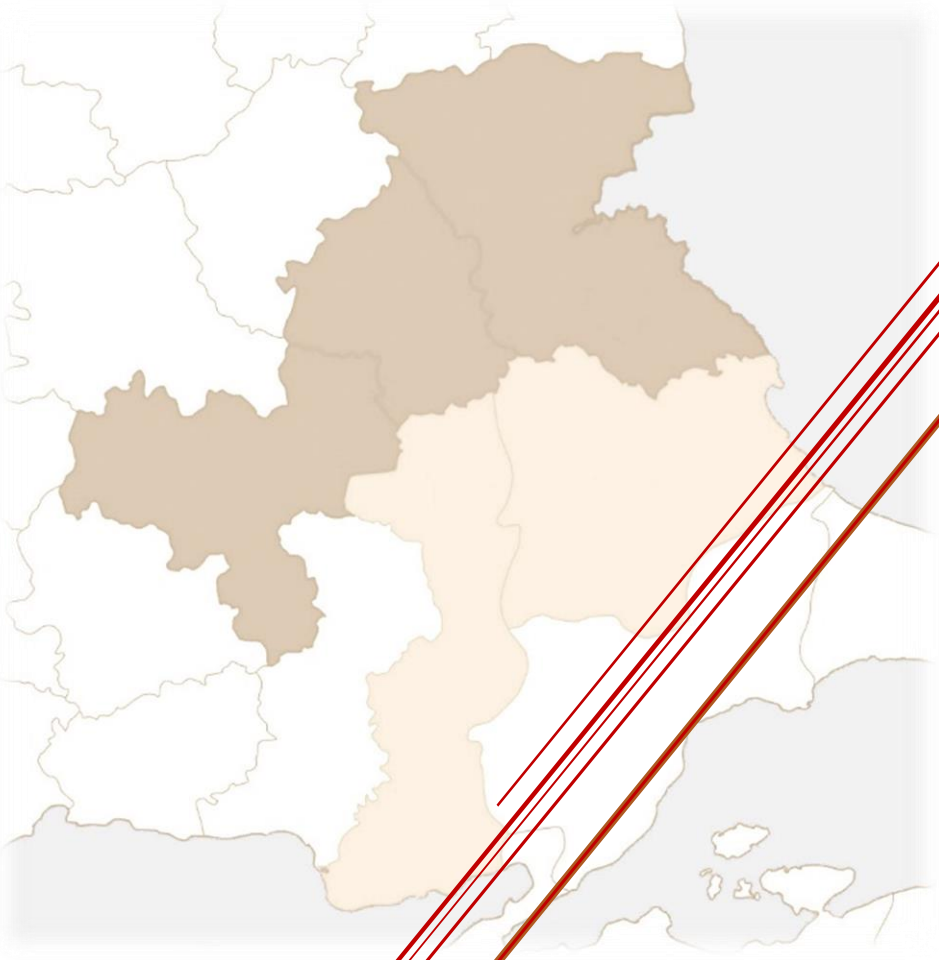
TERRITORIAL ANALYSIS

of the BULGARIA – TURKEY

CROSS BORDER AREA



INTERREG - IPA
BULGARIA-TURKEY PROGRAMME
2021-2027

Contents

GLOSSARY OF ACRONYMS

ABPRS	Address-Based Population Registration System
BG	Bulgaria
BSEC	Black Sea Economic Cooperation
BSC	Black Sea Commission
BGN	Bulgarian Lev
BoP	Balance Of Payments
BFU	Burgas Free University
BCCP	Border-crossing Check Points
CBC	Cross-border Cooperation
CPR	Common Provision Regulation
EC	European Commission
ERDF	European Regional Development Fund
EEAS	European External Action Service
EUMSS	European Union Maritime Security Strategy
EMSA	European Maritime Safety Agency
EFCA	European Fisheries Control Agency
EU	European Union
EUR	Euro
EUSDR	EU Strategy for the Danube Region
EUSAIR	EU Strategy for the Adriatic-Ionian Region
EGTC	European Grouping of Territorial Cooperation
ENI	European Neighbourhood Instrument
FRONTEX	European Border and Coast Guard Agency
FDI	Foreign direct investments
GFCM	General Fisheries Commission for the Mediterranean
GDP	Gross domestic product
GVA	Gross value added
GCI	Global Competitiveness Index
IPA	Instrument for Pre-Accession Assistance
ICT	Information and communication technology
ICH	Immovable cultural heritage
ISO	International Organization for Standardization
IBM	Integrated Border Management
ISIC	International Standard Industrial Classification of All Economic Activities
INTERREG	European territorial cooperation programmes
JRC	Joint Research Centre
MA	Managing Authority
MRDPW	Ministry of Regional Development and Public Works, Republic of Bulgaria
MEUR	Million Euros
MOEW	Ministry of Environment and Water, Republic of Bulgaria
NUTS	Nomenclature of Territorial Units for Statistics
NCRD	National Centre for Regional Development, Republic of Bulgaria
NSI	National Statistical Institute, Republic of Bulgaria

NACE	Statistical classification of economic activities in the European Community
NINKN	National Cultural Heritage Institute, Republic of Bulgaria
OECD	Organisation for Economic Co-operation and Development
PO	Policy Objective
PAA	Protected Areas Act
PhD	Doctor of Philosophy
PM	Fine particulate matter
RES	Renewable energy sources
RIA	Road Infrastructure Agency, Republic of Bulgaria
SWOT	Strengths, Weaknesses, Opportunities and Threats
SO	Specific Objective
SRIA	Strategic Research and Innovation Agenda
SCT	Special Consumption Tax
SMEs	Small and medium-sized enterprises
SEDA	Standby Equity Distribution Agreement
TCM	Territorial Cooperation Management
TR	Turkey
TL	Turkish Lira
TÜİK	Turkish Statistical Institute
TEN-T	Trans-European Transport Network
UNHCR	United Nations High Commissioner for Refugees
USD	United States Dollar
UNESCO	United Nations Educational, Scientific and Cultural Organization
URAP	University Ranking by Academic Performance
VAT	Value-added tax
WIFI	Wireless high-speed Internet and network connections
WWTP	Wastewater Treatment Plant

1. INTRODUCTION

The present Territorial Analysis is jointly developed by the Managing Authority (Ministry of Regional Development and Public Works of the Republic of Bulgaria, Territorial cooperation management Directorate) and the National Authority (Ministry of Foreign Affairs of the Republic of Turkey, Directorate for EU Affairs).

It represents the first step in elaborating the Interreg IPA-Bulgaria - Turkey Programme 2021-2027, which will be done in accordance with the regulatory framework for the programming process that is set out in the EC legislative package for the programming period 2021-2027.

The information included in the analysis is taken from the respective National statistics institutions of both partnering countries, relevant strategic documents on EU, national and regional level as well as from the existing territorial and situation analyses[1].

Following the experience from the 2007-2013 and 2014-2020 programming periods, the main goal of the method used in the current analysis is to investigate the possibilities for strengthening and tightening the internal and cross-border relationships, as well as enhancing the territorial, economic and social cohesion in the programme area. For this purpose, the conclusions and recommendations should pave the way for a development equally beneficial for the people living on both sides of the border. The analysis of the situation is based on the available information in the analysis of the respective partnering country, covering the following main aspects: territorial (infrastructure, density, capacity of border crossings, settlements, environment and landscapes, energies etc.), economic (GDP, economic sectors, tourism, etc.) and social (demographic conditions, healthcare and education systems, etc.). In order to get access to the necessary information statistics available at European and national level are used.

The territorial analysis of the Bulgaria-Turkey cross-border area focuses on the challenges, needs, potentials and common priorities (including economic, social and territorial disparities, investment complementarity, cultural and natural heritage, etc.) of the border regions. It highlights the strengths, weaknesses, opportunities and threats of the programme area, looking at the internal and external factors that influence its development and identifying trends and potentials, thus supporting the choice of an appropriate cooperation strategy. The current document analyses the cross-border development, in the following aspects:

- what are the common challenges, needs, potentials and priorities that would benefit from joint actions?

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- *Socio-economic analysis of the regions in the Republic of Bulgaria, 2019* - https://www.eufunds.bg/en/node/2816
- *Updated National Concept for Spatial Development of the Republic of Bulgaria – draft version - http://www.strategy.bg/PublicConsultations/View.aspx?lang=bg-BG&Id=4894*
- *Spatial development schemes of Bulgarian NUTS 2 regions – draft versions https://www.mrrb.bg/bg/proekt-na-regionalni-shemi-za-prostranstveno-razvitie-na-rajonite-ot-nivo-2/*
- *Socio-economic and demographic analysis within the scope of the preparation period of Interreg-IPA Bulgaria Turkey CBC programme (2021-2027), November 2019 https://cbc.ab.gov.tr/duyuru/50531/socioeconomic-and-demographic-analysis-within-the-scope-of-the-preparation-period--of-interregipa-bulgariaturkey-crossborder-cooperation-programme-20212027*

- which European objectives are relevant for the programme area and would benefit from joint actions?
- what are the areas for development where Interreg would add value?

