving and serving the overall objective identified by the analysis of current situation and SWOT analysis among others a series of **strategic objectives** were developed, which constitute the policy outline for the convergence in the area of intervention. Specifically, these objectives are:

- i. Support for sustainable economic growth by focusing on common comparative advantages;
- ii. Improve the accessibility to networks and services in the cooperation area so as to enhance mobility of people and goods;
- iii. Improve the quality of life, preserve and effectively manage the Environment and increase Social and Cultural cohesion.

Strategic Objective 1: Support of sustainable economic growth by focusing on common comparative advantages

This general objective focuses on the need to reinforce entrepreneurship through networking and collaboration, in order to reduce weaknesses and take advantage from regional dynamics with emphasis on internationalization. The support to entrepreneurship by focusing on diversification of products and export activity increase is expected to overcome obstacles and improve market access mostly in mountainous and island areas. Additionally, entrepreneurship enhancement is expected to prioritise actions that strengthen activities which have a common competitive advantages such as sustainable tourism, agro industry etc.

This objective aims at supporting innovation and encouraging growth of the knowledge-based economy through research and development opportunities. Relevant interventions will aim at supporting the use of new technologies and focus on the sectors such as health, environment, renewable energy, culture, agro industry and education. Moreover, this objective will enhance research and innovation, as a tool to increase the competitiveness of the enterprises that undertake such actions. The existence of a number of tertiary education institutes in the intervention area is an important asset, in order to improve the human capital especially if those which are able respond to the needs of the local labour market and to cooperate effectively with the private sector. Finally, lifelong learning activities will be encouraged in topics of mutual interest for private sector, education and public administrations.

Strategic Objective 2: Improve the accessibility to networks and services in the cooperation area, so as to enhance mobility of people and goods

The accessibility, i.e. the secure, fast and comfortable transport of persons (residents and visitors), products, information and networks, considerably influences the attractiveness of an area, with an impact on people and their activities.

In terms of transport accessibility the wide maritime character of the border line makes the improvement in maritime transport, port links and increased security imperative. Improved transport accessibility is considered to have a positive effect on tourism, which is one of the relevant economic sectors and has an impact on the trade balance and on export of goods in the neighbouring regions and countries.

Moreover, network accessibility enables the improvement of communication and dissemination of information and has a positive impact on upgrading services delivered to people (such as e-health, e-government, etc), and on improving communication, which is important for the remote mountainous and island areas, and on the improvement of quality of life. In addition, it sets the ground for joint actions and enhances collaborations along the border line.

Strategic Objective 3: Improve the quality of life, preserve and effectively manage the Environment and increase Social and Cultural cohesion

The PA is characterised by the existence of rich natural environment and a big number of natural beauty areas. Therefore, the new strategic objective of the intervention area is focused on growth based on the promotion of the natural resources and the protection of the natural environment. This strategic objective also includes interventions focused on the prevention and management of natural and technological threats. The geopolitical position (daily passage of numerous passenger and commercial boats), the sensitive ecosystem along with the necessity to raise awareness require interventions which contribute to protect and effectively manage them for the double purpose of improving the quality of life and increase the attractiveness of the territory. A component of this objective is also the focus on increasing the use Renewable of Energy Sources (solar, wind) and support the production of bio fuels.

The protection and the effective management and the promotion of these natural resources will improve the attractiveness of the programming area, along with maintaining its environmental possibilities. Moreover the protection and promotion of natural heritage, common use of foreign languages or multilingual communities contributes to improving tourist and cultural services and thus developing the perspectives of the programming area.

The programming area has a wide cultural heritage and includes a significant number of globally famous monuments and archaeological sites. This cultural network is the basis for tourist development and therefore joint interventions to highlight the cultural wealth is strongly enhancing the attractiveness of the area and allows for economic growth.

This objective also includes actions of social collaboration e.g. social welfare infrastructure focusing on enhancing the employment of women or supporting vulnerable groups.

These three strategic objectives can be expressed as three priority axes (plus the technical Support Axis), which are:

- **Priority Axis 1:** Strengthening competitiveness and innovation
- **Priority Axis 2:** Improve accessibility to sustainable networks and services
- **Priority Axis 3:** Improving the quality of life, protection of the environment and enhancement of Social and cultural cohesion
- **Priority Axis 4:** Technical Assistance for Implementation

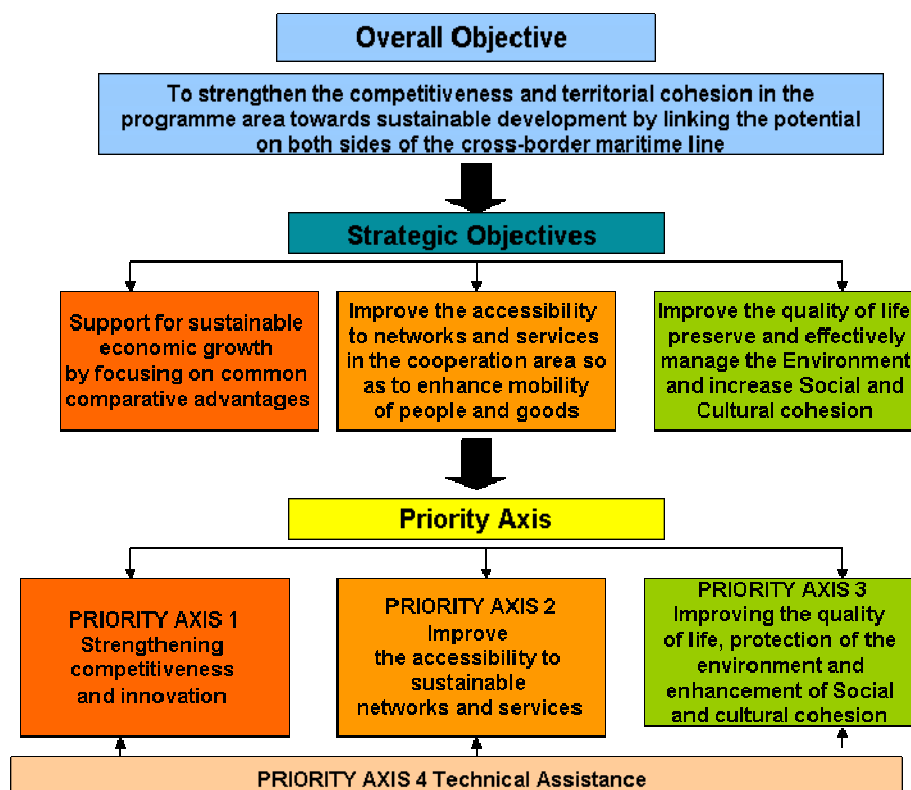


Figure 3-1: Vision, general objectives and priority axes of CBC Programme Greece – Italy

Each priority axis is structured in specific objectives as follows:

Priority axis 1: Strengthening competitiveness and innovation

Specific Objective 1.1: Strengthening interaction between research, innovation and entrepreneurship

Specific Objective 1.2: Promoting cross-board advanced new technologies

Priority axis 2: Improve accessibility to sustainable networks and services

Specific Objective 2.1: Promotion of cross-border integrated and sustainable connections

Specific Objective 2.2: Improvement of transport, information and communication networks and services

Priority axis 3: Improving the quality of life, protection of the environment and enhancement of Social and cultural cohesion

Specific Objective 3.1: Promotion of social and cultural integration

Specific Objective 3.2: Valorisation & improvement of joint protection & management of natural resources, prevention of natural and technological risks

Specific Objective 3.3: Protection of health

Priority axis 4: Technical Assistance for Implementation

Specific Objective 4.1: Support for the management, monitoring, implementation and audit of the programme's operations

Specific Objective 4.2: Support for the broad publicity and information of the programme

3.4.1 Logical Framework

The following table shows the logical framework, which provides a handy summary to inform the way the CBC was developed. The Logical Framework starts combining the strengths and weaknesses traced in the current situation analysis in order to decide a policy (see also chapter 2). Then the policy is checked in relevance to Community priorities of the Regulation 1080/2006 and finally is analysed in relation to the synergies it exhibits with the Priority Axes strategic and specific objectives.

Table 3-1: Logical Framework of the Programme

Strengths	Weakness	Policies	Regulation 1080/2006	Strategic and specific objectives									
				P.A.1 Strengthening and innovation	S.O.1.1 Strengthening of interaction between research, innovation and entrepreneurship	S.O.1.2 Promoting cross-border advanced information communication	P.A.2 Improving accessibility. Protection of natural resources and	S.O.2.1 Promotion of cross-border integrated and sustainable linkage.	S.O.2.2 Improvement of transport, information and communication networks and services.	P.A.3 Promotion of networks - services	S.O.3.1 Promotion of social and cultural integration.	S.O.3.2 Encouragement & improvement of joint protection & management of natural resources, prevention of natural and technological risks.	S.O.3.3 Protection of health.
			European territorial cooperation (Art.6)	P.A.	S.O.		P.A.	S.O.		P.A.	S.O.		
				1	1.1	1.2	2	2.1	2.2	3	3.1	3.2	3.3
1. Development of cross-border economic, social and environmental activities through joint strategies for sustainable territorial development				✓			✓			✓			
<ul style="list-style-type: none"> Strong tertiary sector High number of enterprises in many economic sectors 	<ul style="list-style-type: none"> Low per capita GNP and high degree of differentiation within the programming area Insufficient integration of tourist services, infrastructures and fast direct connections 	<ul style="list-style-type: none"> Promotion of export services in neighbouring developing countries Integrated and sustainable approach of entrepreneurship 	(a) encouraging entrepreneurship, development of SMEs, tourism, culture, and cross-border trade			✓							
<ul style="list-style-type: none"> Rich environmental endowment Adequate number of Protected Areas 	<ul style="list-style-type: none"> Lack of a concrete strategy for the social and economic development of protected areas 	<ul style="list-style-type: none"> Development of transnational and territorial collaboration in order to face common environmental problems. 	(b) encouraging and improving the joint protection and management of natural and cultural resources, as well as the prevention of natural and technological risks;							✓	✓		
<ul style="list-style-type: none"> Environmental networks 	<ul style="list-style-type: none"> Accessibility problems in several rural areas particularly islander areas Air pollution in the 		(c) supporting links between urban and rural areas;										

Strengths	Weakness	Policies	Regulation 1080/2006	Strategic and specific objectives										
				P.A.1 Strengthening and innovation	S.O.1.1 Strengthening of interaction between research, innovation and entrepreneurship	S.O.1.2 Promoting cross-border advanced information communication	P.A.2 Improving accessibility. Protection of natural resources and	S.O.2.1 Promotion of cross-border integrated and sustainable linkage.	S.O.2.2 Improvement of transport, information and communication networks and services.	P.A.3 Promotion of networks - services	S.O.3.1 Promotion of social and cultural integration.	S.O.3.2 Encouragement & improvement of joint protection & management of natural resources, prevention of natural and technological risks.	S.O.3.3 Protection of health.	
				P.A.	S.O.		P.A.	S.O.		P.A.	S.O.			
			European territorial cooperation (Art.6)	1	1.1	1.2	2	2.1	2.2	3	3.1	3.2	3.3	
	urban centres													
<ul style="list-style-type: none"> ▪ Adequate level of road and maritime infrastructure 	<ul style="list-style-type: none"> ▪ Weakness in the communication and transport networks within the programming area ▪ Deficient measures for monitoring and protecting the environment both natural disasters and human activities 	<ul style="list-style-type: none"> ▪ Completion of transport infrastructures. 	(d) reducing isolation through improved access to transport, information and communication networks and services, and cross-border water, waste and energy systems and facilities;						✓			✓		
<ul style="list-style-type: none"> ▪ Significant number of health services in the Programming Area ▪ Important endowment of natural and cultural patrimony that attracts many tourists ▪ Adequate education infrastructures and research 	<ul style="list-style-type: none"> ▪ Such territories (islands, rural and mountains) suffer of a shortage personnel as well as technical and scientific health equipment ▪ Weak link between education offer and labour market demand 	<ul style="list-style-type: none"> ▪ Development of productive synergies and complementarity with sectors of high efficiency. 	(e) Developing collaboration, capacity and joint use of infrastructures, in particular in sectors such as health, culture, tourism and education.						✓		✓		✓	

Strengths	Weakness	Policies	Regulation 1080/2006	Strategic and specific objectives										
				P.A.1 Strengthening and innovation	S.O.1 Strengthening of interaction between research, innovation and entrepreneurship		S.O.1.2 Promoting cross-boarder advanced information communication	P.A.2 Improving accessibility. Protection of natural resources and	S.O.2.1 Promotion of cross-border integrated and sustainable linkage.	S.O.2.2 Improvement of transport, information and communication networks and services.	P.A.3 Promotion of networks - services	S.O.3.1 Promotion of social and cultural integration.	S.O.3.2 Encouragement & improvement of joint protection & management of natural resources, prevention of natural and technological risks.	S.O.3.3 Protection of health.
				P.A.	S.O.		P.A.	S.O.		P.A.	S.O.			
			European territorial cooperation (Art.6)	1	1.1	1.2	2	2.1	2.2	3	3.1	3.2	3.3	
activities in the Programming Area														
2. Establishment and development of transnational cooperation through the financing of networks and of integrated territorial development				✓			✓			✓				
<ul style="list-style-type: none"> ▪ Adequate number of universities and scientific centres ▪ Presence of innovative and high tech enterprise clusters ▪ Considerable student exchange alongside the maritime border 	<ul style="list-style-type: none"> ▪ Low number of patents registry and low rate of expenditure for research and innovation 	<ul style="list-style-type: none"> ▪ Networking of Research and Technological institutions in the programme area ▪ Strengthening of the technological and entrepreneurial innovation through state support, financial motives and capital investment combating private under - investment in the RTD 	(a) innovation: creation and development of scientific and technological networks, the enhancement of regional R&TD and innovation capacities		✓									

Strengths	Weakness	Policies	Regulation 1080/2006	Strategic and specific objectives									
				P.A.1 Strengthening and innovation	S.O.1.1 Strengthening of interaction between research, innovation and entrepreneurship	S.O.1.2 Promoting cross-boarder advanced information communication	P.A.2 Improving accessibility. Protection of natural resources and	S.O.2.1 Promotion of cross-border integrated and sustainable linkage.	S.O.2.2 Improvement of transport, information and communication networks and services.	P.A.3 Promotion of networks - services	S.O.3.1 Promotion of social and cultural integration.	S.O.3.2 Encouragement & improvement of joint protection & management of natural resources, prevention of natural and technological risks.	S.O.3.3 Protection of health.
				P.A.	S.O.		P.A.	S.O.		P.A.	S.O.		
			European territorial cooperation (Art.6)	1	1.1	1.2	2	2.1	2.2	3	3.1	3.2	3.3
<ul style="list-style-type: none"> High number of cultural interest sites Important endowment of natural and cultural patrimony that attracts many tourists Favorable conditions for the use of renewable energies 	<ul style="list-style-type: none"> Low energy production rate from renewable recourses Weak promotion and lack of active management of cultural sites 	<ul style="list-style-type: none"> Sustainable energy policy 	(b) environment: water management, energy efficiency, risk prevention and environmental protection with a clear transnational dimension and protection and enhancement of the natural heritage in support of socio-economic development and sustainable tourism;								✓	✓	
<ul style="list-style-type: none"> The geographical position near the main Mediterranean and Balkan Trans-European Axis and Mediterranean Sea-Motors makes the programming area accessible through its 	<ul style="list-style-type: none"> Competition from the Northern European ports and airports 	<ul style="list-style-type: none"> Appointment of the programming area as conjunctive ring between EU and Mediterranean (eg supply of EC with natural gas). Upgrading traditional industrial sectors to high 	(c) Accessibility: activities to improve access to and quality of transport and telecommunications services where these have a clear transnational dimension.					✓	✓				
	<ul style="list-style-type: none"> Low integration of transport modality and transport related services 		(d) Sustainable urban development: strengthening polycentric development at transnational, national and regional level, with a clear transnational impact.								X		

Strengths	Weakness	Policies	Regulation 1080/2006	Strategic and specific objectives										
				P.A.1 Strengthening of competitiveness and innovation	S.O.1 Strengthening of interaction between research, innovation and entrepreneurship		S.O.1.2 Promoting cross-boarder advanced information communication	P.A.2 Improving accessibility. Protection of natural resources and	S.O.2.1 Promotion of cross-border integrated and sustainable linkage.	S.O.2.2 Improvement of transport, information and communication networks and services.	P.A.3 Promotion of networks - services	S.O.3.1 Promotion of social and cultural integration.	S.O.3.2 Encouragement & improvement of joint protection & management of natural resources, prevention of natural and technological risks.	S.O.3.3 Protection of health.
				P.A.	S.O.		P.A.	S.O.		P.A.	S.O.			
			European territorial cooperation (Art.6)	1	1.1	1.2	2	2.1	2.2	3	3.1	3.2	3.3	
connection with the other European countries		value added ones in accordance with the spatial plan alongside the maritime border												
3. Reinforcement of the effectiveness of regional policy				✓						✓				
			(a) interregional cooperation focusing on innovation and the knowledge economy and environment and risk prevention in the sense of Article 5(1) and (2);		✓								✓	
			(b) exchanges of experience concerning the identification, transfer and dissemination of best practice including on sustainable urban development as referred to in Article 8											
			(c) actions involving studies, data collection, and the observation and analysis of development trends in the Community.											

3.4.2 Hierarchy of priorities

The total funds (public expenditure) committed to the cooperation area is 118,606,893€. The distribution of funds in the priority axes took into consideration the following:

- the indicative demand for projects per intervention code as expressed by the various stakeholders during the consultation and planning process of the programme.
- the experience emanating from the previous programming period 2000-2006.
- the findings / conclusions of ex-ante evaluation based on the context analysis.

The hierarchical order of the priority axes based on the fund distribution

- Priority Axis 3 "*Improving the quality of life, protection of the environment and enhancement of Social and cultural cohesion*" is the as the most important, in terms of financial weighting, since it is equal to 41% of the total funds. The aim of the Priority Axis 3 "*Improving the quality of life, protection of the environment and enhancement of Social and cultural cohesion*" is to improve the quality of life of the habitants, by strengthening the sectors of health, environment, culture and tourism.
- The other two axes are almost of equal significance, with a slight predominance of Priority Axis 1 "*strengthening, competitiveness and innovation*" which accounts for the 28% of the total public expenditure, while Priority Axis 2 "*Improve accessibility to sustainable networks and services*" accounts for 25% of the total public expenditure. The Priority Axis 1 "*strengthening, competitiveness and innovation*" will strengthen the interaction between innovation and entrepreneurship to the PA through the use of new technologies and the Priority Axis 2 "*Improve accessibility to sustainable networks and services*" will promote and improve transport, information, communication networks and services.

3.5 External Coherence of the Programme

3.5.1 Coherence with community policies

The overall objective and the Strategic Objectives of the Operational Programme are fully consistent with and contribute to the national and European priorities, as expressed in the relevant texts of the NSRF 2007-2013 of the National Reform Programmes (NRP), the Community Strategic Guidelines (CSG) for the Cohesion Policy, and the Integrated Guidelines (IG) for Development and Employment.

The Programme's strategy does not present any inconsistencies with the Community Strategic Guidelines for Cohesion, as the following matrix demonstrates. This qualitative coherence matrix explores the consistency denoted by [1] between the Strategic Guidelines for Cohesion and the specific objective (S.O) of the CBC Greece-Italy 2007-2013

Table 3-2: Coherence of the CBC Greece- Italy 2007 -2013 with community policies

	P.A. 1		S.O. 1 2		P.A. 2		S.O. 3 4		P.A. 3			S.O. 5 6 7			total
GUIDELINE: To make Europe and its regions the most attractive places for investment and employment														6	
1.1.1 Expansion and improvement of the transport infrastructure					X		1	1							2
1.1.2 Reinforcement of synergies among protection of the environment and development										X		1	1		2
1.1.3 Address intensive use of traditional energy resources					X		1			X			1		2
GUIDELINE: Improvement of the knowledge and innovation with the objective of development														9	
1.2.1 Increase and improvement of the investment targeting in RTD	X		1	1											2
1.2.2 Facilitation of innovation and promotion of the entrepreneurship	X		1	1											2
1.2.3. Promotion of Knowledge Society for...	X			1	X		1	1	X					1	4
1.2.4. Improvement of access to financing	X		1												1
GUIDELINE: More and better work places														3	
1.3.1 Attraction and maintenance of more people in the labour market and modernization of the social security systems	X		1												1
1.3.2. Improvement of the adaptability of employers and enterprises and increase of the flexibility...															0
1.3.3. Increase of the investments in human resources through the improvement of training															0
1.3.4. Administrative skills									X		1				1
1.3.5. Protection of the employers' health									X				1		1

3.5.2 Coherence with national policies

The following table correlates the synergy between the priorities of the National Reform Programmes in Italy and Greece with the strategic (P.A.) and specific objectives (S.O) of the CBC Greece-Italy 2007-2013. This coherence matrix is qualitative and denotes with an [X] if there exists a synergy between objectives.

Table 3-3: Coherence of the CBC Greece- Italy 2007 -2013 with the National Reform Programmes

	P.A. 1		S.O. 1 2		P.A. 2		S.O. 3 4		P.A. 3			S.O. 5 6 7		
NRP 2005-2008 Greece														
Establishment of financial balance and securing of sustainable public finance														

	P.A.		S.O.		P.A.		S.O.		P.A.		S.O.	
	1	1	2	2	3	4	3	5	6	7		
Productivity increase, handling of structural problems, investment in human capital	X		X				X	X			X	
Improvement of the business environment, reinforcement of competition, market opening, increase of extroversion	X	X		X	X	X						
Employment increase, unemployment reduction, more effective function of training systems	X	X	X				X				X	
<i>Frequency</i>	3	2	2	1	1	1	2	1	0	2		
NRP 2006-2008 Italy												
Extend the area of free choice for citizens and corporate				X		X						
Improve education and training, employment policies and policies for social inclusion	X	X					X	X		X		
Strengthen scientific research and technological innovation	X	X	X									
Initiatives for protecting the environment	X	X					X		X			
Completing infrastructure				X	X	X						
<i>Frequency</i>	3	3	1	2	1	2	2	0	1	1		

Form the table above the following conclusions can be drawn:

- The Italian NRP presents synergy with the CBC Greece-Italy while on the other side the Greek NRP doesn't present any synergy with the first NRP Priority.
- The Priority Axis 1 illustrates at the same time the biggest synergy with the priorities of the Italian and Greek NRPs while the smallest synergy with the priorities can be demonstrated in the Priority Axis 2 for the Greek NRP while in the Italian NRP the Priority Axes 1 and Priority 2 illustrate equalities of synergies.

The following table is a qualitative coherence matrix showing the relevance between the main policies and priorities of the NSRFs of Greece and Italy with the strategic (P.A.) and specific objectives (S.O.) of the CBC Greece-Italy 2007-2013. The coherence is marked in the level of specific objectives (S.O.) of the Programme and is marked with [1] where relevance is traced.

Table 3-4: Coherence of the CBC Greece- Italy 2007 -2013 with the National Strategic Reference Frameworks (NSRF) of Italy and Greece

	P.A.		S.O.		P.A.		S.O.		P.A.		S.O.		<i>total</i>
	1	1	2	2	3	4	3	5	6	7			
NSRF GREECE													
<i>INVESTMENT IN THE PRODUCTIVE SECTOR OF THE ECONOMY</i>												6	
1. Extroversion and FDI inflow increase	X	1	1										2
2. Sustainable entrepreneurship development and increase of productivity	X	1	1										2
3. Differentiation of the tourist product	X	1					X	1					2
<i>KNOWLEDGE SOCIETY AND INNOVATION</i>												6	
4. Improvement of the quality and the intensity of investments in human capital													0

	P.A.		S.O.		P.A.		S.O.		P.A.		S.O.		total
	1	2	1	2	3	4	3	5	6	7	8	9	
and upgrade of educational													
5. Research & Development Reinforcement and innovation promotion as a factor of reformation and transition ...	X	1	1										2
6. Digital convergence with a more effective utilization of information and communication technologies	X		1	X	1	1						1	4
EMPLOYMENT AND SOCIAL COHESION													5
7. Reinforcement of the adaptability of employers and enterprises	X		1										1
8. Facilitation of access to employment	X	1											1
9. Promotion of Social Integration				X								1	1
10. Foundation of an efficient and financially sustainable health system				X								1	1
11. Advancement of the financial, social and developmental character of equality issues, direct connection to...	X	1											1
INSTITUTIONAL ENVIRONMENT													0
12. Improvement of the quality of public policies and effective implementation for the facilitation of business activity...													0
ATTRACTIVENESS OF GREECE AND OF THE REGIONS AS A PLACE OF INVESTMENT, EMPLOYMENT AND LIVING													6
13. Development and update of natural infrastructure and relevant services of the transport system				X	1	1	X						2
14. Secure energy supply based on sustainability				X								1	1
15. Sustainable management of the environment				X								1	1
16. Effective environmental policy				X								1	1
17. Advancement of Culture as a vital factor							X	1					1
SPATIAL PRIORITIES													
Sustainable urban development				X								1	1
Development of mountainous regions	X	1		X	1		X	1	1				4
Development of insular regions	X	1	1	X	1	1	X	1	1	1			7
Development of rural areas and areas that....with fishery	X	1	1	X	1		X	1	1	1			6
Cross-border, transnational, transregional cooperation	X	1	1	X	1	1	X	1	1				6
Contribution to Priorities (excl. spatial)	7	6	5	7	2	2	3	2	3	3			23
	P.A.		S.O.		P.A.		S.O.		P.A.		S.O.		total
	1	2	1	2	3	4	3	5	6	7	8	9	
NSRF ITALY													
7. Production systems competitiveness and employment	X	1	1										2
9. Extroversion and induction of investments, consumption and resources	X	1	1				X	1					3
10. Institutional capacity and competitive and efficient service and capital markets													0
2. Research, Innovation for competitiveness	X	1	1										2

	P.A.		S.O.		P.A.		S.O.		P.A.		S.O.		total
	1	2	3	4	5	6	7	8	9	10			
1. Improvement and enhancement of human resources													0
5. Social inclusion and services for quality of life improvement and area attractiveness			X	1							1		2
3. Sustainable and efficient use of environmental resources for development			X					1					1
4. Natural and cultural resources strengthening for regional development and attractiveness			X			X	1	1					2
6. Networks and linkages to ensure mobility			X	1	1	X							2
8. Competitiveness and attractiveness of cities and urban systems	X		1	X	1	X	1	1					4
Contribution to Priorities	4	3	4	5	3	1	4	3	3	1	1	18	

The Priorities and specific objectives of the Programme present coherence with the priorities of the Greek NSRF:

- ✓ The strategy contributes to all but one of the thematic priorities by presenting an increased contribution regarding the thematic of *Knowledge and Innovation* as well as the thematic of *Investment in the Productive Sector* and *Attractiveness of the Regions*.
- ✓ The Priority Axes show a similar level of coherence (5 or 6 points of positive correlation), except from Institutional Environment priority where no correlation seems to be identified.
- ✓ Better supported is NSRF's specific priority "Digital Convergence", presenting correlation to 4 specific objectives of the Programme.
- ✓ Regarding the contribution of each S.O. to NSRF, more correlation points to NSRF specific priorities are indicated in Specific Objective 1 and Specific Objective 2 (six and five points respectively).

Particularly in what concerns the NSRF Italy the following are stressed:

- ✓ All but 2 of the 10 thematic priorities of the Italian NSRF listed are fully covered, (*«Improvement and enhancement of human resources», «Institutional capacity and competitive and efficient service and capital markets»*).
- ✓ The highest correlation is found in Priority 8 "Attractiveness of Urban systems" that is being supported by 4 S.Os. Also, significant contribution goes to Priority 9 "Extroversion".
- ✓ Regarding the significance and the level of contribution of the Specific Objectives, Specific Objective 2 seems to present the most correlation points (4), vis-à-vis, Specific Objective (S.O.)4 and Specific Objective (S.O.) 7 that are correlated to a single NSRF Priority.

3.5.3 Coherence with regional policies

The following table exhibits the coherence between the CBC Greece-Italy 2007-2013 and the Regional Operational Programmes in the eligible regions of the programming area e.g. Puglia, Western Greece, Ionian Islands and Epirus. The coherence is

examined with the use of qualitative matrix with the indication [X] in all the cells denoting positive relevance between the strategic objectives of each ROP and the specific objectives (S.O.) of the CBC Greece-Italy 2007-2013.

Table 3-5: Coherence matrix of the CBC Greece – Italy 2007-2013 with the Regional Operational Programmes of Ipirus, Ionian islands, Epirus and Puglia

	<i>P.A.1 Strengthening competitiveness and innovation</i>	<i>S.O.1 Strengthening of interaction between research, innovation and entrepreneurship</i>	<i>S.O.2 Promoting cross-boarder advanced information communication technologies</i>	<i>P.A.2 Improving accessibility. Protection of natural resources and quality of life</i>	<i>S.O.3 Promotion of cross-border integrated and sustainable linkage.</i>	<i>S.O.4 Improvement of transport, information and communication networks and services.</i>	<i>P.A.3 Promotion of networks - services</i>	<i>S.O.5 Promotion of social and cultural integration.</i>	<i>S.O.6 Encouragement & improvement of joint protection & management of natural resources, prevention of natural and technological risks.</i>	<i>S.O.7 Protection of health.</i>
ROPs' Priorities for the Regions	P.A.	S.O.		P.A.	S.O.		P.A.	S.O.		
	1	1	2	2	3	4	3	5	6	7
Epirus										
Enhancement of entrepreneurial competitiveness and of innovation capacity		X	X							
Improvement of infrastructures and services accessibility					X	X				X
Sustainable management of natural and physical environment and protected areas management									X	
Investment in human capital										
Prominence of tourist and cultural identity								X		
Enhancement of intra-regional cohesion and balanced development					X					X
Promotion of digital convergence and modernisation and upgrade of Public Administration			X			X				X
Promotion of cooperation		X	X		X	X		X	X	X

	<i>P.A.1 Strengthening competitiveness and innovation</i>	<i>S.O.1 Strengthening of interaction between research, innovation and entrepreneurship</i>	<i>S.O.2 Promoting cross-boarder advanced information communication technologies</i>	<i>P.A.2 Improving accessibility. Protection of natural resources and quality of life</i>	<i>S.O.3 Promotion of cross-border integrated and sustainable linkage.</i>	<i>S.O.4 Improvement of transport, information and communication networks and services.</i>	<i>P.A.3 Promotion of networks - services</i>	<i>S.O.5 Promotion of social and cultural integration.</i>	<i>S.O.6 Encouragement & improvement of joint protection & management of natural resources, prevention of natural and technological risks.</i>	<i>S.O.7 Protection of health.</i>
ROPs' Priorities for the Regions	P.A.	S.O.		P.A.	S.O.		P.A.	S.O.		
	1	1	2	2	3	4	3	5	6	7
and networking between countries and Regions										
Ionian Islands										
Development of an active role in the broader Adriatic & Ionian area for centrality establishment		X	X		X	X		X	X	
Differentiation and quality upgrade of the productive system for enhancing Regional competitiveness		X	X					X		
Improvement of quality of life and preservation of environmental resources for boosting regional attractiveness									X	X
Improvement of general accessibility for enhancing regional cohesion and competitiveness					X	X				
Promotion of "polar" and "endogenous" local development for enhancing dynamicism and improving territorial cohesion of the Region			X			X		X	X	X

	<i>P.A.1 Strengthening competitiveness and innovation</i>	<i>S.O.1 Strengthening of interaction between research, innovation and entrepreneurship</i>	<i>S.O.2 Promoting cross-boarder advanced information communication technologies</i>	<i>P.A.2 Improving accessibility. Protection of natural resources and quality of life</i>	<i>S.O.3 Promotion of cross-border integrated and sustainable linkage.</i>	<i>S.O.4 Improvement of transport, information and communication networks and services.</i>	<i>P.A.3 Promotion of networks - services</i>	<i>S.O.5 Promotion of social and cultural integration.</i>	<i>S.O.6 Encouragement & improvement of joint protection & management of natural resources, prevention of natural and technological risks.</i>	<i>S.O.7 Protection of health.</i>
ROPs' Priorities for the Regions	P.A.	S.O.		P.A.	S.O.		P.A.	S.O.		
	1	1	2	2	3	4	3	5	6	7
Western Greece										
Enhancement and improvement of accessibility					X	X				
Environment Protection-Sustainable Development and Quality of life									X	X
Enhancement of entrepreneurship and competitiveness		X	X							
Development of human resources / improvement of administrative capacity of Public Administration										
Agricultural development - Fishery development										
Digital Convergence			X		X	X				X
Territorial cooperation		X	X		X	X		X	X	X
Puglia										
Adaptability		X	X							
Employment										
Social inclusion										
Human capital										
Transnational - interregional		X	X		X	X		X	X	X
Institutional capacity										

	<i>P.A.1 Strengthening competitiveness and innovation</i>	<i>S.O.1 Strengthening of interaction between research, innovation and entrepreneurship</i>	<i>S.O.2 Promoting cross-boarder advanced information communication technologies</i>	<i>P.A.2 Improving accessibility, Protection of natural resources and quality of life</i>	<i>S.O.3 Promotion of cross-border integrated and sustainable linkage.</i>	<i>S.O.4 Improvement of transport, information and communication networks and services.</i>	<i>P.A.3 Promotion of networks - services</i>	<i>S.O.5 Promotion of social and cultural integration.</i>	<i>S.O.6 Encouragement & improvement of joint protection & management of natural resources, prevention of natural and technological risks.</i>	<i>S.O.7 Protection of health.</i>
ROPs' Priorities for the Regions	P.A.	S.O.		P.A.	S.O.		P.A.	S.O.		
	1	1	2	2	3	4	3	5	6	7
Contribution to Priorities	13	6	7	13	7	6	17	4	5	8

Form the table above the following conclusions can be drawn:

- As a result, all the priority Axes demonstrate a synergy of priorities with ROPs. More precisely, Priority Axis 3 shows the biggest synergy, while the Priority Axis 1 and Priority Axis 2 illustrate identical frequency of synergy.
- At the S.O. level the biggest synergy can be observed with the S.O. 3.3 while the smallest one with the S.O. 3.1.

3.5.4 Coherence of CBC Greece – Italy with other Operational Programmes

The CBC Programme Greece-Italy shows coherence and complementarity with other operational programmes within the Objective of European Territorial Cooperation that concern very similar issues.

The “**CBC IPA Adriatic Cross-Border Cooperation Programme 2007-13**” includes seven other countries in the Adriatic area and selected areas from Greece and Italy, which are also included in the CBC Programme Greece-Italy. The areas which are covered by both programmes are two NUTS-3 Greek areas (Corfu & Thesprotia) and the Italian NUTS-2 Region of Apulia. The global objective of the Adriatic CBC Programme is to strengthen the sustainable development capacity of the Adriatic region and it is divided in four Objectives (including technical assistance) which are coherent with the Priority Axes of the CBC Operational Programme Greece-Italy:

- Objective 1 of the CBC IPA: “Economic, Social and Institutional Cooperation” is coherent with the first priority axis of the CBC OP Greece-Italy.
- Objective 2 of the CBC IPA: “Natural and Cultural Resources and Risk Prevention” is coherent with the second priority axis of the CBC OP Greece-Italy.
- Objective 3 of the CBC IPA: “Accessibility and Networks” is coherent with the second priority axis concerning accessibility and the third priority axis concerning the promotion of cultural resources and networking. (Table 4-6).

Table 3-6: Coherence CBC Greece-Italy with the IPA

	P.A.1 Strengthening competitiveness and innovation	S.O.1 Strengthening of interaction between research, innovation and entrepreneurship	S.O.2 Promoting cross- border advanced information communication technologies	P.A.2 Improving accessibility. Protection of natural resources and quality of life	S.O.3 Promotion of cross-border integrated and sustainable linkage.	S.O.4 Improvement of transport, information and communication networks and services.	P.A.3 Promotion of networks - services	S.O.5 Promotion of social and cultural integration	S.O.6 Encouragement & improvement of joint protection & management of natural resources, prevention of natural and technological risks.	S.O.7 Protection of health.
Priorities of territorial cooperation programmes	P.A.	S.O.		P.A.	S.O.		P.A.	S.O.		
	1	1	2	2	3	4	3	5	6	7
IPA ADRIATIC										
Economic, Social and Institutional Cooperation	X			X			X			
Improving research capacity, increasing levels of competence, encouraging the transfer of innovation, creation of networks, promoting joint activities	X	X								
Incentivising the territorial and productive systems to invest in research and innovation		X	X							
Creation of new, and strengthening of existing cooperation networks in social, labour and health policy						X				X
Promoting innovative services to the citizenry through the exchange of technical and government expertise and the exchange of best practice between										

	P.A.1 Strengthening competitiveness and innovation	S.O.1 Strengthening of interaction between research, innovation and entrepreneurship	S.O.2 Promoting cross-boarder advanced information communication technologies	P.A.2 Improving accessibility. Protection of natural resources and quality of life	S.O.3 Promotion of cross-border integrated and sustainable linkage.	S.O.4 Improvement of transport, information and communication networks and services.	P.A.3 Promotion of networks - services	S.O.5 Promotion of social and cultural integration	S.O.6 Encouragement & improvement of joint protection & management of natural resources, prevention of natural and technological risks.	S.O.7 Protection of health.
Priorities of territorial cooperation programmes	P.A.	S.O.		P.A.	S.O.		P.A.	S.O.		
	1	1	2	2	3	4	3	5	6	7
governments and local/public authorities										
Natural and Cultural Resources and Risk Prevention				X			X			
Promoting, improving and protecting natural and cultural resources also through joint management of technological and natural risks								X	X	
Improvement and defense of the coast, also through joint management of the sea and coastal environment and risk prevention.									X	
Development of renewable energy sources and energy conservation									X	
Strengthening institutional ability to preserve and manage natural and cultural resources through regional cooperation										
Sustainable development of the competitiveness of Adriatic tourist destinations by improving quality and market-oriented package						X		X		

	P.A.1 Strengthening competitiveness and innovation	S.O.1 Strengthening of interaction between research, innovation and entrepreneurship	S.O.2 Promoting cross- border advanced information communication technologies	P.A.2 Improving accessibility. Protection of natural resources and quality of life	S.O.3 Promotion of cross-border integrated and sustainable linkage.	S.O.4 Improvement of transport, information and communication networks and services.	P.A.3 Promotion of networks - services	S.O.5 Promotion of social and cultural integration	S.O.6 Encouragement & improvement of joint protection & management of natural resources, prevention of natural and technological risks.	S.O.7 Protection of health.
Priorities of territorial cooperation programmes	P.A.	S.O.		P.A.	S.O.		P.A.	S.O.		
	1	1	2	2	3	4	3	5	6	7
tours to the area getting the best from cultural and natural resources										
Accessibility and Networks				X						
Strengthening and integrating existing infrastructure networks, promoting and developing transport, information and communication services						X				
Development of port, airport systems and connected services, guaranteeing interfunctioning and integration between existing transportation networks						X				
Promoting a system of sustainable transport services to improve links in the Adriatic area					X					
Increasing and developing communication and information networks and access to them						X				

The “**Southeast Europe (SEE) Transnational Cooperation Programme**” involves seventeen countries, including Greece as whole and 12 regions from Italy, including the Region of Apulia. The general aim of the Programme is to foster a balanced territorial integration within the cooperation area and the Priority Axes of the Programme (including technical assistance) are coherent with those of the CBC OP Greece-Italy:

- Priority Axis 1 of the SEE TCP: “Facilitation of innovation and entrepreneurship” is coherent with the first priority axis of the CBC OP Greece-Italy
- Priority Axis 2 of the SEE TCP: “Protection and improvement of the environment” is coherent with the second priority axis of the CBC OP Greece-Italy
- Priority Axis 3 of the SEE TCP: “Improvement of the accessibility” is also coherent with the second priority axis of the CBC OP Greece-Italy
- Priority Axis 4 of the SEE TCP: “Development of the transnational synergies for sustainable growth areas” is coherent with the third priority axis of the CBC OP Greece-Italy

The “**Interregional Cooperation Programme INTERREG IVC**” enables cooperation between regional and local authorities from different countries in the EU27, Norway and Switzerland. The Programme is structured around two thematic priorities, grouping action fields that are essential in helping to achieve a contribution from the regions of Europe to the Union's strategy for growth, jobs and sustainable development. Priority 1 which addresses innovation and the knowledge economy is coherent with the first P.A. of the CBC OP. Priority 2, which focuses on environmental issues and risk prevention is coherent with the second P.A. of the CBC OP.

The “**Urban Development Network Programme URBACT II**” is an exchange and learning Programme for cities with overall objective to improve the effectiveness of sustainable integrated urban development policies in Europe and has two major priorities:

- The first one “Cities, engines of Growth and Jobs” (concerning the promotion of entrepreneurship, innovation, knowledge economy, employment and human capital) is coherent with the first P.A. of the CBC OP Greece-Italy.
- The second “Attractive and cohesive cities capable of generating social cohesion” (concerning integrated development of deprived areas, social integration, environmental issues, urban strategy and governance) is coherent with the second priority axis of the CBC OP Greece-Italy concerning environmental issues and quality of life and the third priority axis. concerning promotion of networks-services.

The “**MED Operational Programme 2007-2013**” focuses on the cooperation among regions of nine EU member states in the Mediterranean, including the eligible areas of the CBC Programme Greece-Italy. The coherence between the two programmes concerns the following issues:

- Priority Axis 1 of the MED Programme “Strengthening innovation capacities” is coherent with the first priority axis of the CBC OP Greece-Italy
- Priority Axis 2 of the MED Programme “Protecting the environment and promoting a sustainable territorial development” is coherent with the second priority axis of the CBC OP Greece-Italy.

- Priority Axis 3 of the MED Programme “Improving mobility and territorial accessibility” is also coherent with the second priority axis of the CBC OP Greece-Italy.
- Priority Axis 4 of the MED Programme “Promotion of a polycentric and integrated development of the MED space” is coherent with the third priority axis of the CBC OP Greece-Italy regarding the management of cultural heritage. (Table 4-7).

Table 3-7: Coherence CBC Greece-Italy with the MED

	P.A.1 Strengthening competitiveness and innovation	S.O.1 Strengthening of interaction between research, innovation and entrepreneurship	S.O.2 Promoting cross-boarder advanced information communication technologies	P.A.2 Improving accessibility. Protection of natural resources and quality of life	S.O.3 Promotion of cross-border integrated and sustainable linkage.	S.O.4 Improvement of transport, information and communication networks and services.	P.A.3 Promotion of networks - services	S.O.5 Promotion of social and cultural integration.	S.O.6 Encouragement & improvement of joint protection & management of natural resources, prevention of natural and technological risks.	S.O.7 Protection of health.
Priorities of territorial cooperation programmes	P.A.	S.O.		P.A.	S.O.		P.A.	S.O.		
	1	1	2	2	3	4	3	5	6	7
PO MED										
Strengthening innovation capacities	X									
1.1. Dissemination of innovative technologies and know-how		X	X							
1.2. Strengthening strategic cooperation between economic development and public authorities		X								
Protection of the environment and promotion of a sustainable territorial development							X			
2.1. Protection and enhancement of natural resources and heritage								X	X	
2.2. Promotion of renewable energy and									X	

	P.A.1 Strengthening competitiveness and innovation	S.O.1 Strengthening of interaction between research, innovation and entrepreneurship	S.O.2 Promoting cross-boarder advanced information communication technologies	P.A.2 Improving accessibility. Protection of natural resources and quality of life	S.O.3 Promotion of cross-border integrated and sustainable linkage.	S.O.4 Improvement of transport, information and communication networks and services.	P.A.3 Promotion of networks - services	S.O.5 Promotion of social and cultural integration.	S.O.6 Encouragement & improvement of joint protection & management of natural resources, prevention of natural and technological risks.	S.O.7 Protection of health.
Priorities of territorial cooperation programmes	P.A.	S.O.		P.A.	S.O.		P.A.	S.O.		
	1	1	2	2	3	4	3	5	6	7
improvement of energy efficiency										
2.3. Maritime risks prevention and strengthening of maritime safety									X	
2.4. Prevention and fight against natural risks									X	
Improvement of mobility and territorial accessibility				X						
3.1. Improvement of maritime accessibility and of transit capacities through multimodality					X	X				
3.2. Support to the use of information technologies for a better accessibility and territorial cooperation					X	X				
Promotion of a polycentric and integrated							X			

	P.A.1 Strengthening competitiveness and innovation	S.O.1 Strengthening of interaction between research, innovation and entrepreneurship	S.O.2 Promoting cross-boarder advanced information communication technologies	P.A.2 Improving accessibility. Protection of natural resources and quality of life	S.O.3 Promotion of cross-border integrated and sustainable linkage.	S.O.4 Improvement of transport, information and communication networks and services.	P.A.3 Promotion of networks - services	S.O.5 Promotion of social and cultural integration.	S.O.6 Encouragement & improvement of joint protection & management of natural resources, prevention of natural and technological risks.	S.O.7 Protection of health.
Priorities of territorial cooperation programmes	P.A.	S.O.		P.A.	S.O.		P.A.	S.O.		
	1	1	2	2	3	4	3	5	6	7
development of the Med space										
4.1. Coordination of development policies and improvement of territorial governance										
4.2. Strengthening of identity and enhancement of cultural resources for a better integration of the Med space								X		

Special attention shall be given to the services provided by the **INTERACT II** programme. This Eu- wide programme focuses on the good governance of territorial cooperation and provides needs- based support to stakeholders involved in implementing programmes under the European Territorial Co - operation objective. The target groups for INTERACT are primarily the authorities to be established according to Council Regulation 1083/2006 and 1080/2006 as well as other bodies involved in programme implementation. In order to ensure maximum benefit from the INTERACT programme for the implementing bodies of this programme, the use of INTERACT services and documentation as well as the participation in INTERACT seminars will be encouraged. Related costs are eligible under Technical Assistance.