Given the importance and relevance of the analysis for the programming process, as well as EU, national, regional and local policy processes, a more strategic approach was adopted, that helped identifying the exact needs, challenges and potentials for the 2021-2027 programming period.

1.1 Structure of the Document

The analysis is structured on 5 chapters, including the current introductory chapter. Each chapter is developed on the basis of the available data and information, ensuring, on the one hand, comparability with the previous analysis, allowing to assess the progress of the territory, and, on the other hand, updating the analysis according to the current trends and priorities (e.g. in terms of economic development, smart specialisation, sustainability etc.).

The main fields in the Territorial Analysis include:

- Description and Geographical characteristics of the programme area
- Demographic features
- Economic development
- Social development and Labour market
- Environment and Climate change
- Infrastructure and Digital connectivity
- Cultural and Natural heritage

The methodological approach allowed to investigate, for each of the chapters the main issues and challenges for the border regions (considering also link with challenges tackled in relevant European strategic documents), the needs related to the identified challenges, as well as the potentials for future development.

The concluding section includes an integrated SWOT analysis (summarizing the strengths, weaknesses, opportunities and threats regarding the development in the Programme area) and a chapter dedicated to the possible strategic approach and spheres of intervention for the INTERREG IPA Bulgaria-Turkey programme 2021-2027.

1.2 EU level vision and strategic framework

The future Interreg IPA Bulgaria-Turkey programme is being developed in accordance with the regulatory framework for the programming process, set out in the EC legislative package for the programming period 2021-2027, and taking into account all relevant documents expressing the EU vision on territorial cooperation and the development of the Bulgaria-Turkey programme area.

1.2.1 European Legislative Framework

The proposal for a REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL laying down common provisions on the European Regional Development Fund, the European Social Fund Plus, the Cohesion Fund, and the European Maritime and Fisheries Fund and financial

rules for those and for the Asylum and Migration Fund, the Internal Security Fund and the Border Management and Visa Instrument (CPR), May 2019, is the general regulation guiding the operation of funds in the 2021-2017 period and sets the strategic approach and policy objectives in this sense. The thematic objectives used in 2014–2020 have been simplified to five clear policy objectives (POs) for the post-2020 programming period:

1. **A smarter Europe - innovative and smart economic transformation;**
2. **A greener, low-carbon Europe;**
3. **A more connected Europe - mobility and regional ICT connectivity;**
4. **A more social Europe - implementing the European Pillar of Social Rights;**
5. **Europe closer to citizens – sustainable and integrated development of urban, rural and coastal areas through local initiatives.**

Each policy objective is detailed by several specific objectives (SOs), as follows:

1) A smarter Europe - innovative and smart economic transformation

SO1.1. Enhancing research and innovation capacities and the uptake of advanced technologies

SO1.2. Reaping the benefits of digitisation for citizens, companies and governments

SO1.3. Enhancing growth and competitiveness of SMEs

SO1.4. Developing skills for smart specialisation, industrial transition and entrepreneurship

2) A greener, low-carbon Europe

SO2.1. Promoting energy efficiency measures

SO2.2. Promoting renewable energy

SO2.3. Developing smart energy systems, grids and storage at local level

SO2.4. Promoting climate change adaptation, risk prevention and disaster resilience

SO2.5. Promoting sustainable water management

SO2.6. Promoting the transition to a circular economy

SO2.7. Enhancing biodiversity, green infrastructure in the urban environment, and reducing pollution

3) A more connected Europe - mobility and regional ICT connectivity

SO3.1. Enhancing digital connectivity

SO3.2. Developing a sustainable, climate resilient, intelligent, secure and intermodal TEN-T

SO3.3. Developing sustainable, climate resilient, intelligent and intermodal national, regional and local mobility, including improved access to TEN-T and cross-border mobility

SO3.4. Promoting sustainable multimodal urban mobility

4) A more social Europe - implementing the European Pillar of Social Rights

SO4.1. Enhancing the effectiveness of labour markets and access to quality employment through developing social innovation and infrastructure

SO4.2. Improving access to inclusive and quality services in education, training and lifelong learning through developing infrastructure

SO4.3. Increasing the socio-economic integration of marginalised communities, migrants and disadvantaged groups, through integrated measures including housing and social services

SO4.4. Ensuring equal access to health care through developing infrastructure, including primary care

5) Europe closer to citizens – sustainable and integrated development of urban, rural and coastal areas through local initiatives

- *Fostering the integrated social, economic and environmental development, cultural heritage and security in urban areas*

European territorial cooperation (Interreg) programmes, including the future Interreg-IPA Bulgaria-Turkey programme, have to contribute to the abovementioned policy objectives, in a mix according to the territorial specificities of their eligible areas.

According to the CPR, due to the specificities of each Fund, specific rules applicable to each Fund and to the European territorial cooperation goal (Interreg) should be laid down in separate Regulations ('Fund-specific Regulations') to complement the provisions of this Regulation. The REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL on specific provisions for the European territorial cooperation goal (Interreg) supported by the European Regional Development Fund and external financing instruments sets the framework for the programming of the future Interreg-IPA Bulgaria-Turkey. According to the Regulation, "the 2021-2027 period will seek to further strengthen cooperation by adapting the architecture of Interreg programmes to take better account of functional areas. Cross-border programmes will be better streamlined in order to concentrate resources on land borders where there is a high degree of cross-border interaction. Maritime cooperation will be reinforced by combining the cross-border and transnational dimension of working across sea basins in new maritime programmes.

Considering the specific features of Interreg programmes, two-Interreg specific objectives are set out:

1. **A better Interreg governance** – aiming at strengthening institutional capacity, enhancing legal and administrative cooperation, in particular where linked to implementation of the Border Regions Communication, intensify cooperation between citizens and institutions and the development and coordination of macro-regional and sea-basin strategies. This objective can be supported by the following actions:
    a. enhancing the institutional capacity of public authorities, in particular those mandated to manage a specific territory, and of stakeholders;

b. enhancing efficient public administration by promoting legal and administrative cooperation and cooperation between citizens and institutions, in particular, with a view to resolving legal and other obstacles in border regions;
c. enhancing institutional capacity of public authorities and stakeholders to implement macro-regional strategies and sea-basin strategies.

2. **A safer and more secure Europe** - addressing specific external cooperation issues such as safety, security, border crossing management and migration.

In addition to the specific objectives for the ERDF presented above, the ERDF and, where applicable, the external financing instruments of the Union may also contribute to several Interreg - specific objectives under PO 4:

- enhancing the effectiveness of labour markets and improving access to quality employment across borders;
- improving access to and the quality of education, training and lifelong learning across borders with a view to increasing the educational attainment and skills levels thereof as to be recognised across borders;
- enhancing the equal and timely access to quality, sustainable and affordable healthcare services across borders;
- improving accessibility, effectiveness and resilience of healthcare systems and long-term care services across borders;
- promoting social inclusion and tackling poverty, including by enhancing equal opportunities and combating discrimination across borders.

The Regulation also sets the rules for thematic concentration, that should be considered in the design of the programme[2]:

- At least 60% of the ERDF and, where applicable, of the external financing instruments of the Union allocated under priorities other than for technical assistance to each Interreg programme under components 1, 2 and 3, shall be allocated on a maximum of three of the policy objectives set out in Article [4(1)] of Regulation (EU) [new CPR].
- An additional 15% of the ERDF and, where applicable, of the external financing instruments of the Union allocations under priorities other than for technical assistance to each Interreg programme under components 1, 2 and 3, shall be allocated on the Interreg-specific objective of 'a better Interreg governance' or on the external Interreg-specific objective of 'a safer and more secure Europe'.

1.2.2 The European green deal

Supported by investments in green technologies, sustainable solutions and new businesses, the Green Deal is the new EU growth strategy. It supports the transition to a fair and prosperous society that responds to the challenges posed by climate change and

[2] *The REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL on specific provisions for the European territorial cooperation goal (Interreg) supported by the European Regional Development Fund and external financing instruments*

environmental degradation, improving the quality of life of current and future generations. Nevertheless, the involvement and commitment of the public and of all stakeholders is crucial to its success.

In order for Europe to become the first climate-neutral continent by 2050, the European Green Deal includes a package of measures that should enable European citizens and businesses to benefit from sustainable green transition. Measures accompanied with an initial roadmap of key policies range from reducing emissions to investing in cutting-edge research and innovation and to preserving Europe's natural environment.