In the framework of the Regions for Economic Change initiative the Managing Authority commits itself to:

- a) Make the necessary arrangements to welcome into programming process innovative operations related to the results of the networks in which the eligible areas are involved;
- b) Allow in the Monitoring Committee, if that is the case, the presence of a representative (as an observer) of the network(s) where programming area is involved, to report on the progress of the eventual network's activities;
- c) Foresee a point in the agenda of the Monitoring Committee at least once a year to take note of the network's activities and to discuss relevant suggestions for the programme.
- d) Inform in the Annual Report on the implementation of the actions included in the Regions For Economic Change initiative if it is the case."

In case overlapping of eligible territories and sectors of intervention, it should be taken into account the possible synergies and interaction between the programmes from a very early stage, in order to enhance synergies, to exploit potential complementarities and above all to avoid duplication of activities

3.6 Basic Findings of the Ex-Ante Evaluation

The Summary focuses on the most vital issues that emerged from the ex-ante Evaluation of the Programme and the relevant proposals for improvement, as stated. Since the planning of the Programme is under completion, no reference is made to their degree of incorporation within the final version of the Programme.

The summary is structured per Unit of Evaluation:

- evaluation of the socio-economic analysis, the definition of the needs and S.W.O.T. Analysis
- evaluation of the consistency of the strategy;
- examination of the coherence of the strategy;
- ex-ante evaluation of the expected results;
- evaluation of the implementation systems and procedures;
- evaluation of the community value-added.

3.6.1 Evaluation of the socio-economic analysis, definition of the needs and S.W.O.T. Analysis

The Analysis of the socio-economic situation covers in general sufficiently the requirements of the Regulation and the Aide-Memoire of the European Commission. It pinpoints or highlights several of the most important issues for the Programming Area (PA), such as the following:

- The divergence in surface area, population and population density between eligible Regions and Provinces. The Programme has a different degree of expected impact to each one of the Regions and it has to respond to varying demands for synergies with parallel interventions.
- The similarities between the eligible Regions and Provinces, as regards to their per capita GDP. This, combined with similarities in the composition of the productive structures, proves that there is a common "productive identity" basis in the PA.
- The impressively similar characteristics regarding social infrastructure and quality of life. They could have been demonstrated even clearer, using more composite indicators.
- The negative performance of the eligible areas of Apulia, both regarding growth and employment, an issue obviously to be primarily dealt through the Italian NSRF.
- The catalytic role of the tertiary sector and particularly tourism; combined with the non-formal business characteristics suggests increased difficulties in integrating the Lisbon objectives.
- The great importance of the joint development of transport infrastructure.
- The important deficiencies in the field of research and innovation. Analysis could be stretched even further, since, these deficiencies accompanied by a local industry specializing in low value-added activities, represents a particularly unfavourable precondition for the intra-European convergence of the PA.
- The comparative advantage of culture, civilization and environment; a characteristic that could be described in more details, as it could be also done for problems arising from intense population flows, immigration and seasonality of tourist activities.

Given the "proportionality principle", it would not be worthwhile to structure the entire Analysis in correspondence to the Structural Indicators or the CSGs. It rightly emphasizes on sectors that constituted main fields of intervention during previous periods. An overall more extensive socio-economic analysis would demand negotiating issues that could define areas and sectors of priority for the implementation phase. Such an analysis is advisable to be carried out in a next phase, in the form of a "guide" for the selection of the most appropriate interventions. Nonetheless, it would be useful to stress issues such as: working force productivity, extroversion of productive system, part of population at risk of poverty before social benefits

In its original form, the SWOT analysis was comprehensively summarizing the socio-economic analysis, pointing out the complex character of certain issues by classifying them into strengths as well as opportunities, weaknesses and/or threat, and well focusing on main questions. Weaknesses were predominant suggesting a realistic

approach that permits the formulation of a consistent and relevant strategy. According to the Evaluation, the most important SWOT points seem to be the following:

- in threats: spread of illegal migration and smuggling, increase in “grey” economy, concentration of economic activities in urban areas and abandonment of the countryside, irrational use of natural resources and expansion of downgraded areas
- in opportunities: enhancement, protection and management of historical and cultural heritage, increased demand for high cultural content services, employment creation by ICT development, increased renewable energy demand.

The final version of the SWOT Analysis limits its scope, presumably in search for simplicity and clearer understanding of the correlations between needs, objectives and interventions. This way, a decisive SWOT factor, according to the Evaluation's judgement, namely “the absence of an effective up-to-date public administration...”, has been omitted. The Evaluation would prefer a comprehensive SWOT Analysis, followed by concrete indications about the points that could and should be addressed by the Programme. Furthermore, the SWOT table should be complemented by a selection of basic conclusions, performing a kind of prioritisation of combined possibilities–weaknesses-opportunities-threats; this lack is tackled in the final version by a policy directions matrix.

The assessment of the results of the previous programming period is limited in volume and extent. A detailed assessment is not necessary, but an identification of the main needs still uncovered and the main goals still to be achieved, would be beneficial to defining priorities and funding weights. As it is, the Programme does not expressly identify or prioritise the new period's needs, as it lacks an explicit subchapter. Indications can be found under the subchapter “Prospects of growth in the Programming Area”, where the implied prioritization contradicts their indicative budget distribution.

3.6.2 Evaluation of the strategy's consistency

The Programme lists and correctly exploits the broader European, Greek and Italian programming frameworks,. A general initial remark was that the Programme could stress even strongly the fact that, due to small budget, incomplete interventions to be integrated, open planning procedures and the flexibility required by the Regulations, it cannot constitute an autonomous developmental instrument for the PA; it should be a complementary intervention, targeting more at creating synergies than responding to specific needs. The final version of the Programme suitably incorporates and valorises the remark. Positively, it tries to avoid holistic and over-ambitious “developmental visions”. Instead, it stresses the cooperative aspect, driven towards a concise and feasible “vision”.

Transition from vision to strategic goals is technically and logically correct. The Evaluation underlined a limited number of remarks as to the co-articulation of goals into Priority Axes:

- The term of “competitiveness” is not reproduced in the Strategic Objectives. Also, the term of "comparative advantage" in Strategic Objective 1 could rather not be used as it often leads to conservative and not competitive strategies.
- Combining “Improving Accessibility” and “Protection of Natural Resources and Quality of Life” in the same P.A., could have lead in future downgrading of the environmental and cultural scope importance
- “Promotion of Networks and Services” could be in a sense understood more as a horizontal objective and instrument traversing all P.A.s, than as a separate Axis. The Programme could have faced in the future difficulties in distinguishing between Projects most suited to Axis no. 3 or alternatively to Axes no. 1 and 2.
- In the final version of the Programme, the two aforementioned latter remarks of the Evaluation was taken into account;. Priority Axes 2 and 3 were restructured.
- Moreover, in order to prevent further confusion, a stringent definition of eligibility criteria by P.A. could be set in the Implementing Provisions.

The consistency of the Programme’s strategy has been controlled using correlation Matrixes between SWOT analysis points and Priority Axes contents. Regarding the opportunities, the chosen strategy utilizes all the established points, particularly those regarding tourist services and infrastructures, and economic activities; P.A. 3 is the axis with the highest correlation. The strategy contributes in facing threats focused on intra-European competition, each one being countered by at least one P.A.; biggest contribution is expected from P.A. 3. The strategy also reinforces significantly all the identified strengths; biggest contribution is expected from P.A.1. Finally, the strategy appears with a deficit in employment and human resources weaknesses, evidently as a side-effect of the “mono-fund” programming approach.

In general, the Programme presents sufficient internal cohesion and allows the conclusion that the policy mix it promotes corresponds to the needs emerging form the socio-economic and the SWOT analyses. Specific objectives are supported by development interventions, and no gap is arising in the flow: needs->objectives->development priorities. Contribution of the development priorities to the achievement of the objectives seems justifiable. Sufficient internal cohesion is present on the level of Axes; a problem could eventually occur in case that the subsequent bottom-up process overlooks the objectives of each Axis in favour of operational flexibility, particularly under the pressure of “bridge-projects”. In such a case, the Programme may risk a reversal on the benefit of “more conventional” interventions.

Regarding consistency of the Strategy and financial gravity of each Axis, P.A. 3 appears to be the most important financially, followed by P.A. 1 and P.A. 2.

Internal coherence is generally medium, with Specific Objective 4 presenting most of synergies (thus highlighting the crucial role of ICT enhancement in transport as well as social fields in the PA). High degree of synergies is also detected in S.O. 2 and S.O.5. Relatively high community funding (36%) goes to S.O.s with rather limited synergies (6 and 1), and lower funding goes to S.O.2, from which higher synergies and impact are expected

The Evaluation welcomes the formulation of only few specific objectives (alias Measures) in each Axis, that allows a more properly guided implementation, helping to overcome the inherent design problem of the new period (brief analysis but clear strategy – strategic approach but thorough objectives quantification – Measure level elimination but monitoring of resources to specific actions categories). Avoiding the usual practice of "just-in-case" quoting the maximum possible number of potential actions in the indicative Interventions list is also a positive element.

The final relevance of the policy "mix" and its risks and the adequacy of the applied resources cannot be precisely evaluated at the present stage, since the adoption of concrete projects is to follow. Certain risks can already be detected at a non quantifiable level (long standing reduced interest for investment, lack of local research activity and reduced demand of ICT coupled to a limited ability to assimilate innovation, insufficient maturity of environmental conscience and reduced know-how of the final beneficiaries).

3.6.3 Evaluation of the strategy's coherence

Programme's coherence with NSRFs appears to be adequate. The strategy contributes to all but one ("Institutional Environment") of Greek NSRF thematic priorities, presenting a similar coherence level. Better supported is NSRF's specific priority "Digital Convergence". 8 out of the 10 Italian NSRF thematic priorities are fully covered; higher contribution goes to "Competitiveness and attractiveness of cities and urban systems".

Correlation with the National Reform Programmes seems positive. Coherence with the Lisbon Agenda priorities is adequate and especially high in financial contribution terms. The Programme's strategy does not present any inconsistencies to Community Strategic Guidelines for Cohesion or to Microeconomic and Employment Guidelines; correlation with the Employment Guidelines is indirect, as it could be expected.

Synergies with other OPs were not apparent in the Programme's previous version. The Evaluation proposed that indications should be given based on other Programmes' strategic goals and types of intervention. The final version presents the strategy of the the Greek and Italian ROPs and their relevant interventions. It also points out coherence with the "Adriatic" CBC Programme and "Southeast Europe Trans-national Cooperation Programme" by Priority Axes, which are very similar in terms. The same applies to the coherence with INTERREGIVC, URBACT II, MED 2007-2013, INTERACTII,

Treatment of gender equality and equal opportunities policy issues in the Programme is sufficient. The sustainability issue is duly covered by the provision of two separate S.O.s accounting to 26% of the Programme's budget. Additionally, other interventions contributing to sustainability and environmental protection and improvement are found in P.A.1 and P.A.2.

3.6.4 Evaluation of the expected results

The Programme identifies expected results in qualitative as well as quantitative terms. It presents a concise system of 13 indicators (9 of them counting outputs and 4 results) in accordance with the relevant E.C. Working Document. Specific comments are:

- Most of output indicators count projects, in compliance with the limited range of indicators prescribed by the Working Document. However it would be more useful, specially in P.A.1, to define quantified targets for beneficiaries.
- Result indicator "Permanent cross-border networks" could specify clearer the networks' subject and sector. The final version of the Programme assigns them to transportation.
- Result indicator "Percentage of tourism increase in the programming area" should provide a baseline value, upon which the increase could be estimated. Eurostat data on total tourist overnights at NUTS-III level could be used.

Output and Result indicators represent approximately 94% of the Community funding, and are therefore "representative". The lack of a Programme Complement and the "indicative character" of the interventions hinder the quantification attempt.

3.6.5 Evaluation of the implementation systems and procedures

The Implementation System is based on the Regulation and takes into account the respective mechanisms of the Greek and Italian NSRFs, in the context and as the final product of the consultation procedures and Task Force meetings. Its final form appears suitable and adequate, valorising the experience of previous programming periods.

- Creation of the international Group of Auditors constitutes a positive step.
- Creation of the Joint Technical Secretariat is a positive step also, albeit in practice depriving the M.A. and the M.C. of some of their nominal prerogatives.
- A Proposal Evaluation Committee establishment adequately covers the demand for joint projects selection; it will also deprive M.A. and M.C. of a part of competences.
- Appointing an Intermediate Administration Body/ies is a positive decision; it/they will enhance operational efficiency and flexibility.
- Financial circuits are assessed as feasible and efficient, provided that funding transfer from each national authority to the Programme is proper and in-time.

Special ex-ante evaluation of the larger scale projects according to the criterion of ensuring synergies with parallel Programmes should be prescribed, as the Programme will mostly have a "catalytic" role.

3.6.6 Evaluation of the Community value-added

Search for maximising the Community value-added appears to have been a constant concern throughout the Programme's planning procedure, as the socio-economic cohesion constitutes the basic element of investigation during the Socio-economic Analysis and is explicitly impressed upon the Strategy, coherence with Community

priorities is almost at full-extend and the Programme intrinsically promotes international cooperation and networking.

3.7 Basic findings of SEA

3.7.1 Current State of Environment and Trends

Air and Climate: Climatic changes seem to be inevitable. Green House Gas emissions have grown overall since 2000. Many cost-effective strategies for improving energy efficiency remain heavily underused. The share of renewable energy remains low in the region. While the air is generally cleaner, the trends are not good enough to meet air quality targets for 2010.

Biodiversity, Flora and Fauna: The program area is characterized by biodiversity and its coastal zones, which are especially rich in species diversity, are under particular pressure. Much of the areas' biodiversity is already close to the climatic limit.

Water: Control of point sources of pollution is showing some good results. The same cannot be mentioned for diffuse pollution. Surface water quality is sometimes low. Water availability and providing drinking water in sufficient quality and quantity, considering the influence of climatic change, will be a challenge. It is important to keep in mind the large disparity in terms of space and time in the distribution of water resources, which may well become more pronounced. Key pressures, drivers and impacts affecting the marine environment derive from a variety of land and marine-based activities and the two key global processes of climate change and ocean dynamics.

Soil: There are many threats to soil — erosion, sealing, contamination, salinisation. These have proven difficult to tackle with up to now and are expected to continue to be a challenge. The region is likely to face more droughts, land degradation due to desertification and spreading of salinity in newly irrigated areas and loss of wetlands.

Population and Human Health: Population health, although higher in some cases than the national averages, is sometimes endangered by adverse environmental conditions that can be linked to an increase in mortality.

Cultural Heritage and Landscape: The cultural heritage of the PA is very rich and diverse and in addition comprises a strong driving force for economic activities.

3.7.2 Program Objectives and Priorities

The OP is structured into Priority Axis and Specific Objectives as follows.

Priority 1 Strengthening competitiveness and innovation
Objective
1.1. Strengthening interaction between research, innovation and entrepreneurship
1.2 Promoting cross-border advanced new technologies

Priority 2: Improve accessibility to sustainable networks and services
Objective
2.1 Promotion of cross-border integrated and sustainable connections
2.2 Improvement of transport, information and communication networks and services

Priority 3: Improving the quality of life, protection of the environment and enhancement of Social and cultural cohesion
Objective
3.1 Promotion of social and cultural integration
3.2 Valorisation & improvement of joint protection & management of natural resources, prevention of natural and technological risks
3.3 Protection of health

Assessment Methodology

Legislation and strategic policy documents are used to compile the Environmental Protection Objectives (“SEA-objectives”). These Objectives are then, for the assessment purposes, consolidated into, easy to use, Assessment Questions.

The Environmental Assessment is performed with:

- A. An identification of the positive or negative, direct or indirect relationship of Program Objectives to the Defined Environmental Objectives.
- B. An identification of the possible effects and impacts of the program possible actions, when put through the defined Assessment Questions.

Possible Environmental Impacts of the Program

Most of the programme priorities and possible actions will have neutral or positive impacts on the relevant environmental objectives. Negative indirect effects are mainly expected in the implementation of Objectives 2.1 and 3.1. Possible negative impacts on the environment can be anticipated through proper project selection criteria

The recommendations are summarised in the following table:

Priority 1 Strengthening competitiveness and innovation	
Objective	Activities
1.1. Strengthening interaction between research, innovation and entrepreneurship	Addition of the following possible activity: Promotion of R&T projects with a clear environmental focus
1.2 Promoting cross-board advanced new technologies	-
Priority 2: Improve accessibility to sustainable networks and services	
Objective	Activities
2.1 Promotion of cross-border	Addition of the following possible activity:

integrated and sustainable connections	Promotion of projects with documented reduced emission effects
2.2 Improvement of transport, information and communication networks and services	Addition of the following possible activity: Promotion of actions reducing environmental transport related risks
Priority 3: Improving the quality of life, protection of the environment and enhancement of Social and cultural cohesion	
<i>Objective</i>	<i>Activities</i>
3.1 Promotion of social and cultural integration	Addition of the following possible activity: Promotion of agro – tourism
3.2 Valorisation & improvement of joint protection & management of natural resources, prevention of natural and technological risks	Addition of the following possible activity: Promotion of concise water saving and waste minimization projects
3.3 Protection of health	

4 Priority Axes

4.1 PRIORITY AXIS 1: Strengthening competitiveness and innovation

Description of the axis

Both at a national and cross-border level, entrepreneurship is a particularly important actor for the economic and social progress and so they are also for the programming area. The strengthening of the cross-border regional market requires a closer and effective cooperation between SMEs, research centres and institutions. This Priority Axis is focused on increasing the innovation and competitiveness of SMEs, with an emphasis on research and technology; this can be accomplished by encouraging cross-border economic cooperation between research organisations (e.g. Research and Technological centres, Technological Parks, Universities, etc.) and economic actors with the aim of incorporating innovation in the productive process through the exchange of best practices and training and thus to create a new area market. Moreover, the support to cross-border market players will aim at supporting their internationalisation through joint strategies and actions.

Objective of the axis

The Priority Axis aims at encouraging innovation and strengthening the SMEs in the cross-border region through economic cooperation

The strategic and specific objectives of the Priority Axis 1 «*Strengthening competitiveness and innovation*» are the following and are described in the following table:

1. Support sustainable economic growth by focusing on common comparative advantages
 - 1.1. Strengthening inter-action between research, innovation and entrepreneurship and institutions
 - 1.2. Promoting cross-board advanced new technologies and support to internationalisation

Operational Objectives

Strategic objective	Specific objectives	Description
Support sustainable economic growth by focusing on common comparative advantages	1.1. Strengthening inter-action between research/innovation, entrepreneurship and institutions	Encouraging innovation and research in SMEs through the creation of new or the support of already existing cooperation networks between research bodies and SMEs towards improving the competitive profile of the cross-border region
	1.2 Promoting cross-	The improvement of the competitiveness of

Strategic objective	Specific objectives	Description
	board advanced new technologies and support to internationalisation	enterprises (especially SMEs) in the cross-border region through a greater penetration of ICT in businesses and through the incorporation of new technologies and innovative practices in the business activities and by strengthening joint strategies and interventions towards sustainable development

Main indicative interventions

The main indicative interventions for reinforcing research, innovation and entrepreneurship are:

Specific Objective	Main indicative intervention	EC intervention code
1.1. Strengthening inter-action between research, innovation , SMEs and institutions	R&TD activities in research centres	Code 1
	R&TD infrastructure (including physical plant, instrumentation and high-speed computer networks linking research centres) and centres of competence in a specific technology	Code 2
	Technology transfer and improvement of cooperation networks between small businesses (SMEs), between these and other businesses and universities, post-secondary education establishments of all kinds, regional authorities, research centres and scientific and technological poles (scientific and technological parks, technopoles, etc.)	Code 3
	Assistance to SMEs for the promotion of environmentally-friendly products and production processes (introduction of effective environment managing system, adoption and use of pollution prevention technologies, integration of clean technologies into firm production etc.)	Code 6
	Other measures to stimulate research and innovation and competitiveness in in SMEs	Code 9
	Measures to improve access to employment and increase sustainable participation and progress of women in employment to reduce gender-based segregation in the labour market, and to reconcile work and private life, such as facilitating access to childcare and care for dependent persons	Code 69

The most important indicative interventions in the advanced new technologies are:

Specific Objective	Main indicative interventions	EC intervention code
1.2 Promoting cross-board advanced new technologies and support to SMEs internationalisation	Other measures for improving access to and efficient use of ICT by SMEs	Code 15

Expected results:

The main results, which are expected by the implementation of the Priority Axis, are the following:

- Improved, SMEs productivity and competitiveness , strengthening thematic cross-border cooperation between SMEs in the fields of sustainable tourism, agro-industry, traditional handicraft (e.g. traditional and local products) etc.
- Improved accessibility of women to the labour market and reduction of gender discrimination and increased employment (especially for youth and women) and women access to entrepreneurship
- Strengthening of regional and maritime border research and innovation activities, technological development, incorporating research/innovation devices in the economic activities of SMEs, thus enhancing their competitiveness and expansion of IT use
- Upgrading of the cross-border trade, especially to increase the degree of SMEs internationalization

Definition of the basic groups / sectors and/or beneficiaries

Benefited sectors: Labour market of the maritime cross-border region, cross-border trade, cross-border economy, research and technology, innovation, ICT

Indicative beneficiaries: Local Administration (Municipalities, Provinces, Administration grade A' and B' and Regional Administrative Authorities), Central Administration and supervised bodies, Tertiary Education Institutes, Chambers, Research and Technological Centres, Technological Parks, Business Associations, Organisations, SMEs Consortia, Public-private partnership, NGOs and ONLUS, Consortia etc.