According to the European Green Deal, the major challenges for the next decade, translated into policy areas[3], consist of:

CLEAN ENERGY | Further decarbonising the energy system is critical to reach climate objectives in 2030 and 2050. The production and use of energy across economic sectors account for more than 75% of the EU's greenhouse gas emissions. Energy efficiency must be prioritised. A power sector must be developed that is based largely on renewable sources, complemented by the rapid phasing out of coal and decarbonising gas. At the same time, the EU's energy supply needs to be secure and affordable for consumers and businesses. For this to happen, it is essential to ensure that the European energy market is fully integrated, interconnected and digitalised, while respecting technological neutrality.

SUSTAINABLE INDUSTRY | Achieving the EU's climate and environmental goals requires a new industrial policy based on the circular economy. Thus, the industries must be helped to modernise and exploit opportunities domestically and globally and the decarbonisation and modernisation of energy-intensive industries such as steel and cement is essential. In this case, the Commission presents a "sustainable products policy", which will prioritise reducing and reusing materials before recycling them. Minimum requirements will be set to prevent environmentally harmful products from being placed on the EU market.

BUILDING AND RENOVATING | To address the twin challenge of energy efficiency and affordability, the EU and the Member States should engage in a 'renovation wave' of public and private buildings. While increasing renovation rates is a challenge, renovation lowers energy bills, and can reduce energy poverty. It can also boost the construction sector and is an opportunity to support SMEs and local jobs. The Commission will launch an open platform bringing together the buildings and construction sector, architects and engineers and local authorities to develop innovative financing possibilities, promote energy efficiency investments in buildings and pool renovation efforts into large blocks to benefit from economies of scale.

SUSTAINABLE MOBILITY | Promoting more sustainable means of transport and improving public transport with stricter standards on pollution by cars. To achieve climate neutrality, a 90% reduction in transport emissions is needed by 2050. Achieving sustainable transport means putting users first and providing them with more affordable, accessible, healthier and

[3] https://ec.europa.eu/info/strategy/priorities-2019-2024/european-green-deal_en#policy-areas

cleaner alternatives to their current mobility habits. The Commission will adopt a strategy for sustainable and smart mobility in 2020 that will address this challenge and tackle all emission sources.

BIODIVERISTY | The Commission will present a Biodiversity Strategy by March 2020 and will work towards an ambitious new global framework to protect biodiversity at the UN Biodiversity Conference in October 2020. With the farm to fork strategy, the Commission will work to reduce the use of pesticides and fertilisers in agriculture and will prepare a neu EU Forest Strategy for planting new trees and restoring damaged or depleted forests. 96% of Europeans think that we have a responsibility to protect nature and 95% of Europeans consider that looking after nature is essential for tackling climate change.

FROM FARM TO FORK | European farmers and fishermen are key to managing the transition. The Farm to Fork Strategy will strengthen their efforts to tackle climate change, protect the environment and preserve biodiversity. The common agricultural and common fisheries policies will remain key tools to support these efforts while ensuring a decent living for farmers, fishermen and their families.

ELIMINATING POLLUTION | To protect Europe's citizens and ecosystems, the EU needs to better monitor, report, prevent and remedy pollution from air, water, soil, and consumer products. To ensure a toxic-free environment, the Commission will present a chemicals strategy for sustainability. This will both help to protect citizens and the environment better against hazardous chemicals and encourage innovation for the development of safe and sustainable alternatives. All parties including industry should work together to combine better health and environmental protection and increased global competitiveness.

In order to implement the Green Deal, a substantial contribution of the EU's budget through all programmes directly relevant to the transition will be ensured, as well as other EU funds. In this context, through the proposed objectives, the Interreg IPA Bulgaria-Turkey 2021-2027 programme could contribute to addressing the abovementioned challenges.

1.2.3 The Revised Territorial Agenda

The Territorial Agenda[4] is a strategic policy document for Europe, its regions and communities, providing a framework for action towards territorial cohesion and a future for all places in Europe, as well as strategic orientations for territorial development and for strengthening the territorial dimension of policies at all governance levels.

The aim of the Territorial Agenda is to contribute to the sustainable and inclusive development of Europe and to the achievement of the Sustainable Development Goals.

The renewed Territorial Agenda is currently being elaborated and it starts from the premise that Europe consists of different types of places (e.g. capital regions, metropolitan areas, small and medium sized towns, rural areas, inner peripheries, peripheral areas, northernmost areas, sparsely populated areas, islands, coastal areas, mountainous areas or areas in economic

[4] https://www.territorialagenda.eu/home.html

transition), that show a great variety of development potential and challenges. From the sub-local to the pan-European level, disparities between places and between people as well as environmental risks and pressures increase.

Key challenges and potential for local and regional development in Europe are linked to increasing imbalances and to the need for a transition to sustainable development, including the reaction to the challenges of climate change. A common feature is the importance of good government and governance. Hence, the renewed Territorial Agenda clustered the main challenges of the European continent in two main categories:

1. The need to act as people and places drift apart – increasing imbalances and inequalities, for example in the fields of:

- Quality of life
- Services of general interest
- Demographic and societal imbalances
- Digitalisation and the 4th industrial revolution
- Employment and economy
- Independencies between places
- Global embeddedness

2. The need to respond to the increasing pressure concerning sustainable development and climate change, for example in the fields of:

- Climate change
- Loss of biodiversity and land consumption
- Healthy quality of air, soil and water
- Secure, affordable and sustainable energy
- Just transition
- Circular regional value chains
- Natural, landscape and cultural heritage

1.2.4 Black Sea Basin Strategic Relevance

Given the fact that the Bulgaria-Turkey programme area includes Black Sea coastal regions (Burgas and Kırklareli), there is a need for strong correlation of programme resources with the Common Maritime Agenda and the Strategic Research and Innovation Agenda for the Black Sea (SRIA)[5].

➢ Common Maritime Agenda for the Black Sea

In the context of the European Maritime Day 2018 (Bulgaria, 30-31 May), ministers (with competences in the field of maritime affairs) from seven Black Sea countries – Bulgaria, Georgia, the Republic of Moldova, Romania, Russia, Turkey, and Ukraine expressed their support for closer regional cooperation on maritime affairs, including transport, environment,

[5] The agendas were endorsed by the Ministers of seven Black Sea countries and commended by the Foreign Affairs Council conclusions of 17 June 2019.

research and innovation. They endorsed the Burgas Declaration "Towards a Common Maritime Agenda for the Black Sea", which has been negotiated with the support of the European Commission, focuses on fields related to the „blue economy"[6], contributing to the sustainable economic development of the region and especially of the coastal regions (maritime affairs, fisheries and aquaculture, research and innovation, connectivity, environment protection, tourism, education and the development of skills required for a maritime economy). The Common Maritime Agenda allows the littoral countries and the Republic of Moldova to work together, for the first time, in flexible formats, on a voluntary basis, in order to implement joint projects that address the needs and priorities identified for the Black Sea region and to attract and prioritize European funds and investments in a more efficient manner.

➢ Strategic Research and Innovation Agenda for the Black Sea (SRIA)

The Black Sea SRIA[7] is developed under the umbrella of the Black Sea Synergy initiative, which is the EU's key regional policy framework in the Black Sea.

Launched in 2007, the Black Sea Synergy offers a flexible platform for developing practical region-wide solutions to address regional and global challenges, by encouraging a bottom-up approach to project development, identifying and supporting the needs, priorities and aims of partners in the region. The key elements of the Black Sea Synergy include building confidence, fostering regional dialogue and achieving tangible results for states and citizens in the Black Sea region.

The Black Sea SRIA has been developed on the already agreed goals as stated in the Burgas Vision Paper[8] to address the related challenges. The Initiative has identified four main pillars on which a new set of research and innovation actions can be developed (Figure 1):

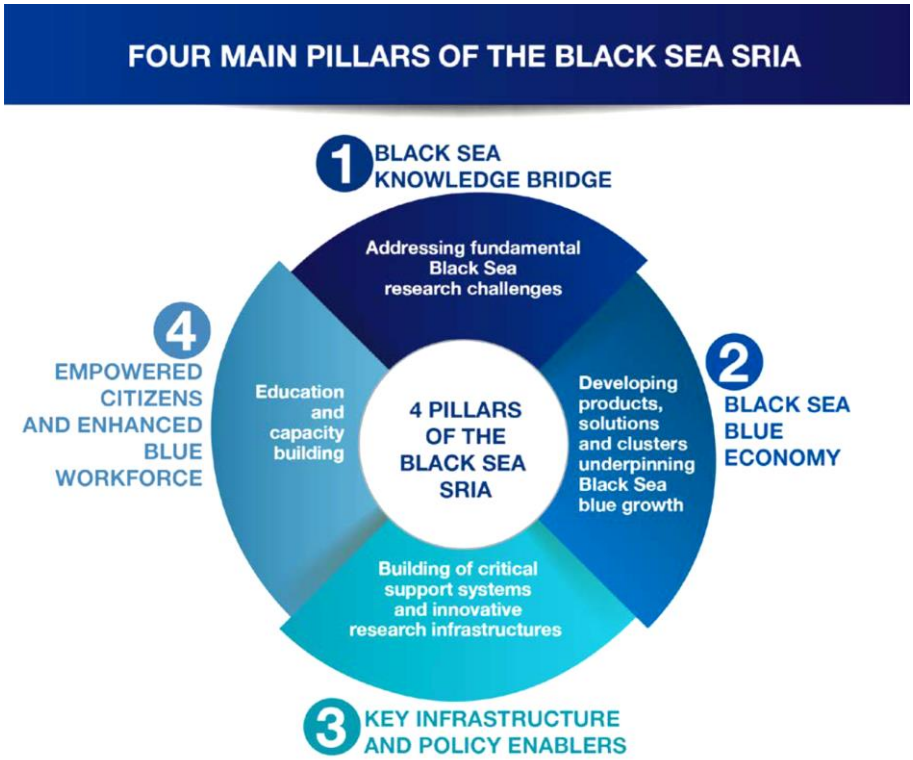
- Addressing fundamental Black Sea research challenges - Black Sea Knowledge Bridge,
- Developing products, solutions and clusters underpinning Black Sea Blue Growth - Black Sea Blue Economy,
- Building of critical support systems and innovative Infrastructures - Key Joint Infrastructure and Policy Enablers,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

[6] **Blue economy** – all economic activities related to oceans, seas and coasts. It covers a wide range of interlinked sectors, both established and emerging, such as aquaculture, fisheries, shipbuilding, coastal tourism, marine extraction of oil and gas, maritime transport, environmental protection, wind and ocean energy and biotechnology.

[7] https://ec.europa.eu/info/news/launch-european-black-sea-strategic-research-and-innovation-agenda-2019-may-08_en

[8] Burgas Vision Paper : https://ec.europa.eu/maritimeaffairs/maritimeday/sites/mare-emd/files/burgas-vision-paper_en.pdf presented on the occasion of the European Maritime Day in May 2018.

Figure 1: Four main pillars of the Black Sea SRIA based on the Burgas Vision Paper

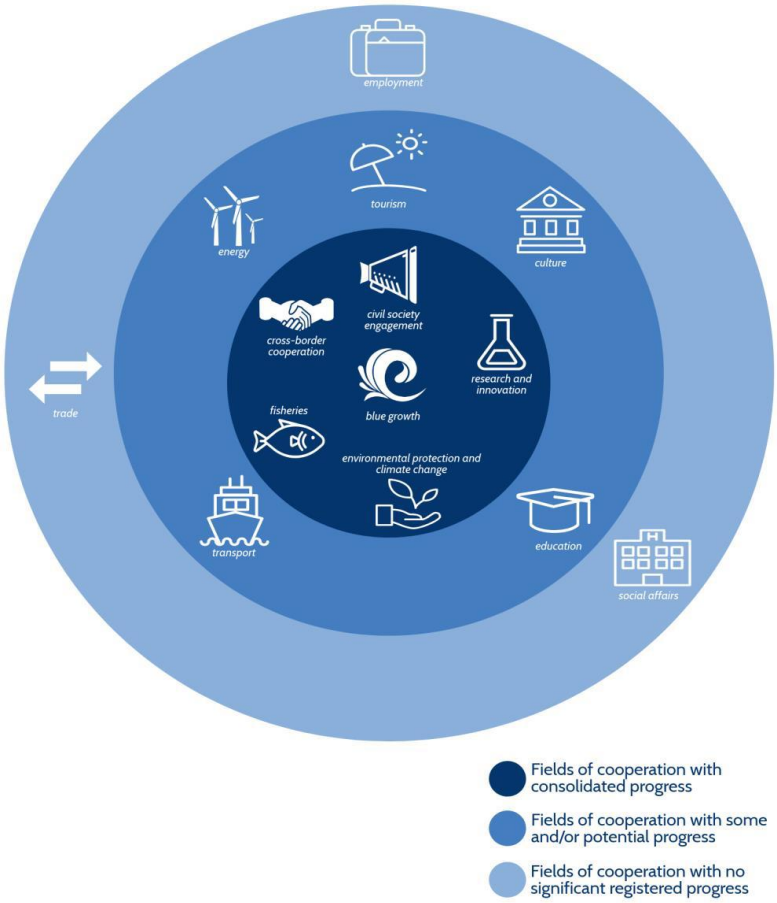


On 5 March 2019, the EEAS and the European Commission published the third implementation report of the Black Sea Synergy. The Joint Staff Working Document 'Black Sea Synergy: review of a regional cooperation initiative – period 2015-2018'[9] is a factual review, underlining results, drawing lessons learned and flagging key aspects, further informing the developments of this initiative. It confirms the practical utility of the Black Sea Synergy initiative, its positive contribution to regional cooperation and its yet untapped potential.

This third review refers to the positive developments in the areas of blue growth, maritime policy, marine research and innovation, fisheries, environmental protection and climate change, cross-border cooperation and civil society engagement. **Areas of cooperation such as education, science and innovation (beyond marine), culture and tourism, energy and transport, albeit less developed**, receive interest from partners in the region. In particular, the region has potential for interconnectivity both within the EU and between continents, considering the "bridging role of the Black Sea basin" mentioned in the 2018 EU Communication on 'Connecting Europe and Asia — Building Blocks for an EU Strategy'. Other fields could offer opportunities for future cooperation, such as social affairs, employment, and trade. The image of the areas of cooperation and their current progress can be visualised as the following three concentric circles:

[9] https://eeas.europa.eu/sites/eeas/files/swd_2019_100_f1_joint_staff_working_paper_en_v3_p1_1013788-1.pdf

Figure 2: Areas of cooperation



The 2019 Joint Staff Working Document reviews links of the Black Sea Synergy with other EU strategies and policies relevant for the Black Sea region, such as the EU Strategy for Danube Region and the EU Communication on 'Connecting Europe and Asia — Building Blocks for an EU Strategy'. It also reflects on the cooperation with regional and international organisations active in the Black Sea, particularly with the Organisation of the Black Sea Economic Cooperation (BSEC) and the General Fisheries Commission for the Mediterranean (GFCM).

1.2.5 Blue Growth

Blue Growth[10] is a long term strategy to support sustainable growth in the marine and maritime sectors as a whole. It seeks to provide a more coherent approach to maritime issues by increasing coordination among different policy areas in order to enhance the cooperation between coastal EU Member States and EU candidate and potential candidate countries. The strategy consists of three components:

- Developing sectors that have a high potential for sustainable jobs and growth. A key element under this component is coastal tourism[11] which significantly contributes to the gross value added and representing over one third of the maritime economy.

[10] http://ec.europa.eu/maritimeaffairs/policy/blue_growth/index_en.htm
[11] http://ec.europa.eu/maritimeaffairs/policy/coastal_tourism/index_en.htm

- Providing knowledge, legal certainty and security in the blue economy, by improvement of access to information about the sea; maritime spatial planning to ensure an efficient and sustainable management of activities at sea; integrated maritime surveillance to give authorities a better picture of what is happening at sea.
- Ensuring tailor-made measures to foster regional cooperation between countries, by support of marine and maritime-related EU-funded projects and initiatives.

1.2.6 The Commission on the Protection of the Black Sea Against Pollution

The Convention on the Protection of the Black Sea Against Pollution was signed in Bucharest in April 1992, and ratified by all Black Sea coastal countries in 1994. Its basic objective is to substantiate the general obligation of the contracting parties to prevent, reduce and control pollution in the Black Sea in order to protect and preserve the marine environment and provide a legal framework for cooperation and concerted action to fulfil this obligation. The Commission on the Protection of the Black Sea Against Pollution (the Black Sea Commission or BSC) is the intergovernmental body established by the Convention on the Protection of the Black Sea Against Pollution (Bucharest Convention). The Convention has subsequent protocols and a strategic action plan for the environmental protection and rehabilitation of the Black Sea was developed.