Quantified objectives and indicators

Axis / Specific Objective	Type of Indicator	Indicator	Base value	Year of Reference	Source	Target value
1.1	Output	Number of research/ innovation actions which reinforce cross-border cooperation in Research and Technology Development	11	2000-2006	Managing Authority Interreg IIIA Greece-Italy	12
1.1	Output	Number of bilateral or international research projects carried out by Universities and research institutes alongside the border	(1)		Managing Authority Interreg IIIA Greece-Italy	9
1.1	Output	Number of actions concerning SMEs cooperation and/or SMEs joint actions for internationalisation in the maritime border region	8	2000-2006	Managing Authority Interreg IIIA Greece-Italy	11
1.1	Output	Number of SMEs involved in R&D activities and networks	(1)	2000-2006	Managing Authority Interreg IIIA Greece-Italy	37
1.2	Output	Number of actions concerning SMEs support for ICT modernisation	0	2000-2006	Managing Authority Interreg IIIA Greece-Italy	14
1.2.	Output	Number of SMEs supported for ICT modernisation	(1)	2000-2006	Managing Authority Interreg IIIA Greece-Italy	245
1.1	Result	Number of jobs created from for women and youngsters in competitive actions		2000-2006	Managing Authority Interreg IIIA Greece-Italy	219
1.2	Result	Percentage of SMEs funded by the CBC for ICT modernisation which are able to perform e-commerce activities (accept electronic orders or execute electronic sales)	(1)	2000-2006	Managing Authority Interreg IIIA Greece-Italy	(2)

(Base value not included in target value)

(1) The base value was not available because the CIP Interreg IIIA had not yet reached a mature implementation rate

(2) The indicator cannot be quantified for the time being. Target value will be determined by a specific survey or study

4.2 PRIORITY AXIS 2: Improve accessibility to sustainable networks and services

Description of the axis

Improved accessibility to the cross-border area is a major prerequisite for the economic development, prosperity and social integration. Accessibility is the key for preserving, promoting and taking advantage of the natural and man-made environment and simultaneously it contributes to enhance sustainable development on a social and economic level.

The indicative interventions of this axis will improve accessibility by promoting opportunities of connections between cross border markets and communities.

Objective of the axis

Priority Axis 2 generally aims at promoting the networking of organisations in the programming area, in order to compensate the geographical distance, and reinforce the ties of structure integration through the use of new technologies in the field of telecommunications, IT and transport, and promote joint actions and social development of the eligible regions. Primarily aim the integrated, sustainable and intermodal transports, and secondly foster institutional and market networks, infrastructures and services for developing common strategies.

The strategic and specific objectives of the Priority Axis 2 «Improve accessibility to sustainable networks and services» are the following and are described in the following table:

2. Improve the accessibility to networks and services in the cooperation area as to enhance mobility of people and goods
 - 2.1. Promotion of cross-border integrated and sustainable connections promoting cross-board advanced new technologies and support to internationalisation
 - 2.2. Improvement of transport, information and communication networks and services

Operational Objectives

Strategic objective	Specific objectives	Description
Improve the accessibility to networks and services in the cooperation area as to enhance mobility of people and goods	2.1 Promotion of cross-border integrated and sustainable connections promoting cross-board advanced new technologies and support to internationalisation	Increase the connections and upgrade access to both the territories and the information & communication structures, as regards all services of social and economic life that contribute to eliminate the geographical isolation and to the internationalisation of the territories

Strategic objective	Specific objectives	Description
	2.2 Improvement of transport, information and communication networks and services	Cross-border development and cooperation, apart from accessibility, also require the development of networks for transport security, and ICT use in order to improve the management of transport and develop better inter-modal cross-border connections

Main indicative interventions:

The main indicative operations for promoting cross-border integrated sustainable cooperation are:

Specific objective	Main indicative interventions	EC intervention code
Promotion of cross-border integrated and sustainable connections promoting cross-board advanced new technologies and support to internationalisation	Intelligent transport systems. Specifically, it concerns: <ul style="list-style-type: none"> ▪ improvements to the transnational crucial points of the transport infrastructure and connection of the existing infrastructure, aiming at the management, security, effectiveness of both goods and people, with a parallel reduction of traffic congestion, transportation costs, use of renewable energy sources and an improvement of the urban environment; ▪ improvement of the management systems of the road, air and sea transport networks, through the use of ICT, with the aim of improving the flow of information to users and emergency services, such as the police, the fire department, ambulances, and improving security, the management of emergency situations, and in general the provision of other services, for which there could be a charge in certain cases (information for navigation to subscribers, ticket sales etc); 	Code 28

The main indicative operations for improving the transport, information and communication networks and services are:

Specific objective	Main indicative interventions	EC intervention code

Specific objective	Main indicative interventions	EC intervention code
Improvement of transport, information and communication networks and services	Information and communication technologies (access, security, interoperability, risk prevention, research, innovation, e-content etc)	Code 11
	Information and communication technologies TEN- ICT: Specifically, it concerns: <ul style="list-style-type: none"> ▪ improvement of security conditions regarding cross-border transport infrastructure and services through ICT use ▪ development of cross-border links, information and communication networks ▪ joint creation of cultural e-contents using at least two languages, Italian and Greek (internet portals, information networks, e-learning tools) ▪ creation of information networks and digital content (databases, tourist infopoints, multimedia production) for promoting the attractiveness of the programming area 	Code 12

Expected results:

The main results, which are expected by the implementation of the Priority Axis, are the following:

- Improvement in time and transport costs and minimization of the pollution risk, developing a common tools and techniques for the dissemination and transfer of information and scientific and technical knowledge regarding services and public management systems
- Strengthening cross-border intermodal transport lines between the two countries and promotion of new cross-border transport links
- Supporting of sustainable development of socio-economic sectors in the Programming Area
- Easier access to information of common interest for the development of the cross-border area

Definition of the basic groups / sectors and/or beneficiaries

Benefiting sectors:

Transport sector (Air, Rail and Sea), Research sector, Public Institutions and Urban management

Indicative final beneficiaries:

Local Administrative Authorities (Municipalities, Provinces, Administration grade A' and B' and Regional), NGOs, Central Public Administration and supervised bodies, Tertiary Education Institutes, Public groups or association/

consortia)

Quantified objectives and indicators

Axis / Specific Objective	Type of Indicator	Indicator	Base value*	Year of Reference	Source	Target value
2.1	Output	Number of actions for the development / improvement of smart transport systems in the programming area	1	2000-2006	Managing Authority Interreg IIIA Greece-Italy	6
2.2	Output	Number of actions for the modernization of control and security services	11	2000-2006	Managing Authority Interreg IIIA Greece-Italy	9
2.1	Result	Joint strategies and interventions system in place in the fields of transport, emergency services, security ,tourism and culture	(1)			(2)
2.2	Result	Number of information networks and digital content (databases, tourist infopoints, multimedia production) for promoting the attractiveness and the internationalisation of the programming area	(1)			(2)

(Base value not included in target value)

(1) The base value was not available due to lack of historical relevant data

(2) The indicator cannot be quantified for the time being as the content of related actions of SO-2.1&2.2 have not yet specified. Target value will be determined by a study to identify interventions and expected results.

4.3 PRIORITY AXIS 3: Improving the quality of life, protection of the environment and enhancement of Social and cultural cohesion

Description of the axis

The natural environment, together with the cultural and historical heritage, constitutes the main comparative advantages of the programming area. The framework for the new programming period, according to the principles of sustainable development (since viable development must always necessarily be linked to sustainability), is the promotion and long-term preservation of development on a cross-border level, which is implemented by ensuring a high-level quality of life for the inhabitants as well as the improvement of accessibility by sharing structures and management systems.

The strategy for achieving the objective of this axis includes:

- strengthening and improvement of the joint efforts for the management of the natural and cultural resources of the cross-border programming area and the prevention of natural and technological risks
- strengthening of accessibility through improved access to structures, networks and services to the sectors as health, environment, tourism, culture etc.
- management of cross-border marine resources
- development of co operations and joint use of infrastructure in fields such as health and social protection

Objective of the axis

Priority axis 3 generally aims at promoting and improving the quality of life of the inhabitants in the maritime cross border area through the protection of the environment, the improvement of public health and services provided, and the promotion of cultural and tourism sectors.

The strategic and specific objectives of the Priority Axis 3 « *Improving the quality of life, protection of the environment and enhancement of Social and cultural cohesion* » are the following and are described in the following table:

3. Improve the quality of life, preserve and effectively manage the environment and increase Social and cultural cohesion
 - 3.1. Promotion of social and cultural integration
 - 3.2. Valorisation & improvement of joint protection & management of natural resources, prevention of natural and technological risks
 - 3.3. Protection of health

Operational Objectives

Strategic objective	Specific objectives	Description
Improve the quality of life, preserve and	3.1 Promotion of social and cultural integration	Given the existence of a particularly significant

Strategic objective	Specific objectives	Description
effectively manage the environment and increase Social and cultural cohesion		cultural wealth in the cross-border region, the increased demand for the cultural heritage will be promoted through the networks and services. On one hand, properly joint education programmes (joint e-learning programs on issues of common interest) or twinning activities between the reciprocal school institutes or between the territorial public administrations, on the other hand, the joint management and promotion of cultural initiatives as well as the promotion of the cross-border programming area on an international level
	3.2 Valorisation & improvement of joint protection & management of natural resources, prevention of natural and technological risks	Improvement and upgrading of the system for protecting and managing the natural and man-made environment which contributes to the reduction of natural and technological risks and initiatives for joint promotion of the natural sites.
	3.3 Protection of health	In order to improve the quality of life of the inhabitants it is essential to upgrade the provided services in the healthcare sector. Cooperation regarding social services is important with a focus on developing collaborations in the healthcare sector and being able to respond to emergency situations. Furthermore, this specific

Strategic objective	Specific objectives	Description
		objective focuses on the existence of health public services that are not sufficiently and equally near to the habitants of the programming area.

Main indicative interventions:

The most indicative interventions for the promotion of social and cultural integration are:

Specific objective	Main indicative interventions	EC intervention code**
Promotion of social and cultural integration	Other assistance to improve tourist services	Code 57
	Protection and preservation of the cultural heritage	Code 58
	Other assistance to improve cultural services Specifically, it concerns: <ul style="list-style-type: none"> ▪ protection and preservation of the cultural heritage in the programming area through transnational cooperation between various cultural bodies; ▪ promotion of natural resources and natural heritage for tourism development ; ▪ improvement of tourism services through the creation of a transnational cooperation body in the field of tourism, e.g. the preparation of relevant studies, the development of cross-border infrastructure, etc.; ▪ organization of joint events in the field of culture, sports and youth through networking between interested parties; ▪ promotion of inter-culturalism through the organization of cultural, artistic and educational activities and creation or strengthening of joint management structures in this field; ▪ organization of joint conferences, seminars and working groups in various sectors that will allow networking and the exchange of experience between the various bodies in the cooperation area; ▪ cooperation and twinning between educational or between territorial public administration units 	Code 60

The main indicative interventions for encouraging and improving the joint protection and management of natural resources, and prevention from natural and technological risks are:

Specific objective	Main indicative operations	EC intervention code**

Specific objective	Main indicative operations	EC intervention code**
Valorisation & improvement of joint protection & management of natural resources, prevention of natural and technological risks	Management of household and industrial waste	Code 44
	Management and distribution of water (drinking water)	Code 45
	Integrated prevention and pollution control	Code 48
	Promotion of biodiversity and nature protection (including Natura 2000)	Code 51
	Promotion of natural assets	Code 55
	Protection and development of natural heritage	Code 56
	Other measures to preserve the environment and prevent risks Specifically, it concerns: <ul style="list-style-type: none"> ▪ The protection and enhancement of the region's natural resources ▪ Water management and distribution ▪ Management of household and industrial waste ▪ Promotion of biodiversity and protection of nature (including the Natura 2000 sites) ▪ Restoration of ecological balance and protection of the environment ▪ Integrated prevention and pollution control ▪ Utilization of new technologies for the prevention & management of environmental & technological risks ▪ Networks for environmental awareness and education ▪ Promotion of measures for risk prevention and protection of the natural and man's made environment ▪ Assurance of energy sufficiency and promotion of environmentally-friendly methods and techniques for saving energy ▪ Sustainable management of the natural and man-made environment – Management of ecological protected areas ▪ Sustainable development of socio-economic sectors with the aim of national and cross-border linkage in order to improve quality of life 	Code 54

The most indicative interventions for the protection of health are:

Specific objective	Main indicative operations	EC intervention code**
Protection of health	Services and applications for the citizen (e-health, e-government, e-learning, e-inclusion etc.) Specifically, it concerns: <ul style="list-style-type: none"> ▪ Use of new technologies in the fields of prevention–diagnosis–treatment in the healthcare sector (e.g. e-health) ▪ Improvement of equipment at all levels of healthcare ▪ Exchange of best practices regarding management and administration systems in the health sector ▪ Common use of health structures for the citizen, regarding particular situations as emergency or specific diagnostic and care services 	Code 13

Expected results:

The main results, which are expected by the implementation of the Priority Axis, are the following:

- Response to common problems regarding health and the environment through the exchange of best practices, network creation and improving and developing the living standards
- Increase of renewable energy sources usage
- Sustainable management and protection of natural resources and the environment
- Improvement of provided services and elimination of the conditions excluding sensitive social groups, by improving the administration and management services at all levels in the healthcare sector
- Promotion of cultural and tourism development and enhancement of cultural resources heritage

Definition of the basic groups / sectors and/or beneficiaries

Benefiting sectors: Quality of life, security, culture, tourism, education, cultural production, health, environment

Indicative final beneficiaries: Local (Municipalities, Provinces, Administration grade A' and B) and Regional Administrative Authorities, Management bodies for protected sites (Natura etc), NGOs, Central Public Administration and supervised bodies, Public Education Institutes, Theatres, Museums, Cultural associations.

Quantified objectives and indicators

Axis / Specific Objective	Type of Indicator	Indicator	Base value*	Year of Reference	Source	Target value
3.1	Output	Number of joint events and cooperation in the fields of tourism and culture	28	2000-06	Managing Authority Interreg IIIA Greece-Italy	12
3.2	Output	Interventions to encouraging and improving the joint protection and management of the environment and of water resources	20	2000-06	Managing Authority Interreg IIIA Greece-Italy	-10
3.2	Output	Number of joint actions for risk prevention and natural hazard projects	3	2000-06	Managing Authority Interreg IIIA Greece-Italy	3
3.3	Output	Number of joint actions for the protection of health	0	2000-06	Managing Authority Interreg IIIA Greece-Italy	36
3.1	Result	Percentage of tourism increase in the programming area	(1)			(2)
3.2	Result	Number of people that benefit from wastewater, water and risk prevention projects	(1)			(2)
3.3	Result	Number of people that benefit from health protection projects	(1)			(2)

(Base value not included in target value)

(1) The base value was not available due to lack of historical relevant data

(2) The indicator cannot be quantified for the time being as the content of related actions of SO-3.1, 3.2 & 3.3 have not yet specified. Target value will be determined by a study to identify interventions and expected results

4.4 PRIORITY AXIS 4: Technical support for implementation

General Purpose

Priority Axis 4 aims at the technical, organizational and administrative support of the implementation of the projects and actions of the programme, at the effective monitoring of the implementation of the programme and on diffusion of information about the programme.

Operational objectives

Specific objectives	Description
4.1 Support to the management, monitoring, implementation and audit of the programme's operations	The actions concern the preparation, organization, management, monitoring of implementation, audit and evaluation of the programme, as well as projects or actions that will contribute to the improvement of the organizational structures and processes of planning, implementation, monitoring, audit and evaluation of the programme
4.2 Support for the broad publicity and information of the programme	As defined by the special Regulation 1159/2000 and Regulation 1083/2006, art. 69.

Main indicative interventions:

The main indicative interventions are:

Specific objective	Main indicative interventions	EC intervention code**
Support for the management, support, monitoring, implementation and audit of the programme's operations	Preparation, implementation, monitoring, inspection	Code 85
Support for the broad publicity and information of the programme	Evaluation and studies, information and communication. Specifically, it concerns: Selection, evaluation, monitoring of the programme and projects; <ul style="list-style-type: none"> ▪ Preparatory, organizational, developmental, environmental, general, technical studies, etc, for the support of the programme's operations; ▪ Consultation support services for the management mechanisms with the use of external 	Code 86

Specific objective	Main indicative interventions	EC intervention code**
	<p>consultants and experts;</p> <ul style="list-style-type: none"> ▪ Consultation support services for the implementing bodies by external experts; ▪ Actions for the creation of new management and implementation structures, such as standardization of operations, certification actions, expenses for the first phase of operation, etc.; ▪ Mid-term evaluation of the results of the programme; ▪ Supply, installation and maintenance of technological equipment and electronic systems required for managing the monitoring of the programme; ▪ Participation in international meetings, workshops and training seminars both for the executives of the management mechanisms, and for the bodies involved in the Programme's implementation; ▪ Information and publicity actions through various means (e.g. leaflets, posters, videos, CD-ROMs, Internet sites, events, conferences, meetings, promotion and publications in the Mass Media, working groups, information bulletins) for the purpose of informing / raising awareness of the interested parties and of public opinion on issues concerning the programme and the dissemination of best practices, which encourage mutual learning and cross board cooperation. 	

Expected results

The implementation of the actions of the axis "Technical Support of Implementation" is expected to accelerate the organizational and administrative effectiveness of the programme and contribute to the achievement of satisfactory results on a quantitative and qualitative basis.

Definition of the basic groups / sectors and/or beneficiaries

Indicative final beneficiaries: Local Administrative Authorities (Municipalities, Provinces, Administration grade A' and B and Regional authorities), NGOs, Central Public Administration and supervised bodies, consultancy companies, publicity consultants, Public groups or association/consortium

Quantified objectives and indicators

Because of the nature of the Axis, the interventions are not quantified to the level of objectives and indicators at the present stage. Possible output indicators are these: studies-researches, technical consultants, evaluation consultants, publicity consultants etc.

4.5 Indicative distribution of funds per codes for the Priority Theme Dimension

The following table presents the indicative distribution of funds per Codes for the Priority Theme Dimension of CBC Greece-Italy according to the Regulation (EU) No 1828/2006.

Table 4-1: Codes for the Priority Theme Dimension

Code	TITLE	Indicative ERDF allocation
	Priority Axis 1: Strengthening competitiveness and innovation	24.907.448
1	R&TD activities in research centres	1.779.104
2	R&TD infrastructure (including physical plant, instrumentation and high-speed computer networks linking research centres) and centres of competence in a specific technology	1.779.104
3	Technology transfer and improvement of cooperation networks between small businesses (SMEs), between these and other businesses and universities, post-secondary education establishments of all kinds, regional authorities, research centres and scientific and technological poles (scientific and technological parks, technopoles, etc.)	3.558.207
6	Assistance to SMEs for the promotion of environmentally-friendly products and production processes (introduction of effective environment managing system, adoption and use of pollution prevention technologies, integration of clean technologies into firm production	3.558.207
9	Other measures to stimulate research and innovation and entrepreneurship in SMEs	2.668.655
69	Measures to improve access to employment and increase sustainable participation and progress of women in employment to reduce gender-based segregation in the labour market, and to reconcile work and private life, such as facilitating access to childcare and care for dependent persons	1.779.104
15	Other measures for improving access to and efficient use of ICT by SMEs	9.785.067
	Priority Axis 2: Improve accessibility to sustainable networks and services	22.238.792
28	Intelligent transport systems	10.674.620
11	Information and communication technologies (access, security, interoperability, risk-prevention, research, innovation, e-content, etc.)	9.785.069
12	Information and communication technologies (TEN-ICT)	1.779.103
	Priority Axis 3: Improving the quality of life, protection of the environment and enhancement of social and cultural cohesion	36.471.620
57	Other assistance to improve tourist services	2.668.654
58	Protection and preservation of the cultural heritage	4.447.758
60	Other assistance to improve cultural services	1.779.104
44	Management of household and industrial waste	3.558.207
45	Management and distribution of water (drinking water)	1.779.104
48	Integrated prevention and pollution control	1.779.104
51	Promotion of biodiversity and nature protection (including Natura 2000)	1.779.104
54	Other measures to preserve the environment and prevent risks	5.337.310
55	Promotion of natural assets	1.779.104
56	Protection and development of natural heritage	889.551
13	Services and applications for the citizen (e-health, e-government, e-learning, e-inclusion etc.)	10.674.620

Code	TITLE	Indicative ERDF allocation
	Priority Axis 4: Technical Assistance for Implementation	5.337.310
85	Preparation, implementation, monitoring and inspection	4.002.982
86	Evaluation and studies; information and communication	1.334.328
	TOTAL	88.955.170

5 Implementations provisions

Introduction

The two member states, responsible for the formulation of the current Programme Document have commonly agreed and designated, according to the Council Regulations (EC) No 1083/2006, 1080/2006, 1828/2006, the following Authorities for the Operational Programme:

Managing Authority

The Managing Authority of CIP INTERREG at the Ministry of Economy and Finance is designated as the Managing Authority of the Programme.

Address: 65 Georgikis Scholis Ave, PC 57001 – Thessaloniki, Greece

Tel.: +30 2310 469600

Fax : +30 2310 469602

E-mail: interreg@mou.gr

Certifying Authority

The Paying Authority for the CSF, the Community Initiatives and the Cohesion Fund at the Ministry of Economy and Finance is designated as the Certifying Authority of the Operational Programme.

General Secretariat for Investments and Development
Ministry of Economy and Finance, Greece.

Audit Authority

The Financial Control Committee at the Ministry of Economy and Finance is designated as the Audit Authority of the Operational Programme.

Ministry of Economy and Finance – Secretariat General for Fiscal Policy (General Accounts of the State), Greece.

5.1 Management and control authorities and bodies

5.1.1 Managing Authority

The Managing Authority shall be responsible for managing and implementing the Operational Programme in accordance with the principle of sound financial management and carry out the functions set out in Article 60 of Regulation (EC) No 1083/2006.

The Managing Authority of the Operational Programme (OP) shall be responsible for:

- ensuring that operations are selected for funding in accordance with the criteria applicable to the Operational Programme and that they comply with applicable Community and national rules for the whole of their implementation period. In particular, the Managing Authority shall:
 - ✓ ensure that beneficiaries are informed of the specific conditions concerning the products or services to be delivered under the operation, the financing

- plan, the time limit for execution and the financial and other information to be kept and communicated;
- ✓ satisfy itself that the beneficiary has the capacity to fulfil these conditions before the approval decision is taken;
 - ✓ ensure that the procedure for evaluating proposals was carried out under the terms of the call for proposals, including the operations selection criteria approved by the Monitoring Committee;
- ensuring that expenditure declared by each beneficiary participating in an operation is verified by the controller referred to in article 16(1) of Regulation (EC) No 1080/2006 (Article 1(1) of Regulation 1080/2006). The individual responsibilities of the MA regarding certification of expenditures are analysed in chapter 3.1: Certification of Expenditures;
 - laying down the implementing arrangements for each operation, where appropriate in agreement with the lead beneficiary;
 - ensuring that there is an operating system for recording and storing in computerised form accounting records for each operation under the Operational Programme and that the data on implementation necessary for financial management , monitoring, verifications, audits and evaluation are collected;
 - ensuring that beneficiaries and other bodies involved in the implementation of operations maintain either a separate accounting system or an adequate accounting code for all transactions relating to the operation without prejudice to national accounting rules;
 - ensuring that the evaluations of the Operational Programme referred to in article 48(3) of Regulation (EC) No 1083/2006 are carried out in accordance with article 47 of same;
 - setting up procedures to ensure that all documents regarding the expenditure and audits required to ensure an adequate audit trail are held in accordance with the requirements of article 90 of Regulation (EC) No 1083/2006;
 - ensuring that the Certifying Authority receives all necessary information on the procedures and verifications carried out in relation to expenditure for the purpose of certification;
 - guiding the work of the Monitoring Committee and providing it with the documents required to permit the quality of the implementation of the Operational Programme to be monitored in the light of its specific goals;
 - drawing up proposals for the review of the OP and submitting them to the Monitoring Committee for approval;
 - drawing up and, after approval by the Monitoring Committee, submitting to the Commission the annual and final reports on implementation;
 - ensuring compliance with the information and publicity requirements laid down in article 69 of Regulation (EC) No 1083/2006;
 - providing the Commission with information to allow it to appraise major projects;
 - supervising the work of the Joint Technical Secretariat;
 - signing the contracts with the lead beneficiaries of the selected operations, on the basis of the decisions of the Monitoring Committee;

- designating the contact persons to be responsible for information and publicity and informing the Commission accordingly

The Managing Authority for the Programme is the existing Managing Authority of CIP INTERREG at the Ministry of Economy and Finance.