1.2.7 EU Maritime Security Strategy, Revised Action Plan 2018

The European Union Maritime Security Strategy (EUMSS), adopted in June 2014, is an overarching strategy to tackle all challenges from the global maritime domain that may affect people, activities or infrastructures in the EU. The EUMSS, revised in 2018, is complemented by an Action Plan designed to drive the implementation of the EUMSS forward. Both documents reassert the critical role of navies and coastguards and seek to embed them in an integrated, cross-sectoral approach (both civil and military). From the perspective of external action, this comprises measures such as: 1) engaging with third parties on maritime security matters; 2) further promoting the existing international legal framework, particularly the United Nations Convention on the Law of the Sea; and 3) contributing to maritime capacity building in third countries. It builds on best practices, such as the critical maritime routes programme.

The EU has adopted legislation through which the European Maritime Safety Agency (EMSA), the European Border and Coast Guard Agency (FRONTEX) and the European Fisheries Control Agency (EFCA) cooperate to support national authorities carrying out coast guard functions.

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

1.2.8 Border Orientations

The Border Orientation Paper for the Interreg IPA CBC cooperation programmes between the Republic of Bulgaria and respectively: the Republic of North Macedonia, the Republic of Serbia and the Republic of Turkey sets out the key characteristics of the cross-border territories and outlines suggestions for the programming of the next Interreg IPA programmes. It does not represent the negotiating position of the EC, but is destined to provide ideas, options and orientations on the thematic focus of the future programmes.

According to the paper, the main orientations for the cross-border area between Bulgaria and Turkey that should be considered in the next programming period by the two countries are:

1) Territorial dimension

The proposed geography for the three Interreg IPA CBC programmes is identical to the set-up of the two previous generations of programmes (2007-2013 and 2014-2020).

2) Orientations linked to challenges

   Orientations (for all three IPA CBC programmes managed by Bulgaria) are structured in view of the proposed objectives for Cohesion Policy (PO 1 to 5, cf. Art. 4 (1) of the proposed CPR:

PO1: A smarter Europe by promoting innovative and smart economic transformation

The current framework conditions for innovation and competitiveness of SMEs in the programme areas are challenging and the impact of earlier actions funded by the IPA Cooperation programmes on socio-economic development has been limited. However, there is potential to help the development of Balkan value chains through cross-border partnerships between territories with similar specialisations.

Such projects would complement:

- *Projects financed under the respective national/regional programmes supporting innovation and competitiveness in Bulgaria, the Republic of North Macedonia, Serbia and Turkey. Full complementarity between those programmes and the cross-border cooperation programmes need to be ensured.*
- *Activities organised by the JRC in the framework of macro-regional strategies through targeted scientific support to the Danube Strategy (applicable for Bulgaria-Serbia programme)*

Possible areas of investments may include:

- *The provision of **support to local SMEs** taking into account also the activities under the Enterprise Europe Network to face challenges related to their size, limited resources (such as skills and finance) or industry and market conditions. This could take the form of voucher schemes to purchase cross-border business advice. The use of financial instruments may be considered to facilitate the access of SMEs to finance, with generic support in the form of grants only used if justified and avoiding competition with the repayable forms of support / ensuring that it does not crowd out FI support.*

- *The **enhancement of links, networks and clusters** taking into account also the activities funded under the European Cluster Collaboration Platform and the Danube Strategy between businesses active in similar fields.*
- *The promotion of **entrepreneurship education** taking into account also the activities under the European Institute of Innovation and Technology to build the competencies needed for successful start-up and growth of enterprises.*

PO2: A greener, low-carbon Europe by promoting clean and fair energy transition, green and blue investment, the circular economy, climate adaption and risk prevention and management

Energy transition*: Possible areas of investment may include:*

- *Consider investing in **cross border small-scale energy generation from renewable sources and smart energy systems** if investment and distribution conditions are favourable. This could for instance take the shape of simple FIs with a grant component to make them sufficiently attractive and manageable. In that case, complementarity with other sources of funding (national funding, ERDF funding for Bulgarian national/regional operational programmes, IPA national programmes, Regional Efficiency Programme for the Western Balkans etc) should be ensured. For further details on the orientations in relation to the use of financial instruments please refer to section E – governance)*
- *Where possible, exchange of best practices across borders for developing **energy efficiency** including in SMEs or public buildings*

Climate change and risk prevention*: Possible areas of investments may include:*

- ***Joint climate change measures** with a strong focus on sustainable and eco-friendly measures (such as green infrastructure (e.g flood plains and reforestation).*
- *Consolidate existing cooperation through the development of joint policies, protocols, procedures and approaches **on risk prevention and rapid response** management to many potential emergencies (such as wildfires, flooding, natural disasters, severe weather evacuations, health emergencies).*

Circular economy*:*

Ensure that resources are used in a more sustainable and efficient way, possible areas of investments may include:

- *Joint actions and campaigns to raise awareness and support sustainable consumption practices and behaviour (reuse and recycling of waste) in border regions*
- *Sharing of best practices to build the capacity of stakeholders involved in the transition to circular economy*
- *Joint measures to increase resource efficiency and to promote the circular economy in SMEs (if this is their primary objective, otherwise support should be focused under PO 1) such as advisory services, training on business-to-business circular procurement or 'circular' hubs.*

Bio-diversity and pollution:

- *Support actions to **jointly protect nature and biodiversity**. Ensure that actions are more strategic in their approach and that awareness of the local population and visitors is raised on some of the specific challenges of the cross border region when it comes to biodiversity, ecological connectivity, ecological quality of water bodies, invasive plants, ground and lake water pollution. Maximise the positive contributions that can be made to protecting and developing natural resources (large number of Natura 2000 and ramsar sites, large mammal habitats, landscape connectivity, green infrastructure networks). In this context, invest also in:*
- *The protection of wetlands (for example the Dragoman Marsh at the border between Bulgaria and Serbia) so that they also function as a natural filter, to remove pollution from the watershed, to reduce flooding and improve the habitat quality for birds and other wildlife (for example in the Sakar hills at the border between Bulgaria and Turkey)*
- *Develop the capacity of environmental authorities and the non-governmental sector to exploit the **common natural heritage** of the region while respecting environmental standards and securing sustainability. Joint capacity-building measures for environmental authorities should be considered.*

Air pollution:

- *Measures to improve air quality such as green infrastructure, joint awareness campaigns as well as monitoring*
- *Decontamination and rehabilitation of industrial sites and contaminated land on both sides of the border (for example in the case of mining waste)*

PO 3 A more connected Europe by enhancing mobility and regional ICT connectivity

IPA CBC programmes can play an important role for coordinated actions aimed at improving cross-border mobility and connectivity, in line with the Connectivity Agenda for the Western Balkan countries and in complement to other funding (ERDF, national IPA, Western Balkans Investment Framework etc). Depending on the funding available and on the basis of a commonly agreed strategic framework, possible investments could include:

Mobility:

- *Targeted support for projects that tackle complex issues and aim at improving cross-border mobility in the programme area. Depending on the financial allocation available this could include: new/improved border crossing points, coach lines, public bicycle and car sharing schemes etc.*
- *Strategic projects (list of priority connections and planned operations) can be a submitted already at the adoption phase of the programme.*
- *Open calls for proposals can be used to select operations that would complement the above pre-identified operations.*

Digital connectivity:

- *supporting ICT infrastructure (WIFI spots on municipal buildings) mainly in rural areas (white spots / no interest of private providers), complementary to national programmes*

funding and EU initiatives (WIFI 4 EU).

- *improving general conditions for joint e-solutions for instance in education (digital literacy), health care, business support and cultural cooperation.*

PO4: A more social Europe implementing the European Pillar of Social rights

Under PO 4 the programmes should establish a more pro-active interaction and convergence with employment programmes operating in their cooperation areas (Impact Evaluation Report 2007-2013).

Other possible areas of investments include:

- *Support more extensive and structured **learning activities** as a vector for building an employment-boosting factor.*
- *Mechanisms for active inclusion and improving the employability of vulnerable groups*

PO5: A Europe closer to citizens by fostering the sustainable and integrated development of urban, rural and coastal areas and local initiatives

*Under PO5 interventions shall be based on an **integrated, place-based strategy**, i.e. strategies targeting a specific geographical area, identify common challenges and objectives based on the local needs, developed with appropriate citizen involvement, and endorsed by the relevant urban, local or other territorial authorities or bodies.*

Possible areas of investments can also refer to policy objectives (1-4) and could concern:

- *Investments in **common historical, natural and cultural heritage products and services.** Shared resources can also create new opportunities linked to the exploitation of complementary assets across the borders with a positive impact on employment:*
- *Improvement of the attractiveness of the region as a destination for green tourism and cultural heritage*
- *The promotion of local products and quality labels through the establishment of a network of local partners*
- *The preparation of plans and strategies to develop sustainable tourism*
- *Targeted support for environmentally friendly agricultural and forestry practices on both sides of the border*
- *Integrated actions targeting the economic, social, cultural and environmental local development needs of the area*
- *Promote training in vocational and entrepreneurial skills tackling the regional qualified and skilled labour*
- *Enhance interaction and networking between different actors to stimulate economic activities (development strategies)*

Explore the possibility of establishing joint territorial instruments adapted to the characteristics of the border regions, especially with a view to tackling specific situations such as rural areas facing similar challenges on both sides of the border.