5.1.2 Certifying Authority

The Certifying Authority shall be responsible for certifying statements of expenditure and applications for payment before being sent to the Commission. In this context, the certifying authority shall carry out the functions envisaged in article 61 of Regulation (EC) 1083/2006, and in particular:

- (i) drawing up and submitting in electronic form to the Commission certified statements of expenditure and applications for payment as provided for in article 78 of Regulation (EC) No 1083/2006;
- (ii) certifying that:
 - ✓ the statement of expenditure is accurate, results from reliable accounting systems and is based on verifiable supporting documents;
 - ✓ the expenditure declared complies with applicable Community and national rules and has been incurred in respect of operations selected for funding in accordance with the criteria applicable to the programme and complying with Community and national rules;
- (iii) ensuring for the purposes of certification that it has received adequate information from the Managing Authority on the procedures and verifications carried out in relation to expenditure included in statements of expenditure;
- (iv) taking account for certification purposes of the results of all audits carried out by or under the responsibility of the Audit Authority;
- (v) maintaining accounting records in computerised form of expenditure declared to the Commission;
- (vi) keeping an account of amounts recoverable and of amounts withdrawn following cancellation of all or part of the contribution for an operation. Amounts recovered shall be repaid to the general budget of the European Union prior to the closure of the Operational Programme by deducting them from the next statement of expenditure;
- (vii) submitting to the Commission provisional forecasts of likely applications for payment in accordance with article 76(3) of Regulation (EC) No 1083/2006;
- (viii) receiving payments from the Commission and making payments to the lead beneficiary;
- (ix) keeping a check on the transfer of the relevant allocations to beneficiaries and making sure that contributions are received as quickly as possible and in full;
- (x) ensuring that any amounts unduly paid are recovered by the lead beneficiary. Beneficiaries shall return to the lead beneficiary unduly paid amounts on the basis of the agreement existing between them.

The Certifying Authority, in accordance with article 61 of Regulation (EC) 1083/2006, is the Paying Authority designated for the CSF, the community initiatives and the Cohesion

Fund, at the General Secretariat for Investments and Development, Ministry of Economy and Finance.

5.1.3 Audit Authority

The Audit Authority shall be responsible for verifying the effective functioning of the management and control system of the operational programme. In this context, the Audit Authority shall be responsible for carrying out the functions envisaged in article 62 of Regulation (EC) 1083/2006, and in particular:

- (i) ensuring that audits are carried out to verify the effective functioning of the management and control system of the operational programme;
- (ii) ensuring that audits are carried out on operations on the basis of an appropriate sample to verify expenditure declared to the Commission and in that respect determine the appropriate sampling method to be used in accordance with the requirements of Regulation (EC) No 1828/2006;
- (iii) presenting to the Commission, in accordance with article 62(c) of Regulation (EC) No 1083/2006, within nine months of the approval of the operational programme, an audit strategy covering the bodies which will perform the audits and the method to be used, the sampling method for audits on operations and the indicative planning of audits to ensure that the main bodies are audited and that audits are spread evenly throughout the programming period;
- (iv) By 31 December each year from 2008 to 2015, submitting to the Commission:
 - an annual control report setting out the findings of the audits (systems and operations) carried out during the previous 12 month-period ending on 30 June of the year concerned in accordance with the audit strategy of the operational programme and reporting any shortcomings found in the systems for the management and control of the programme. The first report to be submitted at the latest by 31 December 2008 shall cover the period from 1 January 2007 to 30 June 2008. The information concerning the audits carried out after 1 July 2015 shall be included in the final control report supporting the closure declaration;
 - issuing an opinion, on the basis of the controls and audits that have been carried out under its responsibility, as to whether the management and control system functions effectively, so as to provide a reasonable assurance that statements of expenditure presented to the Commission are correct and as a consequence reasonable assurance that the underlying transactions are legal and regular;
 - a declaration for partial closure, as the case may be, in accordance with article 88(2)(b), assessing the legality and regularity of the relevant expenditure.

Where there is a single system that applies to more than one operational programmes, the annual report, the opinion and the declaration for partial closure referred to above may cover all operational programmes referred to.

- (v) submitting to the Commission at the latest by 31 March 2017 a closure declaration assessing the validity of the application for payment of the final balance and the legality and regularity of the underlying transactions covered by the final statement of expenditure, which shall be supported by a final control report;
- (vi) reporting to the Commission any irregularities which have been the subject of administrative and judicial investigations in accordance with the requirements of articles 27 to 36 of Regulation (EC) 1828/2006.

The Audit Authority shall ensure that the audit work takes account of internationally accepted audit standards.

In the course of carrying out its functions, the Audit Authority shall ensure that personal data and confidential information received by it and/or audit bodies operating under its control are protected.

The Audit Authority of this Operational Programme is the Financial Control Committee (EDEL), set up following the decision of the Minister for Economy and Finance, at the Ministry of Economy and Finance – Secretariat General for Fiscal Policy (General Accounts of the State). The Financial Control Committee consists of seven members and is independent of the Managing and Certifying Authorities.

Group of Auditors

The Audit Authority of the operational programme shall be assisted by a group of auditors comprising of a representative from each Member State participating in the operational programme, carrying out the duties provided for in article 62 of Regulation (EC) No 1083/2006. The group of auditors shall be set up within three months of the decision approving the operational programme. The group shall draw up its own rules of procedure. The group of auditors shall be chaired by the Audit Authority of the operational programme (Article 14(2) of Regulation 1080/2006).

Audits carried out under the responsibility of the Audit Authority

In carrying out its functions, the Audit Authority shall ensure that audits on systems, Authorities and intermediate bodies are carried out and shall assess their reliability.

Audits on operations shall be carried out on-the-spot on the basis of documents and records kept by the beneficiary. Audits shall verify that the following conditions are fulfilled:

- a. the operation meets the selection criteria for the operational programme, has been implemented according to the approval decision and fulfils any applicable conditions as to its functionality and use or in respect of set targets
- b. the statement of expenditure declared to the Commission results from the accounting records and supporting documents kept by the beneficiary
- c. the expenditure declared to the Commission complies with Community and national rules

- d. the beneficiaries have received the public contribution in accordance with article 80 of the Regulation

In the framework of an audit strategy, audits shall be carried out on the basis of an annual plan approved by the Audit Authority. Special audits not coming under a plan shall also be carried out, where appropriate.

When identified problems relate to the functioning of the management and control system, entailing therefore a risk for other operations under the operational programme, the Financial Control Committee shall ensure that a further investigation is carried out, including additional audits where appropriate in order to determine the gravity of the problems.

5.1.4 Joint Technical Secretariat

The Managing Authority, after consultation with the Member States represented in the programme area, shall set up a Joint Technical Secretariat (Article 14, Regulation (EC) 1080/2006).

The Joint Technical Secretariat (JTS) shall assist the Managing Authority, the Monitoring Committee and the Project Evaluation Committee in carrying out their respective duties. Moreover, it may assist the Audit Authority to organise the meetings of the Group of Auditors.

In particular, the JTS shall have the following responsibilities:

1. Prepare the documentation necessary for the carrying out of the Monitoring Committee meetings and function and act as a secretariat for the Managing Authority and the Monitoring Committee;
2. Support the Managing Authority in carrying out its administrative functions;
3. Act as a first cross-border information point for potential beneficiaries;
4. Draw up the criteria for selecting the operations and submit them to the Managing Authority. The Managing Authority examines the criteria and if agreed submits them to the Project Evaluation Committee. If the Project Evaluation Committee agrees upon the proposal on the criteria, the Managing Authority submits them to the Monitoring Committee for approval;
5. Prepare and make available all the documents necessary for the project implementation (application form, guidelines for potential beneficiaries, eligibility guidelines, accounting forms, reference terms/calls for proposals, contract between the Managing Authority and the Lead Partner of approved operations, agreement between Lead Partner and Project Partners);
6. Receive by the Managing Authority and evaluate all the proposals according to the criteria approved by the Monitoring Committee with the possible participation of external experts. It then submits this preliminary evaluation to the Project Evaluation Committee, which is responsible for the final evaluation of proposals;
7. Verify the reports submitted by the Lead Partners;

8. Be responsible for the storage of all the programme documentation;
9. Manage and update the monitoring system, collect the data concerning the assigned funds and the paid expenditure (financial monitoring), the progress state (physical monitoring) and the procedural steps (procedural monitoring) of the projects; prepare the documentation and the data for the monitoring activity, collect the project progress reports drawn up by the Lead Partner;
10. Support the Managing Authority in the preparation and implementation of the communication plan and in the implementation of information and publicity measures;
11. Draw up all the reports concerning the implementation of the Programme and submit them to the Managing Authority;
12. Prepare the financial and statistical data for the Monitoring Committee, the European Commission, and the representatives of the member States;
13. Organise information and dissemination activities and promote the cooperation and the partnership formation;
14. Prepare annual reports as well as the final report on the OP and submit them to the MA for comments/corrections. The MA examines the reports and when accepted, submits them to the Monitoring Committee for approval. After approval by the Monitoring Committee, the MA submits the reports to the Commission;
15. Prepare the Technical Assistance annual plan and forward it to the MA. The MA examines it and when accepted, submits it to the Monitoring Committee for approval;

The functions and the role of the JTS shall be determined, in agreement with the MA and the Member States participating in the Programme, in its rules of procedure.

The Joint Technical Secretariat shall be composed of members from the two Member States, equally represented to ensure a cross border balance. The members of the Joint Technical Secretariat shall be appointed by the Member States, in agreement with the Managing Authority. In compliance with the legal procedures provided by Law for the recruitment and contracting of experts, the Managing Authority shall recruit directly the Joint Technical Secretariat staff or - in case of formal or legal obstacles and once the opinion of the Monitoring Committee has been acquired – it shall delegate this task to an other competent body. This recruitment, activated in the start-up phase of the Programme, shall be based on the applicants' specific skills suitable for the implementation of the Joint Technical Secretariat tasks. The principles of equal opportunity and non-discrimination between males and females shall be taken into consideration in the recruitment of the Joint Technical Secretariat staff.

Specifically, the Joint Technical Secretariat shall be composed by a Coordinator and six experts in Greece and two experts in the Cross Border Contact Point in Italy. The part of the JTS to be established in Greece, will be located at the premises of the Managing Authority. The expenditure deriving from the functioning of the Joint Technical Secretariat will be paid from the Programme's Technical Assistance budget.

Moreover, according to the needs emerged during the programme management, ad hoc experts shall be recruited for specific and temporary tasks (Cross border experts' groups).

CROSS BORDER CONTACT POINT

A Cross Border Contact Point, forming part of the JTS, shall be established in Apulia Region and shall contribute to the fulfilment of the tasks, described in Section 2.4.

The Cross Border Contact Point will also contribute to strengthen the territorial participation to the Programme by:

- acting as a “contact point” for the potential beneficiaries and stimulate the territorial actors participation to the Programme, to supply information to the project partners;
- providing support to beneficiaries during the preparation of proposals and throughout the period of implementation of operations;
- carrying out the “desk” functions of distribution and diffusion of application packages for the presentation of the project proposals;
- supporting the Managing Authority in the implementation of the communication activities (events, information days, Communication Plan included);

The Cross Border Contact Point shall be formed by 2 experts, recruited through a procedure, agreed by the Italian side and the Managing Authority. At the start-up phase of the Programme, the Managing Authority shall recruit the experts, in compliance with the legal procedures provided by Law, or – in case of formal or legal obstacles, and once the opinion of the Monitoring Committee has been acquired – shall delegate this task and the contracting of the experts, to another competent body.

The Cross Border Contact Point shall be financed by the Programme's Technical Assistance budget.

5.1.5 Intermediate Body

In order to simplify and speed up the Programme implementation as well as to overcome administrative complexities and ensure efficiency, the Managing Authority may propose to the Monitoring Committee the designation of one or more intermediate bodies, according to Article 59 of the General Regulation (EC No 1083/2006).

5.1.6 Body responsible for the report and opinion referred to in Article 71(3)

As stipulated in article 71(2) of Regulation (EC) No 1083/2006, the description of the OP management and control system submitted to the Commission shall be accompanied by a report setting out the results of an assessment of the system set up and giving an opinion on its compliance with articles 58-62 of same regulation.

The report and the opinion referred to above shall be drawn up by the audit authority or by a private body with proven experience, after conducting an assessment of the programme's management and control system, which shall carry out its work taking account of internationally accepted audit standards. If a private body is used, that body shall be selected following a contest to be carried out in accordance with the relevant rules concerning the award of services (Presidential Decree 59/2007 and Presidential Decree 60/2007, which are a transposition of the Directives 2004/17/EC and 2004/18/EC respectively).

5.1.7 Body responsible for making payments to beneficiaries

The body responsible for making payments to beneficiaries shall be the Certifying Authority for the Programme. No amount shall be deducted or withheld from payments made to beneficiaries and no subsequent charges shall be levied that would reduce these amounts.

The procedure for making payments to beneficiaries is described in Section 3.2 (financial flow of public expenditure).

5.2 Development and Selection of Operations

The Joint Technical Secretariat prepares the material for the call for proposals and submits it to the Managing Authority. The Managing Authority examines the material and when accepted submits it to the Project Evaluation Committee. If the Project Evaluation Committee agrees upon the material, the Managing Authority submits it to the Monitoring Committee for approval.

Then, the Managing Authority shall launch the call for proposals, informing potential beneficiaries about financing, the particular conditions and requirements applicable to their eligibility under the call, the criteria and the procedure for selecting operations, the main obligations to be undertaken by beneficiaries in case that an operation is selected for funding under the OP etc.

As illustrated in Diagram 1, potential beneficiaries prepare a proposal in cooperation with the lead beneficiary, who submits it to the Managing Authority, in order to receive a reference number. Then, the Managing Authority is forwarding all proposals submitted to the Joint Technical Secretariat.

□

The Joint Technical Secretariat checks the proposals and makes certain that:

1. proposals are submitted within the deadline;
2. all standard documents required are completed;
3. potential beneficiaries participating in the proposals are eligible.

It shall then carry out an evaluation of proposals, based on the operations selection criteria, approved by the Monitoring Committee and submit all the material to the Project

Evaluation Committee. In evaluating proposals, the Joint Technical Secretariat may be assisted by external experts.

The Project Evaluation Committee examines all the proposals on the basis of the preliminary evaluation, carried out by the JTS, and finalises the evaluation procedure by filling in the final evaluation forms.

Then, the Managing Authority submits to the Monitoring Committee:

- i. the application forms of all submitted project proposals;
- ii. a ranking list of all evaluated project proposals;
- iii. the final evaluation forms.

The Monitoring Committee selects the operations to be funded.

On the basis of the Monitoring Committee's decision (selected operations), the Managing Authority shall sign a contract with the lead beneficiaries of the operations.

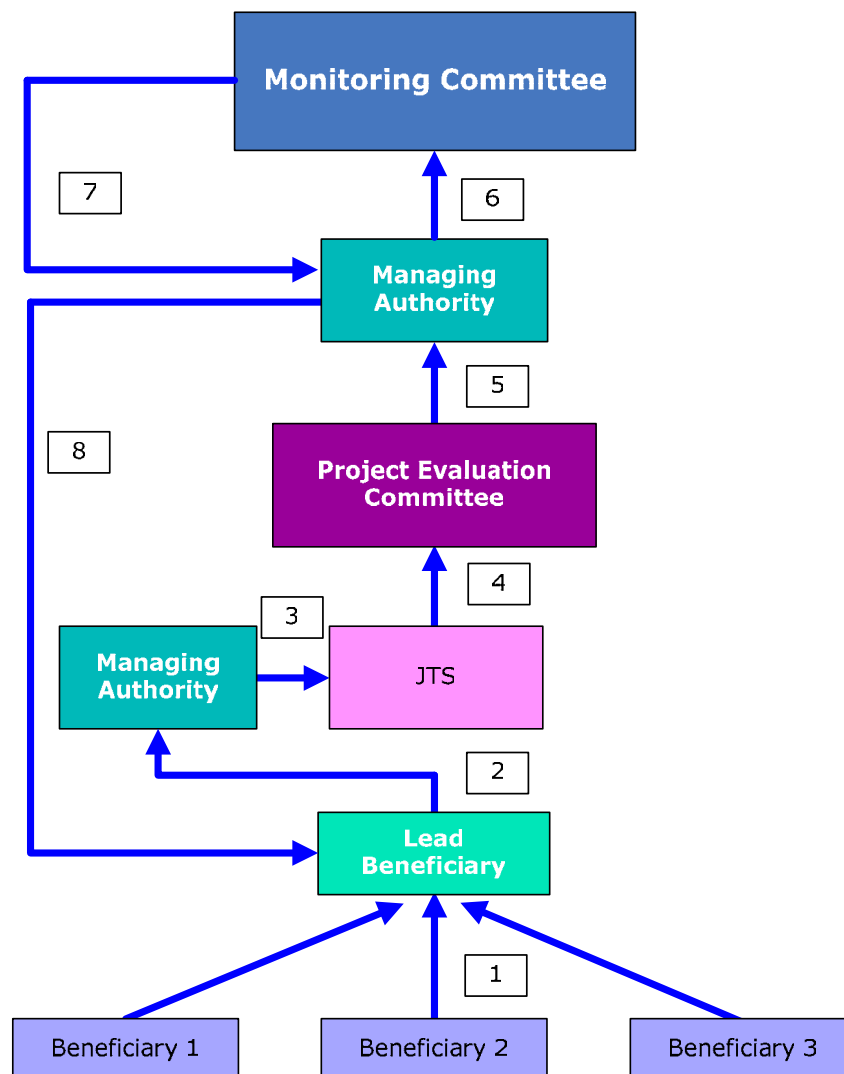
In addition, specific procedures can be defined by the Monitoring Committee establishing the launch of calls for strategic projects. These procedures should allow the implementation of projects that will be of strategic importance for Member States. The Monitoring Committee will determine the terms of reference, on which the applicants will base their proposals. Projects will be selected by the Monitoring Committee.

A two-steps selection process is planned regarding calls for strategic projects. Lead partners are first invited to hand in a summary of the proposals to the Managing Authority. Should the summary be selected by the Monitoring Committee, Lead partners should send their final proposals to the Managing Authority for the second evaluation procedure and the final approval by the Monitoring Committee of operations to be funded.

Both evaluation phases are carried out according to the procedures, already described for all the calls for proposals.

Assistance and support will be provided by the JTS to potential beneficiaries developing strategic projects. Preparation for those calls may be supported by thematic seminars at the level of programme stakeholders (target groups, experts, programme management bodies, etc) to define potential fields of strategic co-operation, which might serve as a basis for the calls.

DIAGRAM 1: SUBMISSION OF PROPOSALS, EVALUATION, SELECTION, CONTRACTING



Step 1: Beneficiaries prepare the proposal in cooperation with the Lead Beneficiary.
 Step 2: The Lead Beneficiary submits the proposal to the Managing Authority.
 Step 3: The Managing Authority registers the proposals (Ref. No) and forwards them to the JTS.
 Step 4: The JTS checks proposals for: 1) timely submission, 2) completion of required documents, and 3) eligibility of beneficiaries. It then evaluates the proposals, based on the approved operations' selection criteria and submits all the material to the Project Evaluation Committee.
 Step 5: The Project Evaluation Committee examines all the proposals on the basis of the preliminary evaluation, carried out by the JTS, and finalises the evaluation procedure by filling in the final evaluation forms.
 Step 6: The Managing Authority submits to the Monitoring Committee: i) the application forms of the submitted project proposals, ii) a ranking list of all evaluated project proposals and iii) the final evaluation forms.
 Step 7: The Monitoring Committee selects the operations to be funded.
 Step 8: On the basis of the Monitoring Committee's decision (projects selected for funding), the Managing Authority contracts the lead beneficiaries of approved projects.

5.2.1 Project Evaluation Committee

The participating member states shall establish a Project Evaluation Committee, in order to support the Monitoring Committee, in fulfilling its tasks, mainly with regard to the selection of operations.

The Project Evaluation Committee is responsible for the final evaluation of projects, on the basis of the preliminary evaluation, carried out by the JTS (the whole evaluation procedure is described in Section 3).

Additionally, the Project Evaluation Committee:

- agrees upon the criteria for selecting the operations before they are submitted to the Monitoring Committee;
- agrees upon the material for the call for proposals before it is submitted to the Monitoring Committee;
- can submit to the Monitoring Committee a proposal to establish work groups aimed to the in-depth analysis of the issues relevant for the programme implementation and the terms of reference concerning the composition and functioning of the work groups.

The Project Evaluation Committee shall be composed by representatives of both Member States, as well as of the Managing Authority. The Project Evaluation Committee is chaired by the Italian administration, participating to the Programme and takes decisions on the basis of consensus.

The Committee operates in such a way to supply promptly the Monitoring Committee with the elements suitable for making its decisions about the selecting of operations. Both the Italian and the Greek languages can be utilised.

The Joint Technical Secretariat participates in the meetings of the Project Evaluation Committee, providing technical and secretarial support.

The Project Evaluation Committee shall draw up its own rules of procedure and adopt them at its initial meeting.

5.2.2 Responsibilities of the Lead Beneficiary and of other Beneficiaries

For each operation, a lead beneficiary shall be appointed by the beneficiaries among themselves (article 20 of Regulation (EC) No 1080/2006). The lead beneficiary shall assume the following responsibilities:

- (i) it shall lay down the arrangements for its relations with the beneficiaries participating in the operation in an agreement comprising, inter alia, provisions guaranteeing the sound financial management of the funds allocated to the operation, including the arrangements for recovering amounts unduly paid.

Should the lead beneficiary fail to recover the amounts from a beneficiary, the Member States, in whose territory the beneficiary concerned is established, shall return to the certifying authority any amounts that were unduly paid to that beneficiary.

- (ii) it shall be responsible for ensuring the implementation of the entire operation.
- (iii) it shall ensure that the expenditure presented by the beneficiaries participating in the operation has been incurred for the purpose of implementing the operation and corresponds to the activities agreed between those beneficiaries.
- (iv) it shall verify that the expenditure presented by the beneficiaries participating in the operation has been validated by the controllers
- (v) it shall be responsible for transferring the ERDF contribution to the beneficiaries participating in the operation.

Each beneficiary participating in the operation shall assume responsibility in the event of any irregularity in the expenditure which it has declared.

5.3 Certification of expenditure and financial flows

5.3.1 Certification of expenditure

In order to validate the expenditure, each Member State will set up a control system making it possible to verify the delivery of the products and services co-financed, the soundness of the expenditure declared for operations or parts of operations implemented on its territory, and the compliance of such expenditure and of related operations or parts of those operations with Community rules and its national rules.

For this purpose, each Member State shall designate the controllers responsible for verifying the legality and regularity of the expenditure declared by each beneficiary participating in the operation. The expenditures deriving will be covered by the Technical Assistance budget.

The Certifying Authority is responsible for the certification of expenditure of Greek beneficiaries. The certification of expenditure will be carried either directly, by an independent Unit of this Authority, or by qualified controllers to which the Certifying Authority will assign this task. As far as the Italian beneficiaries are concerned, a single public list of qualified controllers in Italy will be formed. Italian beneficiaries will be able to draw from this list a controller to certify its expenditure.

Controllers designated by the two Member States shall apply standard control criteria, jointly prepared by the participating member states, agreed by the Managing Authority and approved by the Monitoring Committee.

Verifications shall be carried out by the controllers designated by the Member States respectively and will include the following procedures:

- i. administrative verifications in respect of each application for reimbursement by beneficiaries;

- ii. on-the-spot verifications of individual operations
 - ✓ Where on-the-spot verifications are carried out on a sample basis for an Operational Programme, the Managing Authority shall keep records describing and justifying the sampling method and identify the operations or transactions selected for verification.
 - ✓ The Managing Authority shall determine the size of the sample in order to achieve reasonable assurance as to the legality and regularity of the underlying transactions having regard to the level of risk identified by the Managing Authority for the type of beneficiaries and operations concerned;
 - ✓ The Managing Authority shall review the sampling method each year;
 - ✓ The Managing Authority shall establish written standards and procedures for the verifications carried out and shall keep records for each one, stating the work performed, the date and the results of the verification, and the measures taken in respect of irregularities detected.

In the case that delivery of co-financed products or services may be verified only in relation to the entire operation, verification shall be carried out by the Managing Authority.

Where the body designated as Managing Authority is also a beneficiary in the context of operations under the Technical Assistance Priority Axis of the Operational Programme, arrangements for the verifications shall ensure adequate separation of functions in accordance with point (b) of article 58 of Regulation (EC) No 1083/2006.

Verifications shall include procedures to avoid double financing of expenditure under other Community or national programmes and under other programming periods.

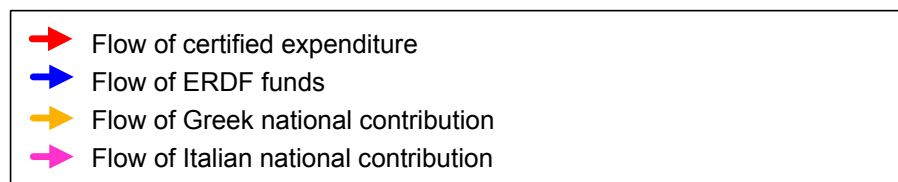
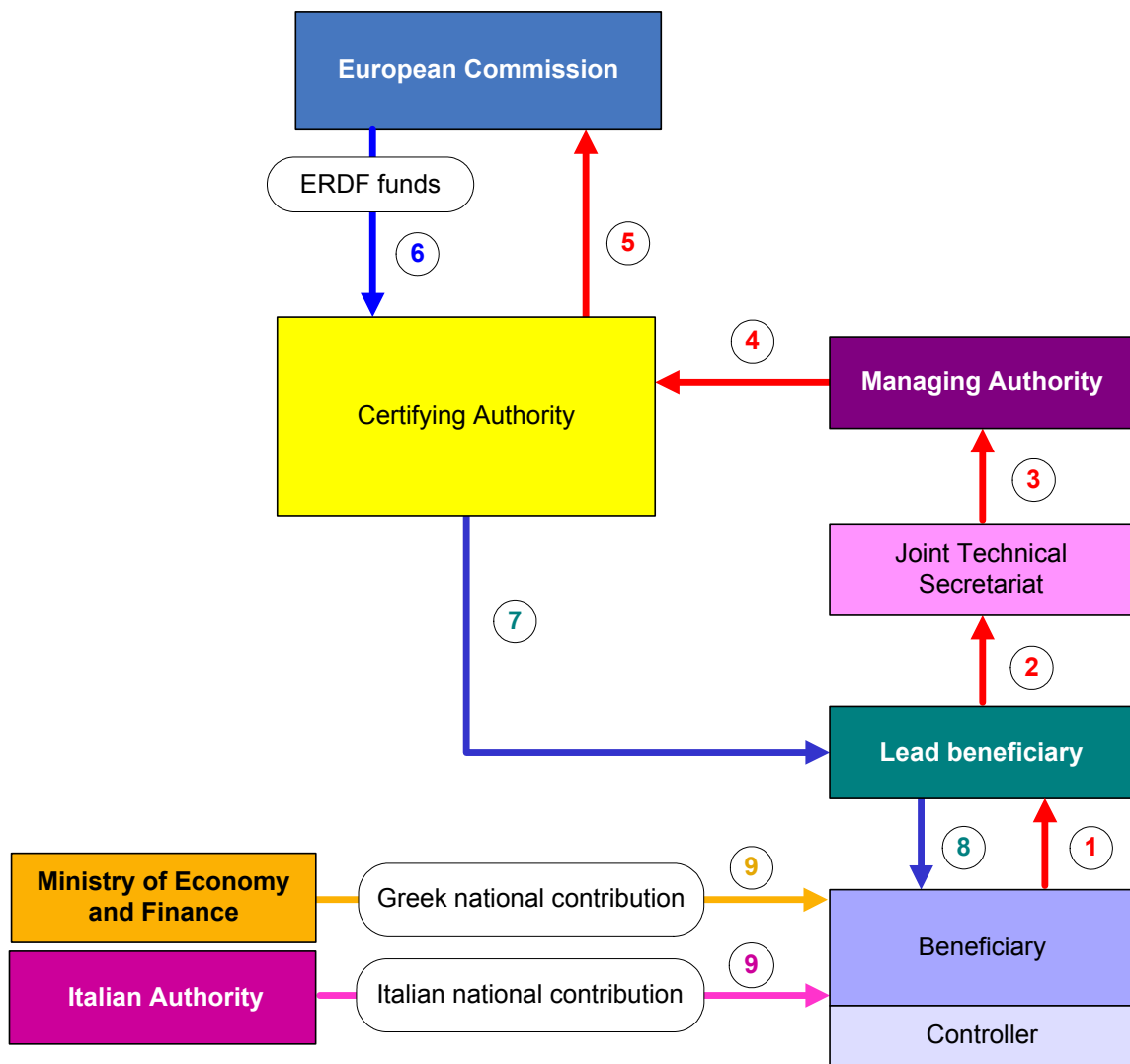
As regards the flow of certified expenditure (Diagram 2), the lead beneficiary shall forward all certified expenditure for an operation to the Joint Technical Secretariat which, after conducting a preliminary check (completeness of data and eligibility of declared expenditure) transmits them, together with comments, to the Managing Authority. The Managing Authority shall ensure that all the necessary information is available on the procedures and verifications carried out in relation to expenditure for the purpose of certification. It then transmits it to the Certifying Authority in order to prepare and submit to the Commission certified statements of expenditure and applications for payment.

5.3.2 Financial flow of Public Expenditure

As illustrated in Diagram 2, the Certifying Authority receives ERDF contribution payments from the Commission and transmits them to the lead beneficiaries of operations. The lead beneficiaries are responsible for distributing the ERDF contribution to the beneficiaries of the respective operations.

The Greek national contribution is transferred from the Ministry of Economy and Finance to the beneficiaries. The Italian national contribution is transferred from a similar National Body, to be designated by the Italian side, to the beneficiaries.

DIAGRAM 2: CERTIFICATION OF EXPENDITURE AND FINANCIAL FLOW OF PUBLIC EXPENDITURE



5.4 Monitoring

5.4.1 Monitoring Committee

The Monitoring Committee of the OP is set up within 3 months from the date of the notification to the Commission of the decision approving the OP.

The composition of the Monitoring Committee of the Operational Programme is decided by the participating Member States, taking into account that Member States shall be equally represented and complying with the partnership principle in managing, monitoring and evaluating the operations in all stages of programme implementation. The representatives of Member States shall come from national, regional and local authorities, as well as from economic and social partners.

The chairmanship of the Monitoring Committee is held alternatively by Greece and the Region of Apulia. Each side holds the chairmanship for one year. For the Greek side, the designated chairperson is the Secretary General for Investments and Development at the Ministry of Economy and Finance. For the Italian side, the designated chairperson is the “Assessore al Mediterraneo” of Apulia Region.

On his/her own initiative or at the request of the Monitoring Committee, the European Commission’s representative shall participate in an advisory capacity in the meetings of the Monitoring Committee.

It shall be ensured that men and women are, as much as possible, equally represented on the Monitoring Committee.

The Managing Authority attends the Monitoring Committee meetings in an advisory capacity. Moreover, specialists or experts on economic, technical, social, scientific and other matters, depending on the agenda items, may be invited to attend the Monitoring Committee meetings in an advisory capacity.

The Joint Technical Secretariat undertakes the secretarial support to the Monitoring Committee, mainly by organising the meetings, preparing the agenda and keeping the minutes.

The decisions of the Monitoring Committee are taken by consensus. Both Greek and Italian languages can be used at the meetings of the Monitoring Committee.

The Monitoring Committee shall draw up its own rules of procedure within the institutional, legal and financial framework of the Member State where the Programme Managing Authority is based, and approve it, in agreement with the Managing Authority, so that it can carry out its functions in accordance with the Regulation (EC) No 1083/2006. At its initial meeting, the committee shall adopt its rules of procedure.

The Monitoring Committee shall be responsible for the functions set out in article 65 of Regulation (EC) 1083/2006, and in particular it shall:

- consider and approve the criteria for selecting the operations to be financed within six months of the approval of the Operational Programme and approve any revision of those criteria in accordance with programming needs;
- periodically review progress made towards achieving the specific targets of the Operational Programme on the basis of documents submitted by the Managing Authority;
- examine the results of implementation, particularly the achievement of the targets set for each priority axis and the evaluations referred to in article 48(3) of Regulation (EC) No 1083/2006 and in Section 4;
- consider and approve the annual and final reports on implementation referred to in Article 67 of Regulation (EC) No 1083/2006;
- be informed of the annual control report, or of the part of the report referring to the Operational Programme concerned, and of any relevant comments the Commission may make after examining that report or relating to that part of the report;
- may propose to the Managing Authority any revision or examination of the Operational Programme likely to make possible the attainment of the ERDF's objectives referred to in article 3 or to improve its management, including its financial management;
- consider and approve any proposal to amend the content of the Commission decision on the contribution from the ERDF;
- approve the material for the call for proposals (standard application forms, supporting documents, guidelines etc.);
- select the operations to be funded;
- approve, on the basis of the proposals made by the Managing Authority, the Technical Assistance annual plan and the information and communication plan;
- it may establish thematic work groups, focusing on specific issues relevant to the Programme implementation.

5.4.2 Monitoring Indicators

As stipulated in article 66(2) of Regulation (EC) No 1083/2006, monitoring of the Operational Programme shall be carried out by the Managing Authority and the Monitoring Committee of the programme, mainly by reference to indicators (financial indicators and indicators for output and results) specified for each priority axis in the Operational Programme in accordance with article 37(1)(c) of same regulation.

The indicators of the Operational Programme have been developed on the basis of the Commission proposed methodology, developed in the relevant working document for the programming period 2007-2013 "Indicators for Monitoring and Evaluation: A *Practical Guide*".

The choice of indicators for monitoring the attainment of the objectives of the Operational Programme shall meet the particular character of the Operational

Programme, its objectives and the prevailing socio-economic and environmental conditions of its geographic implementation area.

Data necessary for calculating the indicator values during the implementation of the programme shall be collected at the level of operation and aggregated at priority axis level and finally at programme level.

In the context of regular evaluation of the quality and the effectiveness of the implementation of the OP, the Managing Authority shall send to the Monitoring Committee data derived from the monitoring system, mainly summarised financial data and information pertaining to output and result indicators.

A management information system will be used to record information on all operations financed under the programme and collect reliable financial and statistical data concerning the implementation of the programme.

5.4.3 Annual Report

In the context of monitoring the OP, the Managing Authority shall draw up an annual report on programme implementation and, after approval by the Monitoring Committee, send it to the Commission (article 67(1) of Regulation (EC) No 1083/2006). The report shall include all information referred to in paragraph 2 of same article and shall be drawn up according to the requirements of Regulation (EC) No 1828/2006.

In that context, the Managing Authority shall take steps to continually monitor and improve indicators used for monitoring and evaluating the programme.

5.4.4 Annual Examination of the Operational Programme

As stipulated in article 68 of Regulation (EC) No 1083/2006, every year, when the annual report on implementation is submitted, the Managing Authority for the Operational Programme and the Commission shall examine the progress made in implementing the operational programme, the principal results achieved over the previous year, the financial implementation and other factors with a view to achieving the desired outcome. Any aspects of the operation of the management and control system raised in the last annual control report referred to in article 62(1)(d)(i) of Regulation (EC) No 1083/2006 may also be examined.

After the examination of the programme referred to above, the Commission may make comments to the Managing Authority, which shall inform the Monitoring Committee thereof. The Managing Authority shall inform the Commission of the action taken in response to those comments.

5.5 Evaluation

5.5.1 General

In order to ensure the effectiveness of the contribution of the Community and national funds to the cohesion policy, evaluations shall be carried out before, during and after the implementation of the Operational Programme (articles 47-49 of Regulation (EC) 1083/2006).

These strategic or operational evaluations shall take account of the objective of sustainable development and of the relevant Community legislation concerning environmental impact and strategic environmental assessment. Evaluations shall be carried out under the responsibility of the Managing Authority or the Commission by experts or bodies, functionally independent from the certifying and the audit authorities designated in the framework of the management and control system of the programme. The results of the evaluations shall be adequately shared among the administrations participating to the Programme and published according to the applicable rules on access to documents.

5.5.2 Operational Evaluations

As stipulated in article 48(3) of Regulation (EC) 1083/2006, the Member States shall carry out evaluations linked to the monitoring of Operational Programmes, in particular where that monitoring reveals a significant departure from the goals initially set or where proposals are made for the revision of these programmes (evaluations of an operational nature).

Evaluations linked to the monitoring of the Programme shall be carried out under the responsibility of the Managing Authority.

One evaluation of the OP, in 2010, is envisaged for the period 2007-2013. However, besides the proposed evaluation, other evaluations may be carried out during the programming period, if deemed necessary as a result of changes to the OP. Modifications to the Operational Programme may require that modifications are made in respect of the allocation of budgetary resources among priority axes, modifications to the targets and/or the content of the priorities of the OP and, finally, modifications to the implementing provisions. The time frame of the evaluations referred to above cannot be determined at this stage of planning.

The results of these evaluations shall be sent by the Managing Authority to the Monitoring Committee for the programme and the Commission.

5.5.3 Ex-post Evaluation

As stipulated in article 49(3) of Regulation (EC) 1083/2006, the responsibility for carrying out an ex-post evaluation rests with the Commission. Ex-post evaluation shall examine the extent to which resources were used, the effectiveness and efficiency of ERDF Fund

programming and the socio-economic impact and aim to draw conclusions for the policy on economic and social cohesion. Finally, factors contributing to the success or failure of the implementation of the OP and correct practices are identified.

Ex-post evaluation is a strategic evaluation carried out by independent evaluators and shall be completed by 31 December 2015. It is carried out by the Commission in close cooperation with the Managing Authority, with the latter providing all necessary information.

5.6 Information and Publicity

As stipulated in article 69 of Regulation (EC) No 1083/2006, the Member States and the Managing Authority for the Operational Programme shall provide information on and publicise operations and co-financed programme to ensure the required publicity thereof. The information shall be addressed to the European Union citizens and beneficiaries with the aim of highlighting the role of the Community and ensure that assistance from the ERDF is transparent. Implementation of information and publicity requirements is described in articles 2 to 10 of Regulation (EC) No 1828/2006.

For the purposes of providing the information referred to above, information and publicity measures, set out in a structured way in the communication plan for the Operational Programme, shall be taken throughout the period of implementation of the programme. The communication plan shall include the aims and target groups, the strategy and content of the information and publicity measures to be taken in respect of each target group (potential beneficiaries, beneficiaries, the public), the indicative budget for implementation of the plan, the administrative departments or bodies responsible for implementation of the information and publicity measures, an indication of how the information and publicity measures are to be evaluated in terms of visibility and awareness of the Operational Programme and of the role played by the Community.

The information and publicity measures shall make reference to the added value of the Community contribution at national, regional and local levels.

The communication plan and any significant revisions to it shall be drawn up by the Managing Authority of the Operational Programme and submitted to the Commission for examination in accordance with the procedure referred to in article 3 of Regulation (EC) 1828/2006.

The amounts allocated to information and publicity measures shall be included in the financing of the OP under the Technical Assistance Funds (article 46(1) of Regulation (EC) 1083/2006).

The Managing Authority shall designate in both member states the bodies responsible for information and publicity actions and accordingly inform the Commission.

5.7 Electronic exchange of Data

For the purposes of Articles 66 and 67 of Regulation (EC) No 1083/2006, the Managing Authority for the Operational Programme shall update the computer system established by the Commission (SFC 2007) for the exchange of all data relating to the Operational Programme, in accordance with the requirements of articles 39, 40, 41 and 42 of Regulation (EC) 1828/2006.

The Managing Authority of the OP shall also ensure that there is a system for recording and storing in computerised form accounting records for each operation under the Operational Programme and that the data on implementation necessary for financial management, monitoring, verifications, audits and evaluation are collected in accordance with article 60(c) of Regulation (EC) No 1083/2006. For that purpose, in the context of the description of Management and Control Systems, a description of the system shall be submitted to the Commission in accordance with article 71(1) of Regulation (EC) No 1083/2006 and similarly in article 21 of Regulation (EC) 1828/2006 and also in par. 6 of Annex XII of Regulation (EC) 1828/2006.

The existing integrated management information system (MIS), set up for the requirements of the 3rd programming period at the Ministry of Economy and Finance, shall be appropriately customised for that purpose.

The management information system may also cover the needs of collecting and recording data relating to the functions of the audit authority and the certifying authority of the programme and support the authorities concerned with their obligation of electronic data exchange with the Commission.

5.8 Partnership

Article 11 of Regulation (EC) 1083/2006 lays down that the objectives of the Funds shall be pursued in the framework of close cooperation, hereinafter referred to as partnership, between the Commission and each Member State and between Member States and stakeholders (the competent national, regional and local authorities, the economic and social partners, any other appropriate body representing civil society, environmental partners, non-governmental organisations and bodies responsible for promoting equality between men and women).

The partnership shall be ensured on all levels of implementation of the OP with:

- (i) the application of broad consultation procedures at all levels of planning with a view to shaping a multifaceted approach on alternative solutions to the development of the eligible regions through a productive and effective dialogue with the bodies involved.
- (ii) the active involvement of partners, especially at regional level, at various stages of the OP programming
- (iii) the proportional representation of partners on the composition of the Monitoring Committee of the OP, which is the key mechanism to ensure the quality and the

effectiveness of the programme, and on which all bodies with an interest in the targets and actions of the programme are being represented.

5.9 Promoting equality between men and women and ensuring the principle of non-discrimination

According to article 16 of Regulation (EC) 1083/2006, the member States participating in the programme and the Commission shall ensure that equality between men and women and the integration of the gender perspective is promoted during the various stages of implementation of the Funds.

The Member States and the Commission shall take appropriate steps to prevent any discrimination based on sex, racial or ethnic origin, religion or belief, disability, age or sexual orientation during the various stages of implementation of the Funds and, in particular, in the access to them. In particular, accessibility for disabled persons shall be one of the criteria to be observed in defining operations co-financed by the Funds and to be taken into account during the various stages of implementation.

Steps to be taken to promote gender equality and prevent discrimination during the various stages of the implementation of the operational programme shall include:

- (i) taking appropriate steps to publicise the programme and the specific operations included in it in order to ensure the best possible and wider access to Community co-financing. Such measures shall include, inter alia, the sending of calls to all members of the Monitoring Committee of the programme and also to all stakeholders, who can ensure a broader dissemination of funding opportunities and the special conditions and requirements for receiving it
- (ii) The follow up and the provision of relevant information to the Monitoring Committee of the Operational Programme and the Commission through the annual report in respect of the measures taken in support of creating equal opportunities under the OP, their effectiveness and corrective actions required to ensure non-discrimination.

6 Financial Provisions

6.1 Programme budget

This chapter outlines the financial provisions of the CBC Programme Greece-Italy 2007-2013. The following paragraphs present the programme's financial plan per year and in total for the programming period 2007-2013.

The total budget (ERDF and national contribution) for the CBC Programme Greece-Italy in the period 2007-2013 is **€118.606.893**. The total financing consists of €88.955.170 (75%) ERDF funding and €29.651.723 (25%) national contribution.

The budget for the ERDF contribution corresponds exactly to the allocation provided by the European Commission (EU - Regulation 1080/2006).

6.2 Financing Plan

In line with requirements of Regulation 1080/2006, Article there is a financing plan for the programme. This financing plan is presented in the form of four tables.

- Table 6-1 presents the annual breakdown of the ERDF funding for the 2007-2013 programming period
- Table 6-2 presents the codes for the form of finance Dimension
- Table 6-3 presents the codes for the form of the Territorial Dimension
- Table 6-4 specifies the amount of the total financial appropriation of the ERDF contribution and the national funding for the whole programming period, for the Operational Programme as a whole and for each priority axis. This table also presents the average rate of the ERDF contribution for each of the priorities. No private contribution is foreseen in this Programme.

6.2.1 Thematic Priority Axes and Technical Assistance

Following the Programme's structure, the total budget has been divided into four priority axes: three thematic priority axes and Technical Assistance.

The total eligible budget of *Priority Axis 1 "Strengthening and competitiveness and innovation"* is €33.209.930 corresponding to 28% of the total Programme budget, (consisting of €24.907.448 of ERDF funding and €8.302.482 of national financing). Priority axis will finance activities of innovation and competitiveness of SMEs, with a focus on research and technology, by encouraging cross-border economic cooperation between research bodies

The total eligible budget of *Priority Axis 2 "Improve accessibility to sustainable networks and services"* is €29.651.723 corresponding to the 25% of the total Programme budget, made up of €22.238.792 of ERDF and of national contribution €7.412.931. Priority axis will finance activities of telecommunications, IT and transport and promote joint actions

and social development of the eligible regions. The aim is to improve accessibility to the cross-border area.