Town twinnings, urban-rural linkages, and cooperation within cross-border functional urban areas *could provide an opportunity for facilitating local authorities' involvement in the EU acquis alignment process while learning from good practices in EU Member States. On the other hand, town twinning can set a framework for creating people-to-people exchanges and thereby involve citizens, universities and civil society.*

It will be important to identify projects of a strategic nature, which will enhance the impact of the programmes on the cross-border regions. In this context, some inspiration could be drawn from the EUSDR and EUSAIR Strategies in cooperation with all neighbouring CBC programmes and with national and regional programmes.

ISO 2: A safer and more secure Europe

Address capability gaps relating to EU external borders identified by the European Border and Coast Guard Agency and by EU customs.

- *ISO 2 to support EU policies on integrated border management so as to strengthen security of EU external borders and to protect supply chains. In close coordination with IPA special national envelops, cooperation programmes can support the upscaling and replication of border crossing point's infrastructures that can help the setting-up the Integrated Border Management (IBM) on EU's external borders.*

  Integrate people with a migrant background / foster cohesive and inclusive societies regardless of ethnicity, nationality, legal status, gender, sexual orientation, religion and disability.

- *ISO 2 to support small-scale reception, health, education and housing infrastructure in cross-border areas while long-term integration measures to be primarily financed by the cohesion mainstream programmes.*
  Manage disaster risk better, by improving assessment, prevention, preparedness and response.

- *For the Cohesion policies, these needs are essentially covered by PO2 at the exception of pandemics and emerging infectious diseases. ISO2 to support EU policies on cross-border health threats.*

  Improve protection of all public spaces from terrorist attacks and make cities secure and resilient.

- *For the Cohesion policies, these needs are essentially covered by mainstream programmes.*

  Protect critical infrastructures, the Digital Single Market and the digital life of citizens against malicious cyber activities.

- *For the Cohesion policies, the needs are essentially covered by mainstream programmes at the exception of ensuring disaster-proofing of infrastructure to support resilience of basic societal functions located in cross-border areas.*

In addition, orientations are made in the context of Cross Border Governance, as follows:

In order to facilitate cooperation and reduce cross-border obstacles in the cross-border, the programmes could:

- *Identify key obstacles and unused potential and facilitate the process of finding ways to reduce these obstacles or exploit the potential (e.g. by **funding meetings, experts, pilot projects**, etc.).*
- *Reinforce the participation of civil society as much as possible, inviting selected representatives at Council of Ministers' meetings.*
- *Continue organising joint information seminars for potential beneficiaries,*
- *Establish cooperation at the level of projects*
- *The future programmes are encouraged to explore the possibility of using FIs.*

  *Given the limited budget of the concerned programmes and the local constraints, consider **simple FIs with a possible grant component** to make them sufficiently attractive and manageable, e.g. providing a "capital rebate" (forgiving a part of the loan) of X% (or more – e.g. linking the amount with income) of the project costs. Such a combination would be greatly simplified in post-2020 period.*
- ***Investments in energy efficiency and support to SMEs** appear to have a high potential for using FIs: the eligible costs are easy to define, the instrument could be relatively simple and implementation could be fast.*
- *Support more extensive and structured ways to develop a common vision for the cross-border region, possibly using public participation tools and practices (citizens' consultations, townhall meetings, competitions, etc).*
- *Better coordination with existing macro-regional, national, regional or sectoral strategies (e.g. with an analysis on how to translate these in a cross-border context). Therefore set out a coherent overview of all existing strategies (i.e. have a mapping of the strategies affecting the border area).*
- *Establish (or participate to) a strong coordination mechanism with the authorities managing mainstream programmes in the concerned countries, in particular the national and IPA programmes dealing with transport, environment, regional development, ICT and labour issues. Any future regional programme located along the borders should also be closely associated to the CBC programmes. This coordination implies exchange of information and cooperation and should happen at all stages: planning (e.g. designing complementarities), implementation (e.g. building on synergies) and communication (showing the benefits for the citizens and the region). Synergies with the transnational programmes (Adriatic and Ioanian, Danube and Balkan Mediterranean for 2021-2027) and the ENI CBC Black Sea Basin programme should be sought, avoiding overlapping to the maximum possible extent. These programmes cover a wider area and are therefore are more strategic by nature.*
- *Design the actions based on functional areas - which will depend on the issue at stake - rather than on the administrative scale defining the programme area. Authorities are*

encouraged to use the different available tools to support functional areas such as the European Grouping of Territorial Cooperation - EGTC -, Euroregions, Integrated Territorial Investments, Community Led Local Development, metropolitan areas, natural parks, and to cooperate with the relevant macro-regional key stakeholders, where appropriate.

- *Put in place mechanisms to **finance small projects** or **people-to-people projects** that make a strong contribution to the social and civil cohesion of the cross-border region. Programmes could focus on measures that will increase citizen's knowledge of each other and build trust. This can be done using the new tool proposed by the Commission (the Small Projects Fund) or via specific calls managed by the Managing Authority itself, focused on people-to-people activities.*

1.3 Latest Challenges

The COVID-19 outbreak was declared a global pandemic by the World Health Organization on 11 March 2020. The crisis is assessed to be the greatest global challenge since World War Two, as there has not been a nation-wide emergency situation declared since then. The spread of the COVID-19 across countries has prompted many governments to introduce unprecedented measures to contain the pandemic such as businesses being shut down temporarily or widespread restrictions on travel and mobility, and led to increased uncertainty on the financial markets.

By causing a several months of lockdown the COVID-19 health crisis has had significant unfavourable economic and social effects. The economy is contracting and unemployment is rising worldwide as the uncertainty of the situation to follow may lead to slower recovery. The lockdown will severely impact regions where culture and tourism sectors contribute significantly to regional economies. Available data fn EU level indicates that economic and social impact resulting from imposed travel restrictions as well as drop in confidence of customers is likely to be the greatest in territories more reliant on tourism and hospitality.

The initial responses to the crisis largely depended on national and regional capacities, which differ to a large extent across states and regions, due to the diverse economic structures and fiscal space.

The state of emergency, declared by the National Assembly of the Republic of Bulgaria on 13 March 2020 was replaced by emergency epidemic situation on 14 May 2020. The amended Health Act in Bulgaria provides powers for application of further anti-epidemic measures grouped into administrative orders of the Minister of Health, as follows: anti-epidemic measures; introducing checkpoints and relevant restriction measures (where apropriate); quarantine and isolation of people in case of infected people or those in close contact; order concerning work activities and relevant conditions. Restrictions for travel and obligatory quarantine when entering the territory of Bulgaria from abroad are still in force and education and childcare institutions as well as day-centres for elderly and disabled people remain closed

(by the end of May 2020). Employers are encouraged to arrange for their staff to work remotely to the greatest possible extent.

The European Commission is proposing to harness the full power of the EU budget to mobilise investment and frontload financial support in the crucial first years of recovery. These proposals are based on two pillars. On the one hand, an emergency European Recovery Instrument which will temporarily boost the EU budget to raise additional financing to the EU markets and on the other hand, a reinforced multiannual financial framework for 2021-2027.

The EU's response to COVID-19 focuses on four priorities:

- limiting the spread of the virus
- ensuring the provision of medical equipment
- promoting research for treatments and vaccines
- supporting jobs, businesses and the economy

These priorities were agreed on by EU leaders who regularly meet by video conference to discuss and assess the EU's response to the COVID-19 outbreak.

As part of its emergency support package to tackle the economic impact of the COVID-19 crisis, the EU has put in place a temporary instrument to help workers keep their jobs during the crisis. Member states will be able to request up to €100 billion in loans under favourable terms to help finance sudden and severe increases of national public expenditure in response to the crisis in specific areas.

SURE (Support to mitigate Unemployment Risks in an Emergency) is one of the three safety nets, worth €540 billion, for jobs and workers, businesses and member states, agreed by the Eurogroup and endorsed by EU leaders.

The EU is also helping EU citizens stranded in third countries. EU delegations are working with member states' embassies to coordinate the repatriation of EU citizens.

The COVID-19 was confirmed to have reached Turkey on 11 March 2020. The first death due to COVID-19 in the country occurred on 15 March 2020 and by 1 April, it was confirmed that COVID-19 had spread all over Turkey. As of 27 May 2020, the total number of confirmed total cases of COVID-19 in Turkey is over 159,800 of which 122,800 have recovered and 4,400 have died. The rapid increase of the confirmed cases in Turkey did not overburden the public healthcare system, and the preliminary case-fatality rate remained lower compared to many European countries. Discussions mainly attributed these to the country's relatively young population and high number of available intensive care units. As a response to crises a ₺100 billion economic measures package was announced by the Turkish government to address financial issues of companies and low-income households. With this package the government promised to raise the Credit Guarantee Fund (KGF) limit, postpone tax liabilities, SGK premium payments and credit debts of employers in sectors most affected by the crisis, and make a resource transfer of ₺2 billion to families in need, among other measures.

Besides economic measures, Turkey established a scientific committee as an advisory body for the control of the COVID-19 pandemic as early as 19th of January. In line with the recommendations of this scientific committee, schools were closed, sport competitions were suspended, public events were cancelled and usage of common venues and services were restricted soon after the identification of the first infected patient in early March. With the escalation of the pandemic by the end of the same month, more strict measures including restrictions on travel between provinces, a long-term curfew for citizens younger than 20 and older than 65 years of age, as well as general curfews in 31 provinces on weekends were implemented. Also, civil servants started to work on alternating shifts and usage of masks became mandatory in public areas. Most of these measures have been gradually lifted since 1st of June, yet the government remains alert to the recommendations of the scientific committee against any dangerous increase in the numbers of the infected.

Source: Ministry of Health, Republic of Turkey https://www.saglik.gov.tr/?_Dil=2

2. TERRITORIAL ANALYSIS

2.1 Description of the Border Area

2.1.1 Programme area and regional structure

The Bulgaria-Turkey cross-border cooperation area is located in South East Europe in the Balkan peninsula and covers **5 territorial units at NUTS III level** (or equivalent to NUTS III level), namely: **3 districts** on the Bulgarian side of the border – Burgas, Yambol (part of BG34 - Югоизточен (Yugoiztochen) NUTS II region) and Haskovo (part of BG42 - Южен централен (Yuzhen tsentralen) NUTS II region) and **2 provinces** on the Turkish side – Edirne and Kırklareli.

The border between Bulgaria and Turkey is nearly 288 km long (including three operating border crossings Captain Andreevo – Kapıkule, Lesovo – Hamzabeyli and Malko Tarnovo – Dereköy) and the cross-border area amounts to 29 000 km². It is Bulgaria's shortest state border and the third in length (after the borders with Syria and Iran) of Turkey. The border is external to the European Union.

The programme area in Bulgaria represents 14,99 % of the total territory of the country, respectively the programme area in Turkey represents 1,58 % of total country territory.

The settlement structure of the area is characterized by the presence of 5 medium-large cities (>50 000 inhabitants). The main cities on the Bulgarian side of the cross-border area are Burgas, Yambol and Haskovo, and Edirne and Kırklareli on the Turkish side.

Map 1: Administrative map of Cross-border region

2.2 Geographical characteristics

The geographical structure of the co-operation area varies from 710 m to 1000 m altitude and includes plains, valleys and hilly areas. To the North-West, the area borders with the Eastern Rhodopi Mountains (which represents the highest altitude of the programme territory) and the low branches of the Sakar Mountain in Bulgaria. To the South-West the area borders with the Aegean Sea (Saros Gulf) in Turkey. To the North-East, the co-operation area borders with the Balkan Range in Bulgaria, to the East – with the Black Sea coast in Bulgaria in Turkey and to the South-East with Strandja/Yıldız Mountains.

Map 2: Map of Cross-border region

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

The climate varies from transitional-continental to continental-Mediterranean characterized with mild winters and hot summers. The mountains are generally forested with deciduous trees and some evergreen ones. The border region is assessed as having high level environmental sensitivity in terms of climate change. Droughts, floods and forest fires are noted as potentially significant risks in the area.

Different types of mineral resources are presented in the border region, but those have no significant input for the economic development of the region. There are considerable sources of sea-salt in the Black Sea coastal areas of the cooperation area.

2.3 Demographic features

The total population of the co-operation area is 1 529 757 inhabitants. The population structure among the participating units differs.

The population of the Bulgarian part of the CBC area is 757 369 people, accounting for 10,82% of the country's total population. The Biggest cities are Burgas (208 915 inhabitants), Yambol (68074 inhabitants) and Haskovo (86611 inhabitants). The demographic situation in towns and cities shows the same trend of population decline as observed at national and regional level. This means that the demographic potential of villages, which until recently were a source of migration to the towns and cities, has been exhausted. During the period between 2011 and 2018, the population in the Bulgarian CBC region grew in only several towns and cities; the growth was more significant in the Black sea coastal settlements: the city of Burgas (by 2 950 people, or 1,5%), the towns of: Nesebar (by 2 552 people, or 24,2%), Sveti Vlas (by 865 people, or 29,8%) and Obzor (by 212 people, or 9,8 %). Positive trend is also visible in the towns of Pomorie, Sozopol and Chernomorets. In Haskovo district only the town of Harmanli shows positive growth (by 587 people, or 2,4%). Significant decrease in population is noticed in the some of the biggest municipalities: Haskovo (-7,2%), Dimitrovgrad (-10,7%) and Yambol (-7,1%).

The population on the Turkish side is 772 388 people, accounting for 0,94 % of the total population in Republic of Turkey. The population of Edirne province according to the 2018 ABPRS (Address-Based Population Registration System) is 411 528 and it is the 48th largest city in Turkey. The population of Kırklareli province according to the 2018 ABPRS is 360 860 and it is the 54th largest city in Turkey. There is a total of 9 districts in Edirne and in terms of population, the biggest districts are the central district, Keşan and Uzunköprü. In Kırklareli, there is a total of 8 districts and the biggest districts are Lüleburgaz, the central district and Babaeski.

2.3.1 Population By Districts/Provinces[12]

Table 1: Population by Districts/Provinces

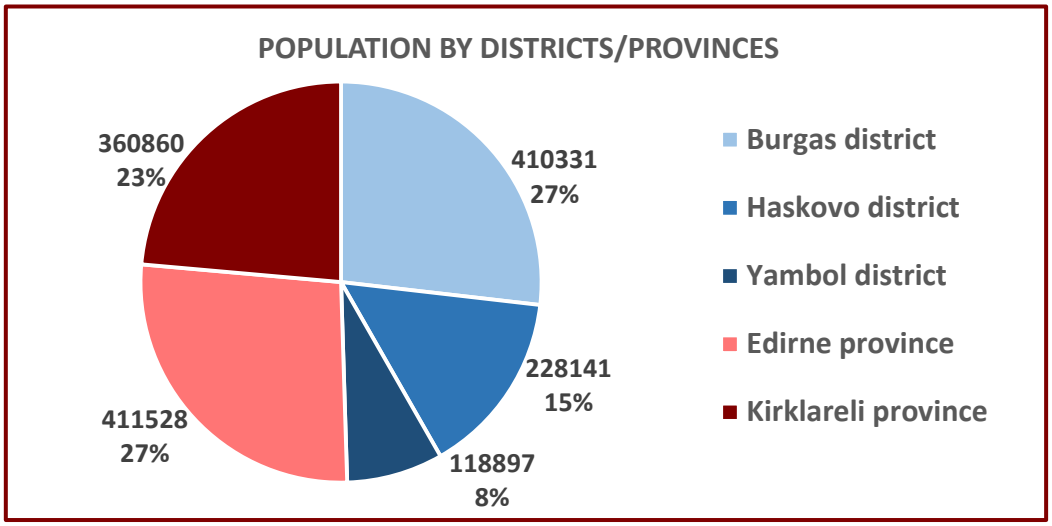
Total BG	**7000039**			**100,00%**		**Total TR**	**82003882**			**100,00%**
Total BG CBC	**757369**		**100,00%**	**10,82%**		**Total TR CBC**	**772388**		**100,00%**	**0,94%**
Burgas district	**410331**	**100,00%**	**54,18%**			**Edirne province**	**411528**	**100,00%**	**53,28%**	
Aytos	27849	6,79%				Edirne	180327	43,82%		
Burgas	208915	50,91%				Keşan	84442	20,52%		
Kameno	9864	2,40%				Uzunköprü	61485	14,94%		
Karnobat	23380	5,70%				İpsala	27498	6,68%		