The total eligible budget of *Priority Axis 3 “Improving the quality of life, protection of the environment and enhancement of social and cultural cohesion”* is €48.628.826 corresponding to 41% of the total Programme budget, made up of €36.471.620 of ERDF and of national contribution €12.157.206. Priority axis will finance activities of protection the environment, improvement of public health and services provided and cultural and tourism sectors.

The total eligible budget of *Priority Axis 4 “Technical Assistance for implementation”* is €7.116.414 corresponding to the 6% of the total Programme budget, made up of €5.337.310 of ERDF and of €1.779.104 national contribution. The allocated ERDF in technical assistance corresponds exactly to the 6% of the total allocated ERDF in the CBC Greece-Italy as required by art 4, paragraph 1 of Regulation EU 1083/2006. Priority axis will finance activities of management, monitoring implementation, audit, publicity and information of the Programme.

6.3 Annual Distribution of Community Aid for the European Territorial Cooperation Programme Greece-Italy

Commission reference number:

Title of programme: European Territorial Cooperation Programme Greece – Italy

Date of last Commission decision on the relevant Operational Programme: __/__/__

Table 6-1: Distribution per Year

		ERDF
2007	In regions without transitional support	12.383.706
	In regions with transitional support	0
	Total	12.383.706
2008	In regions without transitional support	11.771.756
	In regions with transitional support	0.0
	Total	11.771.756
2009	In regions without transitional support	11.985.408
	In regions with transitional support	0.0
	Total	11.985.408
2010	In regions without transitional support	12.465.868
	In regions with transitional support	0.0
	Total	12.465.868
2011	In regions without transitional support	12.954.903
	In regions with transitional support	0.0
	Total	12.954.903
2012	In regions without transitional support	13.436.627
	In regions with transitional support	0
	Total	13.436.627
2013	In regions without transitional support	13.956.902
	In regions with transitional support	0.0
	Total	13.956.902
Overall total 2007- 2013	Regions without transitional support (2007 - 2013)	88.955.170
	Regions with transitional support (2007 - 2013)	0
	Total 2007 - 2013	88.955.170

Table 6-2: Codes for the form of Finance Dimension

CODE	Form of Finance	ERDF Allocation (€)	Percentage
01	Non-Repayable Aid	88.955.170	100%

Table 6-3: Codes for the form of the Territorial Dimension

Code	Territory Type	ERDF Allocation (€)	Percentage
08	Cross-border cooperation area	88.955.170	100%

6.4 Financial Plan for the European Territorial Cooperation Programme Greece-Italy

The following table presents the distribution per Priorities Axes as explained before to the Chapter 4.

Table 6-4: Financial Table

	Community Financing	National Contribution (b)=(c)+(d)	Indicative Breakdown of the percentage of national contribution		Total Financing (e)= (a)+(b)	Co-Financing Percentage (f)=(f)/(e)	EIB Contribution	Other Financing
	(a)		National Public Financing (c)	National Private Financing (d)				
Priority Axis	ERDF							
PA1: Strengthening of competitiveness and innovation	24.907.448	8.302.482	8.302.482	0	33.209.930	75%	0	0
PA2: Improve accessibility to sustainable networks and services	22.238.792	7.412.931	7.412.931	0	29.651.723	75%	0	0
PA3: Improving the quality of life, protection of the environment and enhancement of social and cultural cohesion	36.471.620	12.157.206	12.157.206	0	48.628.826	75%	0	0
PA4: Technical assistance for implementation	5.337.310	1.779.104	1.779.104	0	7.116.414	75%	0	0
TOTAL	88.955.170	29.651.723	29.651.723	0	118.606.893	75%	0	0

(*) 20% will be given to adjacent regions Taranto, Foggia and Iliia. This justification is given in the Paragraph 1.3 Programming Area.

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ANNEX I

Table 6-5: Indicators per region, country, programming area and EU

	Western Greece	Ionian Islands	Ipiros	Apulia	Greece	Italy	Programming Area	EU 25
GNP								
<i>GNP (M€) [2002]</i>	7.316,1	2.576,1	3.607,1	60.843,8	143.482,2	1.295.225,7	74.343,1	9.814.709,1
<i>GNP ranking order in country</i>	7	13	11	9				
<i>GNP (M€) [2003]</i>	7.951,3	2.821,5	3.921,7	62.096,9	155.543,2	1.335.353,7	76.791,4	9.953.329,3
<i>GNP ranking order in country</i>	7	13	11	9				
<i>GNP (PPP) [2002]</i>	9.313,6	3.279,4	4.592,0	63.647,9	182.656,3	1.354.920,4	80.832,9	9.814.709,1
<i>GNP (PPP) as % of EU-25 Avg</i>	0,09	0,03	0,05	0,65	1,9	13,8	0,82	100,0
<i>GNP (PPP) as % of national GNP</i>	5,10	1,80	2,51	4,70	100,00	100,00		
<i>GNP (PPP) [2003]</i>	9.937,1	3.526,2	4.901,2	62.810,8	194.390,1	1.350.705,8	81.175,3	9.953.329,3
<i>GNP (PPP) as % of EU-25 Avg</i>	0,10	0,04	0,05	0,63	2,0	13,6	0,82	100,0
<i>GNP as % of national GNP</i>	5,11	1,81	2,52	4,65	100,00	100,00	0,62	
<i>% GNP change (2002-2003)</i>	6,7	7,5	6,7	-1,3	6,4	-0,3	0,4	1,4
Per capita GNP								
<i>GNPPC (PPP) [2002]</i>	12.822,1	15.276,5	13.599,8	15.826,0	16.623,9	23.705,1	15.233,3	21.536,1
<i>GNPPC (PPP) as % of EU-25 Avg</i>	59,5	70,9	63,1	73,5	77,2	110,1	70,7	100,0
<i>GNPPC (PPP) as % of national GNPPC (PPP)</i>	77,13	91,89	81,81	66,76	100,00	100,00		
<i>GNPPC (PPP) ranking order in country</i>	13	9	11	18				
<i>GNPPC (PPP) [2003]</i>	13.628,1	16.218,0	14.438,9	15.576,2	17.634,1	23.447,8	15.228,0	21.740,6
<i>GNPPC (PPP) as % of EU-25 Avg</i>	62,7	74,6	66,4	71,6	81,1	107,9	70,0	100,0
<i>GNPPC (PPP) as % of national GNPPC (PPP)</i>	77,28	91,97	81,88	66,43	100,00	100,00		
<i>GNPPC (PPP) ranking order in country</i>	12	9	11	20				
<i>Avg GNP per capita in PPP for period 2000-2003</i>	12331,53	14631,68	12976,98	15406,3	16.037,9	23.312,1		21.059,5
<i>Avg GNP per capita in PPP as % of EU-25 Avg for period 2000-2003</i>	58,6	69,5	61,6	73,2	76,2	110,7		100,0
Demographic Data								
<i>Population [2002]</i>	728.083	216.255	338.028	4.023.957	11.006.377	57.321.070	5.306.323	456.901.732
<i>Population [2003]</i>	730.238	218.594	340.854	4.040.990	11.040.650	57.888.245	5.330.676	459.113.792
<i>Population [2004]</i>	732.292	220.398	341.851	4.068.167	11.082.751	58.462.375	5.362.708	
<i>% of total population in country [2004]</i>	6,6	2,0	3,1	7,0	100,0			
<i>Km²</i>	11.350	2.307	9.203	19.358	131.957	301.336	42.218	3.959.022
<i>Population density [2002]</i>	66	94,7	37,4	210,1	84,3	195,2	125,7	117,5
<i>Population density [2003]</i>	66,2	95,6	37,6	211,3	84,6	197,1	126,3	
<i>Population density [2004]</i>	64,5	95,5	37,1	210,2	84,0	194,0	127,0	
Degree of urbanisation of households								
<i>over-populated regions (>500/Km²) [2005]</i>	55,8%	26,0%	39,6%	28,6%	66,5%	45,5%		
<i>intermediary regions (100-499/Km²) [2005]</i>	12,3%	13,8%	14,6%	62,7%	12,3%	39,3%		
<i>over-populated regions (<100/Km²) [2005]</i>	31,9%	60,2%	45,8%	8,7%	21,2%	15,2%		
<i>% change of period 2003-2005</i>								
<i>over-populated regions</i>	4,3	-13,0	1,5	-6,9	6,9	-5,7		

	Western Greece	Ionian Islands	Ipiros	Apulia	Greece	Italy	Programing Area	EU 25
(>500/Km2) [2005]								
intermediary regions (100-499/Km2) [2005]	34,8	41,0	48,1	14,2	12,5	14,8		
over-populated regions (<100/Km2) [2005]	6,1	8,6	5,2	-22,6	-0,2	16,7		
Financial data per production sector								
<i>All production sectors</i>								
GVA (M€) [2003]	6.969,4	2.473,1	3.437,5	55.509,8	136.336,9	1.195.064,2	68.390	
% participation in country [2003]	5,1	1,8	2,5	4,6	100,0	100,0		
% participation in programming region [2003]	10,2	3,6	5,0				100,0	
<i>Primary sector</i>								
GVA (M€) [2003]	856,4	191,6	299,4	2914,2	9.232,80	30400,4	4.262	
% participation in country [2003]	9,3	2,1	3,2	9,6	100,0	100,0		
% participation in programming region [2003]	20,1	4,5	7,0				100,0	
<i>Secondary sector</i>								
GVA (M€) [2003]	1.164,30	315,9	528,3	11513,3	29.989,70	323388,2	13.522	
% participation in country [2003]	3,9	1,1	1,8	3,6	100,0	100,0		
% participation in programming region [2003]	8,6	2,3	3,9				100,0	
<i>Tertiary sector</i>								
GVA (M€) [2003]	4.948,70	1.965,60	2.610	41082,3	97.114,40	841275,6	50.606	
% participation in country [2003]	5,1	2,0	2,7	4,9	100,0	100,0		
% participation in programming region [2003]	9,8	3,9	5,2				100,0	
Regional Employment Indicators								
<i>Economically active population 15 yrs and over [2005] (thousands)</i>	299,7	99,2	138,6	1.430,7	4.846,3	24.451,4	1.968	217.648,3
Men	188,0	58,4	84,8	960,6	2.872,3	14.640,3	1.292	120.640,0
Women	111,7	40,8	53,7	470,1	1.974,0	9.811,1	676	97.008,3
<i>% Economically active population 15 yrs and over [2005]</i>	49,9	53,9	48,2	42,1	53,2	49,1	48,5	57,0
Men	62,5	65,0	60,6	59,1	64,8	61,2	61,8	65,5
Women	37,2	43,3	36,5	26,6	42,2	37,9	35,9	49,1
<i>Economically active population 15-64 yrs [2005] (thousands)</i>	295,2	97,0	135,7	1.417,0	4.762,8	24.098,7	1.944,9	214.679,9
Men	184,6	57,1	82,7	950,1	2.810,9	14.359,6	1.274,5	118.710,9
Women	110,7	39,9	53,0	467,0	1.951,9	9.739,1	670,6	95.969,0
<i>% Economically active population 15-64 yrs [2005]</i>	63,4	70,2	63,8	52,3	66,8	62,5	62,4	70,1
Men	77,0	82,3	77,2	71,3	79,2	74,6	77,0	77,8
Women	49,1	58,0	50,2	33,9	54,5	50,4	47,8	62,5
<i>Economically active population 15-24 yrs [2005] (thousands)</i>	25,8	9,0	10,5	157,8	414,2	2.044,3	203	25.537,6
Men	15,3	5,1	6,2	100,5	227,3	1.187,4	127	13.930,9
Women	10,5	3,9	4,3	57,3	186,8	857,0	76	11.606,7
<i>% Economically active population 15-24 yrs [2005]</i>	28,0	39,1	25,6	31,0	33,7	33,8	30,9	45,1
Men	31,8	44,5	30,8	39,3	37,0	38,7	36,6	48,6
Women	23,8	33,7	20,6	22,6	30,4	28,7	25,2	41,6

	Western Greece	Ionian Islands	Ipiros	Apulia	Greece	Italy	Programming Area	EU 25
<i>Economically active population 55-64 yrs [2005] (thousands)</i>	3,2	1,4	1,9	8,6	50,5	166,8	18,1	2.364,4
<i>Men</i>	3,0	1,2	1,7	9,5	48,1	149,4	15,4	1.707,8
<i>Women</i>	0,7	0,3	0,5	1,2	10,3	37,5	2,7	763,0
<i>% Economically active population 55-64 yrs [2005]</i>	44,0	51,8	46,9	29,2	43,2	32,6	43,0	45,5
<i>Men</i>	60,6	71,0	62,9	44,3	60,8	44,3	59,7	55,5
<i>Women</i>	28,1	34,2	31,7	15,1	27,1	21,5	27,3	36,0
<i>Employed 15 yrs and over [2005] (thousands)</i>	268,1	90,7	122,6	1.221,5	4.368,9	22.562,8	1.703	197.960,1
<i>Men</i>	177,2	55,0	79,0	849,8	2.696,8	13.737,9	1.161	110.580,6
<i>Women</i>	90,9	35,7	43,6	371,7	1.672,1	8.825,0	542	87.379,5
<i>% Employed 15 yrs and over [2005]</i>	44,6	49,3	42,7	36,0	48,0	45,3	43,2	51,9
<i>Men</i>	58,9	61,2	56,5	52,3	60,9	57,4	57,2	60,0
<i>Women</i>	30,3	37,9	29,5	21,0	35,7	34,1	29,7	44,3
<i>Employed 15 -64 yrs [2005] (thousands)</i>	263,6	88,5	119,8	1.207,8	4.286,7	22.214,4	1.680	195.033,9
<i>Men</i>	173,7	53,6	76,9	839,2	2.635,8	13.460,3	1.143	108.677,7
<i>Women</i>	89,8	34,9	42,9	368,6	1.650,9	8.754,2	536	86.356,3
<i>% Employed 15 - 64 yrs [2005]</i>	56,6	64,1	56,3	44,6	60,1	57,6	55,4	63,7
<i>Men</i>	72,5	77,4	71,8	62,9	74,2	69,9	71,2	71,2
<i>Women</i>	39,8	50,6	40,5	26,8	46,1	45,3	39,4	56,2
<i>Employed 15 -24 yrs [2005] (thousands)</i>	19,3	6,9	6,7	101,9	306,6	1.554,6	135	20.756,7
<i>Men</i>	13,3	4,4	4,5	67,5	184,7	932,6	90	11.357,1
<i>Women</i>	6,0	2,5	:	34,4	121,8	622,0	43	9.399,6
<i>% Employed 15 - 24 yrs [2005]</i>	21,0	30,1	16,4	20,0	25,0	25,7	21,9	36,7
<i>Men</i>	27,7	38,1	22,2	26,4	30,1	30,4	28,6	39,6
<i>Women</i>	13,7	22,1	10,7	13,6	19,8	20,8	15,0	33,7
<i>Employed 55 -64 yrs [2005] (thousands)</i>	31,6	11,3	17,7	126,0	501,9	2.195,5	187	22.293,3
<i>Men</i>	21,2	7,4	11,6	92,0	339,5	1.446,7	132	13.201,0
<i>Women</i>	10,4	4,0	6,2	33,9	162,4	748,8	55	9.092,3
<i>% Employed 55 - 64 yrs [2005]</i>	42,9	49,9	45,4	27,7	41,6	31,4	41,5	42,5
<i>Men</i>	58,8	67,9	60,6	42,0	58,8	42,7	57,3	51,8
<i>Women</i>	27,7	33,4	30,8	14,4	25,8	20,8	26,6	33,7
<i>Unemployed 15 yrs and over [2005] (thousands)</i>	31,6	8,5	16,0	209,2	477,3	1.888,6	265	19.687,6
<i>Men</i>	10,8	3,4	5,8	110,9	175,5	902,4	131	10.059,4
<i>Women</i>	20,8	5,1	10,2	98,4	301,8	986,2	135	9.628,8
<i>% Unemployed 15 yrs and over [2005]</i>	10,6	8,5	11,5	14,6	9,8	7,7	12,8	9,0
<i>Men</i>	5,8	5,8	6,8	11,5	6,1	6,2	9,4	8,3
<i>Women</i>	18,6	12,4	19,0	20,9	15,3	10,1	19,1	9,9
<i>Unemployed 15-24 yrs [2005] (thousands)</i>	6,4	:	3,8	55,8	107,6	489,7	:	4.780,9
<i>Men</i>	:	:	:	33,0	42,6	254,7	:	2.573,8
<i>Women</i>	4,4	:	:	22,9	65,0	235,0	:	2.207,1
<i>% Unemployed 15-24 yrs [2005]</i>	24,9	:	36,1	35,4	26,0	24,0	:	18,7
<i>Men</i>	:	:	:	32,8	18,7	21,5	:	18,5
<i>Women</i>	42,5	:	:	39,9	34,8	27,4	:	19,0

	Western Greece	Ionian Islands	Ipiros	Apulia	Greece	Italy	Programming Area	EU 25
<i>Long-term unemployed 15 yrs and over [2005] (thousands)</i>	18,4	2,1	10,0	119,0	249,0	947,1	149	8.927,2
<i>% Long-term unemployed (out of total unemployed) [2005]</i>	58,04	25,18	62,76	56,86	52,16	49,94	56,35	45,47

Source: Eurostat 2006

ANNEX II

7 Complementarity of interventions with the ones funded by the European Agricultural Fund for Rural Development (EAFRD) and the European Fisheries Fund (EFF) – Criteria for distinguishing between NSRF Interventions and EAFRD and EFF.

7.1 General

The main bulk of interventions aimed at improving the accessibility of agricultural areas and the interventions in environment infrastructure **will be covered by the Cohesion Fund (CF) and the European Regional Development Fund (ERDF)**, the strengthening of large scale investment plans, the protection of the cultural heritage, the upgrading of the health and social welfare system, the promotion of digital convergence, and the improvement of competitiveness and of the entrepreneurial environment **will be covered by the ERDF**, while the upgrading of public administration, the improvement of the educational system and the interventions on human resources **will be covered by the European Social Fund (ESF)**.

The **establishment of demarcation criteria** between similar categories of actions that can be financed by different Funds is not inspired by a “managerial” rationale but **reflects the priorities of particular policies** (regional policy, rural development policy, fishing policy), the whole of which is undoubtedly affected by the spatial dimension.

The large amount of land covered by rural areas, the length of the coastline and the large number of islands exclude the possibility of adopting the “spatial – geographic” criterion as the sole criterion for the demarcation of Fund actions, given that ERDF and EFF resources do not suffice to adequately cover the needs in the **two general groups of interventions**, which will serve **the objective of diversifying the economy of rural areas and of areas dependent on fishing and the objective of improving the quality of life in rural areas**.

The two general groups of interventions involve:

- Interventions on the productive environment
- Infrastructure projects aiming at improving the quality of life of residents of rural areas and of areas dependent on fishing.

The need for criteria to be established is also identified in the following sectors of interventions:

- Training actions – Human resources
- Interventions in the field of the Environment.
- Interventions based on the LEADER approach which are financed by the EAFRD
- Interventions for the development of selected fishing areas through a local strategy which are financed by the EFF.

Based on the above approach, the criteria for the demarcation of the actions presented below are a combination of spatial – geographic, financial and administrative criteria.

With regard to interventions that will be implemented in the areas of application of the **Leader Priority Axis 4 of the Rural Development Programme (RDP) 2007 -2013**, legally based on Articles 61-64 of Council Reg. (EC) 1698/2005 of 20/9/2005 “on Support for Rural Development by the European Agricultural Fund for Rural Development (EAFRD)” the criterion for the demarcation of interventions is the Leader approach per se.

Moreover, with regard to interventions aiming at the development of **selected fishing areas** within the framework of the application of **Priority Axis 4 of the O.P. Fishing (OPF) 2007 -2013**, legally based on Articles 43 - 45 of Council Reg. (EC) 1198/2006 of 20/9/2005 on the “European Fisheries Fund”, the criterion for the demarcation of interventions is the local strategy selected for each fishing area.

Investments for the **modernization of livestock and crop production agricultural holdings (axis 1 of the RDP)**, within the framework of co financed programmes, are exclusively financed by the **EAFRD**.

Investments, which involve the first manufacturing and/or marketing of products (it does not apply to investment in retail trade), aimed at increasing the added value of agricultural and forestry products (axis 1 of the PRD) and which are covered by Annex 1 of the Treaty, as well as of forest products, are exclusively financed by the **EAFRD**. **Support from the EAFRD is limited to very small, small and medium-sized undertakings within the meaning of Commission Recommendation 2003/361/EC and to undertakings employing less than 750 employees or having a turnover lower than € 200 m.**

In the case of forestry, support from the EAFRD is given to very small undertakings.

Investments in the field of **aquaculture, warm-water fishing and sea fishing** are financed by the EFF until the exhaustion of OPF resources.

Investments in the first **manufacturing and marketing** of fish, shell-fish etc. are financed by the EFF until the exhaustion of OPF resources.

Support to aquaculture and manufacturing by the EFF is, according to Reg. 1198/06, limited to very small, small and medium-sized undertakings and to undertakings employing 250-750 employees or having a turnover of € 200 m.

Water supplies, sewage and water treatment plans are exclusively financed by the ERDF.

7.2 Specific Demarcation Criteria

Infrastructure projects exclusively financed by the EAFRD and the EFF

Interventions in infrastructure are implemented in all the rural areas of Priority Axis 3 of the Rural Development Programme (RDP) 2007 -2013 in Municipal Departments with a population lower than 3000 and in OPF implementation areas as follows:

Infrastructure to encourage tourist activity and the preservation and upgrading of cultural heritage (axis 3 of the RDP)

- Local tourist information centres (offices – information stalls), signposting of sights, monuments, etc. cycle paths in the rural countryside, highlighting and promotion of the comparative advantages of the areas.
- Infrastructures for the preservation, restoration and upgrading of cultural heritage, such as the cultural features of the rural countryside (monuments, bridges, mills, traditional oil-presses and wine-press, fountains etc. and the rural landscape (such as terraces etc.).

The above apply to local scale interventions; interventions to monuments falling under the competence of the Ministry of Culture are not allowed.

The budget for such interventions cannot exceed **€300,000**.

Similar categories of interventions of a budget exceeding the aforementioned amount may be financed by the ERDF.

Infrastructure and Services aiming at improving the quality of life in rural areas (axis 3 of the RDP)

- 1) Interventions to buildings and their conversion to museums – collections – displays related to the folklore / rural cultural heritage, day care centres for pre-schoolers, libraries, music schools, cultural events' facilities (theatre, cinema). **The budget for such interventions cannot exceed €300.000. Similar categories of interventions of a budget exceeding the aforementioned amount may be financed by ERDF.**
- 2) Support to cultural events and to events aiming at promoting and preserving the cultural heritage – support to cultural associations for small scale infrastructure, purchase of equipment, musical instruments, uniforms, etc.. **The budget for such interventions cannot exceed €300.000. Similar categories of interventions of a budget exceeding the aforementioned amount may be financed by ERDF.**

Interventions under points A and B above do not involve entrepreneurial activity.

Renovation and development of villages (axis 3 of the RDP).

Regarding the renovation and development of villages, actions will be financed for the overall upgrading of villages (Municipal Department with less than 3,000 inhabitants

chiefly in mountainous and disadvantaged areas within the framework of the implementation of axis 3 of the RDP) in implementation of the total study for the enhancement³ of the settlement. Eligible categories of expenses relate to:

- The improvement and reconstruction of communal spaces (landscaping, paving, pedestrian roads, lighting etc.)
- Restoration of buildings to be used for the public interest
- Restoration of the facades of buildings with special elements of an aesthetic and historical value

The measure applies chiefly to **public works** and the total eligible budget for the above interventions will not exceed **€1,000,000**.

Access infrastructure.

Small projects allowing access to agricultural undertakings of a total budget not exceeding €500,000 are financed by the EAFRD.

Fishing ports (Axis 3 of the OPF).

The EFF will finance:

- (a) The construction of small fishing ports (up to 50 mooring places and of a budget not exceeding €1.5M in distant Greek Islands such as the ones referred to in chapter 1 of the OP Fisheries 2007-2013.
- (b) The modernization and the equipment of existing fishing ports.

Infrastructure in Information and Communication Technologies (ICT)

All the interventions relating to ICT infrastructure and applications to serve the citizens are exclusively financed by ERDF.

Other infrastructure projects

Other infrastructure projects, in rural and fishing areas, are financed by the ERDF.

7.3 Human resources

Rural Development Programme (RDP) 2007-2013

The differentiation between the EAFRD and the ESF for training actions will be specified as follows:

EAFRD	ESF
The fund will cover exclusively training with respect to the fields and beneficiaries of the below measures	The fund will cover exclusively training with respect to the fields and beneficiaries of the below measures of priority axis 1 as well as

³ As to this measure, a study on the overall aesthetic and operational upgrading and enhancement of the settlement or a plan for its upgrading have to be drawn up. This category of intervention does not apply to deserted settlements. The content of the study will be defined in cooperation with YPEHODE. Priority in terms of inclusion will be given to regions in which the principal networks (water supply, sewage) have already been completed.

of priority axis 2 of the RDP 2007-2013.		measures of priority axis 3 and 4 of the RDP 2007-2013.	
211	natural handicap payments to farmers in mountain areas	112	Set up of new farmers
212	Payments to farmers in areas with handicap other than mountain areas.	121	Modernisation of agricultural holdings
213	Natura 2000	123	Adding value to agricultural and forestry programmes
214	Agroenvironment payments	Training in the framework of implementation of priority axis 3 and 4 of the RDP (quality of life in agricultural areas and diversification of the rural economy–Leader approach as defined in Reg.1698/05).	
215	Animal welfare payments		
216	Support for non productive investments		
221	First afforestation of agricultural lands		
222	First establishment of agroforestry systems on agricultural plans		
223	First afforestation of non agricultural lands		
225	Forest-environment payments		
226	Restoring forestry potential and introducing potential actions		
227	Support for non productive investments		

Differentiation between EARDF and ESF for information-communication-training is defined as follows:

As regards information-communication-training actions which refer to all strategies, policies and guidelines for Rural Development in the new programming period, are implemented mainly by EARDF through the RDP.

Specifically:

- Information actions as regards issues of rural development with respect to Environmental matters (Community Strategy of Biodiversity, Natura 2000,

Framework for waters, Thematic strategy for soil protection, Community programme for climate change, thematic strategy for air pollution, thematic strategy for sustainable use of pesticide), strategy for forests, innovative strategy in rural development, biological agriculture and farming stock, bioenergy shall be funded by the EARDF.

- ☑ **Information-communication-training actions for organization and business administration in rural areas as well as ICT for agricultural and rural development shall be funded by the ESF.**

Operational Programme Fisheries (OPF) 2007-2013

Training actions are not included in the OP Fisheries 2007-2013 and the relevant actions will be co financed by the ESF.

7.4 Environment

Demarcation criteria by environmental sector

More specific environmental actions have been grouped by environmental sector (nature, soil, air environment, sound environment, climate change, civil protection, mechanisms – tools – institutions, aquatic environment, town and country planning).

With regard to fields that can be financed by more than one Fund and for which there is a need to define criteria concerning demarcation and to ensure complementarity, the following criteria are used, presented by sector:

“Nature” Sector :

- The implementation of **measures for the protection of forest ecosystems and, in general, intervention issues in Natura 2000 sites** is one of the most important fields for the implementation of demarcation criteria, especially between programmes financed by the ERDF and the Rural Development Programme (see analysis in Table 2 below).
- **Treatment and monitoring of genetically modified products and organisms used in production.** The actions that will be funded by each O.P. are specialized in the corresponding descriptions in programming texts. A *general demarcation criterion is Annex I to the Treaty, where relevant actions are eligible only within the framework of the EAFRD.*
- **Fires:** The RDP will cover the sector of forest fires and in particular will finance actions similar to the ones financed by ROPs, through the EAGGF-G in programming period III, such as **prevention and protection of forest ecosystems from fires and other natural disasters.**

The purchase of forest fire extinction equipment is financed by the ERDF (see also Table 3-2).

“Air Environment” Sector :

- Strengthening the safety of protected areas from natural or other risks (Transport, use or storage of substances – fires).
- EAFRD co finances actions for the prevention of forest fires, as above.

“Climate Change” Sector :

- **Promotion of Renewable Energy Sources (RES):** The EARDF through the RDP will exclusively co finance **small** scale investment plans (total eligible budget up to €300,000) for the promotion of RES as regards beneficiaries farmers and self consumption in the context of **Axis 3**.
- Investments at national level with respect to RES production units for energy market sale irrespective of budget will be financed by the ERDF.
- Investments made at the level of agricultural holding to promote energy crops will be financed by EARDF through Priority Axis 1 of RDP 2007-2013.
- Strengthening technologies and products aiming at the protection of the ozone layer:

RDP interventions in the sector in question concern strictly investments in agricultural holdings (livestock and crop production) as well as the enterprise relating to the first manufacturing of products included in Annex 1 of the Treaty.

Interventions for ozone layer protection are included in the RDP through grants per hectare in the framework of implementation of agrienvironmental measures.

“Mechanisms, Tools, Institutions” Sector:

It falls under the exclusive responsibility of the ERDF.

“Town and Country Planning” Sector :

- **National forest cadastre:** As the case may be, there is also the possibility of co financing depending on the type of action by the EAFRD (Forest Maps) and by the ERDF for all other relevant actions.

Based on the major fields of potential overlaps identified, Table 1 below was drawn up, where actions of the environment sector, which will be financed by the ERDF, the Cohesion Fund and the EAFRD, are specified.

Table 3-1: Overlaps in intervention sectors between the NSRF, CF and EAFRD in the field of the environment: demarcation criteria proposed

INTERVENTION CATEGORIES	NSRF	COHESION FUND	EAFRD
Flood control works	♦	♦	
Flood control work with respect to mountain hydro regulation interventions in forests			♦
Irrigation networks ⁴			♦
Reservoirs, Reservoirs, Water Supply Dams	♦	♦	
Reservoirs, Reservoirs, irrigation Dams			♦
Reservoirs, Reservoirs, Dams in islands or rural areas under conditions(mix use water supply – irrigation)	♦	♦	
Biodiversity, interventions in areas of outstanding natural beauty through agroenvironmental and agroforestry measures in the framework of Reg 1698/2005			♦

⁴ There are no mixed networks

INTERVENTION CATEGORIES	NSRF	COHESION FUND	EAFRD
Biodiversity, interventions in Natura 2000 areas ⁵	♦		
Research and technology in environment issues			♦
Forests, fire prevention, reforestation	♦		
Paths, bicycle trails, signposting, observatories, spots with a view (rural areas)			♦
Paths, bicycle trails, signposting, observatories, spots with a view (Natura 2000 areas)			♦
Water supply / replacement of networks etc.	♦		
Water treatment plants	♦		
Waste management	♦	♦	
Endangered plant and animal resources (species and breeds)	♦	♦	
Fauna and Flora			♦
Protection fo fauna and flora through implementation of agroenvironmental measures in the framework of Reg 1698/2005	♦		
Infrastructure works in NATURA sites ⁶			♦
Certification and labelling mechanisms (products included in Annex 1 of the treaty)	♦		♦
Certification and labelling mechanisms (other products)			♦
Mechanisms for monitoring the quality of the environment	♦		
Auto-producer small scale biofuel production units	♦		
Biofuel (large production units)			♦
Utilization of biomass of agricultural, stockbreeding and forest origin	♦		
Forest fire extinction equipment			♦

Demarcation criteria for interventions in Natura 2000 sites

Natura 2000 network covers various types of areas and soils in the country including farmland, forests and other land areas (e.g. alpine, shrubbery, abandoned farmland etc.), inland waters, wetlands, coastal zones and maritime zones. It is therefore clear that the relevant activities fall under the scope of intervention both of ERDF programmes and of programmes financed by the EAFRD and the EFF needing demarcation.

Given that the best part of Community co-financing of the **Natura 2000** network is allocated through existing Community Resources intended for providing support to rural, regional and maritime development, the European Union has issued a Guidance Handbook to register financing possibilities for the **Natura 2000** network (Financing Natura 2000, Guidance Handbook (EU) 2006). The Guidance Handbook has been a useful tool in assessing the complementarity and the synergies developed between different financial instruments, while avoiding possible overlaps and duplication as regards the financing of particular activities developed in **Natura 2000** sites and financed by different instruments.

The basic principles for the demarcation of the activities are the following:

⁵ Categorization of Interventions according to the Guidance Handbook for the financing of the Natura 2000 (2006) network)

⁶ Infrastructure projects follow categorization by fund as illustrated in tables 1 and 2.

- activities relating to the conservation system of the sites (management bodies, studies, operational plans etc.) as well as to the implementation of pilot projects will be financed by ERDF programmes
- activities relating to management measures relating to the implementation of agricultural and forest practises through grants per hectare will be financed by the EAFRD.
- actions relating to the protection and study of specific species will be financed by the ERDF
- actions relating to protection of species through the implementation of agro environmental and forest environment measures will be exclusively financed by the EARDF, while
- infrastructure to facilitate access, to encourage visits, actions to restore habitats or species will be financed by the ERDF.

The differentiation of activities in **Natura 2000** is shown in Table 3-3 below:

Table 3-2: Classification / differentiation of NATURA 2000 activities

CATEGORIES OF NATURA 2000 ACTIVITIES	ERDF	EAFRD	Comments
Administration of selection process	+		
Scientific Studies / Inventories for site identification and proclamation	+		
Preparation of initial Information & Publicity Material	+		
Pilot Projects	+		
Preparation of Management Plans and Strategies	+		
Establishment of Management Bodies or other management schemes	+		
Consultation and Networking – Public Meetings, Networking, Liaison with Landowners	+		
Drafting and review of Management Plans and Strategies	+		
Running Costs of Management Bodies or other management schemes	+		
Maintenance of Facilities for the Public – Access to and Use of Sites	+		
Ongoing Staff Costs	+		
Conservation Management - Habitats			
Natural Handicap payments to farmers in mountain areas		+	
Payments to farmers with handicaps other than mountain areas		+	
Natura 2000 payments and payments linked to Directive 2000/60		+	
Agri-environmental payments		+	
Support for non-productive investments (agricultural land)		+	
First Afforestation of Agricultural Lands		+	

CATEGORIES OF NATURA 2000 ACTIVITIES	ERDF	EAFRD	Comments
First establishment of agro forestry systems on agricultural land		+	
First afforestation of non-agricultural Land		+	
Natura 2000 payments (forests)		+	
Forest-environment payments		+	
Restoring forestry potential and introducing prevention actions		+	
Support for non productive investments (forests)		+	
Conservation and upgrading of the rural heritage		+	
Conservation Management – Species	+		
Conservation Management of–Species through agri environment and forest environment measures		+	
Management of invasive alien species	+		
Implementation of Management Schemes and Agreements	+		
Provision of Services and loss of rural activities income		+	
Monitoring and surveying	+		
Risk Management	+		
(Ongoing) Surveillance of Sites	+		
Provision of Information and Publicity Material of national and regional range	+		
Provision of Information and Publicity Material of regional range		+	
Training and Education in Natura sites by the Management Bodies	+		
Facilities to encourage visitor use and appreciation of Natura 2000 sites	+		
Land purchase, including compensation for development rights	+		
Infrastructure needed for the restoration of habitat or species through agri environment and forest environment measures	+		
Infrastructure for Public Access		+	
Infrastructure for Public Access (rural roads)	+		

In the new programming period a Special Service is established to coordinate action in the field of Environment. The role and competence of the Special Service are detailed in the NSRF. The establishment of the Special Service is expected not only to ensure that overlaps are avoided but also to contribute to maximizing synergies and complementarity in the field of the Environment, irrespective of funding source (Fund).

7.5 The environment in the context of fisheries

To the extent that the sustainable management of areas dependent on fisheries and the protection of the environment are basic strategic objectives of the Common Fisheries Policy and of the NSPDF for the fourth programming period, practically all actions provided for within the framework of the operational programme are environment oriented actions.

In particular, environment oriented actions that will be financed exclusively by the OPF are actions provided for by the EFF Regulation and include:

- Aquaculture methods reducing negative impact on the environment while supporting the positive one, as against standard practice in the aquaculture sector.
- Support for traditional aquaculture methods to conserve and develop the economic and social web and the environment.
- Aquaculture types that upgrade the environment, natural resources, genetic diversity and the management of landscape features and of the traditional features in aquaculture zones.
- Sustainable aquaculture compatible with specific environmental restrictions, arising by the designation of Natura 2000 sites according to Directive 92/43/EEC.
- Sustainable contribution to the better management or protection of fishing resources.
- Actions directly aimed at fishing activities for the protection and upgrading of the environment within the framework of the Natura network, operational expenses excluded.
- Protection of the environment in small fishing areas to preserve their attractive character; landscape interventions in small coastal towns and villages to protect and enhance the natural and architectural heritage.
- For the development, restructuring or improvement of aquaculture zones, support is provided to the management bodies of Areas of Organised Development of Aquacultures (AODA) (Law 2742/1999 & Ministerial Decision no. H.Π.17239 / 30.8.2002) especially for the purpose of purchasing collective equipment to be used in the monitoring of water quality in AODAs, of addressing pollution contingencies, and of carrying out relevant studies etc.
- In the context of the implementation of Regulation 1967/2006 concerning management measures for the Mediterranean aid is given for:
 - 8 the collection of scientific information with a view to mapping habitats to be protected according to article 4 of the Regulation (*Posidonia oceanica*)
 - 9 the collection of scientific information with a view to scientific identification and mapping of areas to be protected
 - 10 the scientific monitoring of management plans, in accordance with Articles 18 and 19 of the Regulation.

10.1 Interventions in the Production environment

Intervention in the Production Environment, **within the framework of the implementation of axis 3 or the RDP**, concerning the diversification of the rural economy and the improvement of quality, are linked to measures which include:

- 11 diversification towards non agricultural activities
- 12 support for the creation and development of very small undertakings (such as the ones in Commission Recommendation 2003/361/EC)
- 13 encouraging tourist activities.

The demarcation criteria, the terms and the conditions, especially concerning interventions by farmers or non farmers in Axis 3 of the RDF areas of implementation are specified below:

Diversification towards non agricultural activities – Investments by farmers

Farmers, as this capacity is defined by the national institutional framework each time in force, persons insured in the Agricultural Insurance Institution (IKA) and their dependants, **may be financed only by the EAFRD (according to Reg 1698/2005) for the creation, modernization and expansion of very small undertakings within the meaning of Commission Recommendation 2003/361/EC.**

Indicative actions are:

- 14 Small capacity night-stay facilities up to 40 beds.
- 15 Restoration and recreation facilities
- 16 Visiting farms
- 17 Undertakings providing tourist services in the countryside (e.g. alternative forms of tourism, special forms of tourism, sports facilities, tasting facilities etc.).
- 18 Cottage industry, crafts, production of traditional art items, small manufacturing units
- 19 Service providing undertakings
- 20 Undertakings producing foodstuffs, after first processing
- 21 Improvement of undertakings in the direction of the protection of the environment, in addition to what has been provided for by the law (e.g. photovoltaic systems, use of biomass, geothermic power to RES consumption etc.).

Moreover, actions aiming at the installation of quality assurance system and the acquisition of quality labels shall also be financed.

As concerns **investments by farmers in Tourism are exclusively financed by EARDF** up to a total budget of 600.000 euros Investments above these limits shall be finance **by ERDF**.

Investments **by farmers in Manufacturing and Services** are exclusively financed by EARDF up to a total budget of 300.000 euros Investments above these limits shall be finance **by ERDF**.

Diversification with respect to rural economy – Investments by non farmers

The basic principles that will govern the demarcation criteria for investments **by non farmers**, as defined above, in the **sectors of manufacturing, marketing, services and tourism** are the following:

- 22 **Geographic criterion.** For areas of implementation of the Integrated Programmes for the Development of the Rural Land (OPAAN) which are mountainous and handicapped, in the meaning of Reg. 1698/05 and which will be defined after they have been examined in conjunction with a number of factors corresponding investments will be financed by the EAFRD. EAFRD financing will not apply to Municipal Departments of over 3000 inhabitants.
- 23 **Budget.** In the above areas, EAFRD interventions for manufacturing and services will not exceed €300,000 (total budget). For the same areas, tourism investments for the establishment and modernization of units while increasing their capacity (increase by height and extension) are exclusively financed by the EAFRD up to a total budget of €600,000.
- 24 **Sectoral Criterion.** A specialisation of this criterion in manufacturing, trade and services) is illustrated in the table 3 below with respect to sectors/interventions to be exclusively financed by EAFRD.

Table 3-3: Sectors to be exclusively financed by EAFRD

NACE Code ⁷	NAME OF THE SECTOR
153.3	Processing and preserving of fruit and vegetables
158.1	Manufacture of bread/ manufacture of fresh pastry goods and cakes
158.2	Manufacture of rusks and biscuits/ manufacture of preserved pastry goods and cakes
158.4	Manufacture of cocoa/ chocolate and sugar confectionery
158.5	Manufacture of macaroni, noodles, couscous and similar farinaceous products
158.6	Processing of tea and coffee
158.9	Manufacture of other food products n.e.c.
159.1	Manufacture of distilled potable alcoholic beverages
172	Textile weaving
175.1	Manufacture of carpets and rugs
182.1	Manufacture of other wearing apparel and accessories
192.0	Manufacture of luggage, handbags and the like, saddlery and harness
201.0	Sawmilling and planing of wood, impregnation of wood
203.0	Manufacture of builders' carpentry and joinery
205.2	Manufacture of articles of cork, straw and plaiting materials
212.1	Κατασκευή κυματοειδούς χαρτιού και χαρτονιού και ειδών συσκευασίας από χαρτί και χαρτόνι.
241.4	Manufacture of other organic basic chemicals
245.1	Manufacture of soap and detergents, cleaning and polishing preparations, perfumes and toilet preparations
246.3	Manufacture of essential oils
261.3	Manufacture of hollow glass
262.1	Manufacture of ceramic household and ornamental articles
262.5	Manufacture of other ceramic products
286.1	Manufacture of cutlery.

⁷ Στατιστική Ταξινόμηση των Κλάδων Οικονομικής Δραστηριότητας, Εθνική Στατιστική Υπηρεσία της Ελλάδας.

NACE Code⁷	NAME OF THE SECTOR
286.2	Manufacture of tools
293.9	Manufacture of other agricultural and forestry machinery
361.1	Manufacture of chairs and seats
361.2	Manufacture of other office and shop furniture
361.3	Manufacture of other kitchen furnitureΚατασκευή άλλων επίπλων κουζίνας
361.4	Manufacture of other furniture
362.9	Manufacture of jewellery and related articles
363.0	Manufacture of musical instruments
521.2	Other retail sale in non-specialized stores
522.5	Retail sale of alcoholic and other beverages
525.5	Retail sales of antiques and articles of popular art
527.1	Repair of boots, shoes and other articles of leather
923.1	Artistic and literary creation and interpretation
923.2	Operation of arts facilities
923.3	Fair and amusement park activities
930.1	Washing and dry cleaning of textile and fur products
930.2	Hairdressing and other beauty treatment
930.4	Physical well-being activities

24.1 Criteria for the demarcation of actions that will be implemented within the framework of the 2007-2013 Rural Development Programme and of the 2007-2013 Operational Programme Fishing

Interventions aiming at the economic diversification of rural and of fishing areas will be implemented through the 2007-2013 Rural Development Programme and in particular through Priority Axes 3 and 4 as well as through the OP Fishing for 2007-2013, Priority Axis 4: “Sustainable Development of Fishing Areas”.

To avoid overlaps and to ensure complementarity between Funds the following demarcation criteria will be used for actions that will be implemented within the framework of the two Programmes.

Priority Axis 4 of the 2007-2013 Rural Development Programme “Leader Approach” and Priority Axis 4: “Sustainable Development of Fishing Areas” of the OP Fishing for 2007-2013.

The two Priority Axes are implemented through Local Development Strategies submitted by Local Action Groups on the basis of a bottom up approach.

The areas that will be included in Priority Axis 4 of the RDP and in Priority Axis 4 of the OPF will be diversified based on geographic criteria.

Priority Axis 3 of the 2007-2013 Rural Development Programme “Quality of Life in Rural Areas and Diversification of the Rural Economy” and Priority Axis “Sustainable Development of Fishing Areas” of the OP Fishing for 2007-2013.

RDP Priority Axis 3 interventions may be implemented in areas also falling into Priority Axis 4 of the OPF. In such cases, the financing of action follows the following demarcation criteria:

- 25 **In the case of public works** Priority Axis 4 of the OPF finances exclusively projects listed **by name and priority** in the Local Programmes that will be submitted by the Local Action Groups of Fisheries Areas for their inclusion in the Priority Axis. Other public works in the same areas may be funded by Priority Axis 3 of the RDP “Quality of Life in Rural Areas and Diversification of the Rural Economy”.
- 26 **Private investments in these areas** are financed by priority by Priority Axis 4 of the OPF up to the consumption of the corresponding budget from Measure 4.1 for each area of intervention. Further needs for the financing of private projects may be covered by Priority Axis 3 of the OPF in the context of procurements that will follow the consumption of Measure 4.1 available resources

26.1 Horizontal approach

The condition relating to the implementation of the criteria until the consumption of the available budget available based on the completion of procedure for submission of proposals in the framework of the relevant call applies to all criteria presented in this chapter of the programme. In the case where the budget has been consumed, the Competent Managing Authority notifies the coordination mechanism, which, in turn, sees after the relative withdrawal of the criteria, as the case may be.

Finally, taking into account that the programme implementation is a dynamic procedure that covers a period of 7 years, demarcation criteria may be completed or updated when need be.