[12] *Source: NSI & TÜİK*

Malko Tarnovo	3208	0,78%		
Nesebar	27879	6,79%		
Pomorie	27233	6,64%		
Primorsko	6124	1,49%		
Ruen	27846	6,79%		
Sozopol	13005	3,17%		
Sredets	14495	3,53%		
Sungurlare	11519	2,81%		
Tsarevo	9014	2,20%		
Haskovo district	**228141**	**100,00%**	**30,12%**	
Dimitrovgrad	47287	20,73%		
Ivaylovgrad	5692	2,49%		
Liubimets	9217	4,04%		
Madzharovo	2025	0,89%		
Mineralni Bani	6092	2,67%		
Svilengrad	21613	9,47%		
Simeonovgrad	8795	3,86%		
Stambolovo	5755	2,52%		
Topolovgrad	9801	4,30%		
Harmanli	25253	11,07%		
Haskovo	86611	37,96%		
Yambol district	**118897**	**100,00%**	**15,70%**	
Bolyarovo	3562	3,00%		
Elhovo	14234	11,97%		
Straldzha	11592	9,75%		
Tundzha	21435	18,03%		
Yambol	68074	57,25%		

Havsa	18947	4,60%		
Meriç	14201	3,45%		
Enez	10886	2,65%		
Süloğlu	7062	1,72%		
Lalapaşa	6680	1,62%		
Kırklareli province	**360860**	**100,00%**	**46,72%**	
Lüleburgaz	148037	41,02%		
Kırklareli	102909	28,52%		
Babaeski	48391	13,41%		
Vize	28122	7,79%		
Pınarhisar	18375	5,09%		
Demirköy	9093	2,52%		
Pehlivanköy	3565	0,99%		
Kofçaz	2368	0,66%		

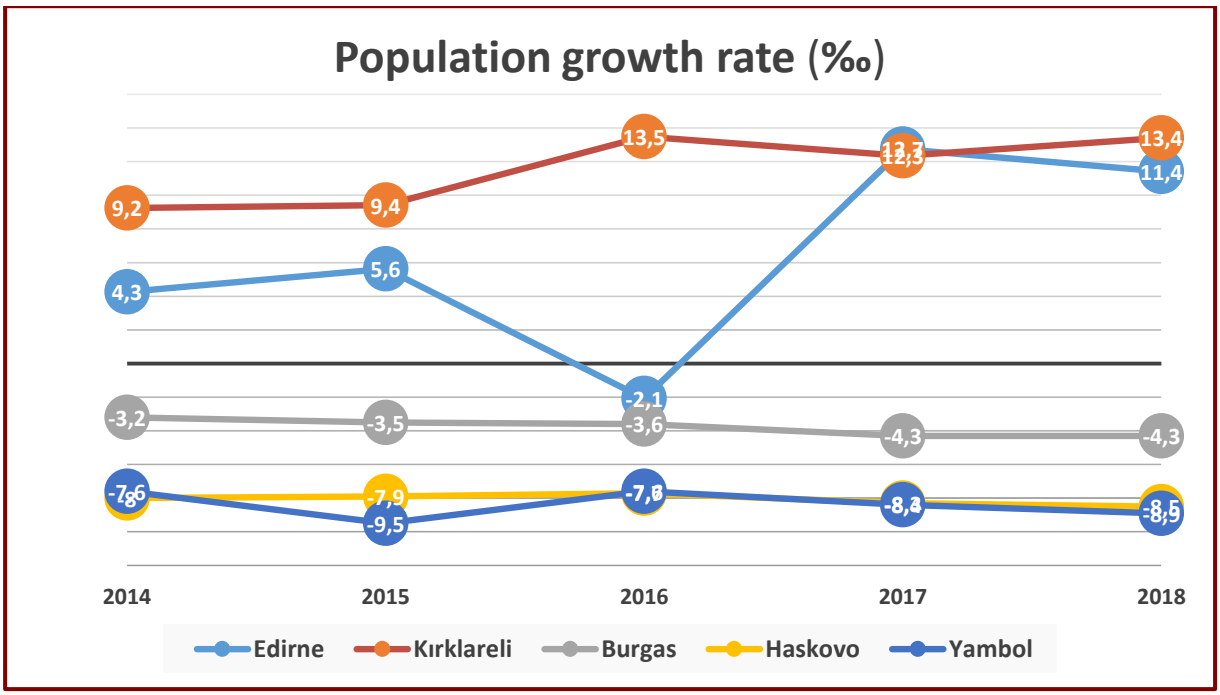
Figure 3: Population by Distircts/provinces



The demographic potential of the co-operation area is different for both sides. On the Bulgarian side natural growth rate (though still negative for 2019) is higher for Burgas district and lower for Haskovo and Yambol districts when compared to the national values (-6,5‰). In addition, due to a negative natural growth (mainly in rural territories, with value in the CBC region around -14‰) and dominating out-migration processes, there are serious disparities between the three districts and especially in terms of depopulation of the rural areas.

On the other hand the Turkish side of the co-operation area shows demographic stability and positive natural growth rate – its value in 2018 being slightly below the Turkish national average (14,7‰). Regarding the migration flows in the CBC region it can be noted that the in-migration is higher than the out-migration, e.g. the net migration is positive (being neutral for the country).

Figure 4: Population Growth rate



2.3.2 Population by Age Groups

The population is evaluated according to age range groups, 0-14 (young age dependent), 15-65 (working age group) and over 65 (old age dependent).

The population on the Bulgarian side of the co-operation area is ageing over the last years following the national trend but the ageing index for 2019 is higher than the country's average one. As a result, human potential for the economic development especially in rural areas of the Bulgarian side is decreasing since the working-age population accounts for less than two thirds.

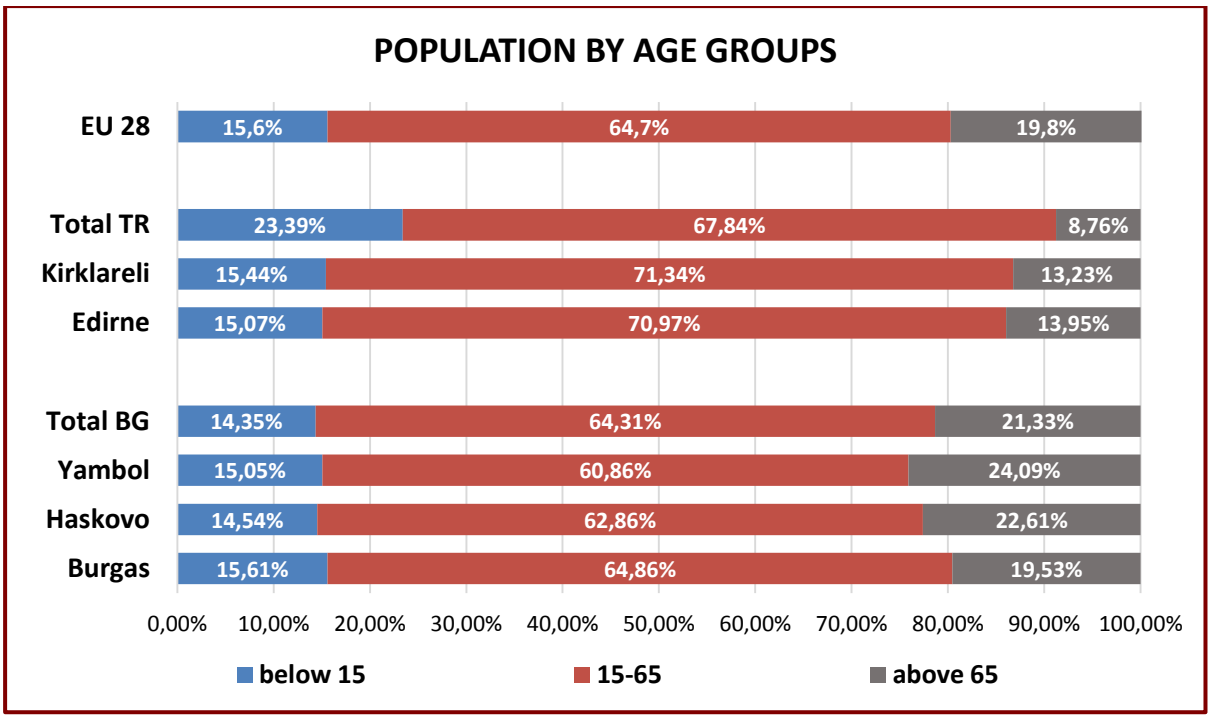
The Turkish side of the co-operation area, though demonstrating demographic stability, also faces ageing of the population in the last years. When the age group of 0-14 is examined, 23,4% of that group corresponds to the total population of Turkey and that group corresponds to 15,07% of the population in Edirne and 15,44% of the population in Kırklareli, e.g. the population in 2019 within the 0-14 age range is below the country's average (close to the figures on the Bulgarian side of the CBC area). Most prominent feature of Edirne and Kırklareli are that the 65 over age when compared with Turkey is quite high. Nevertheless the share of working-age population (within the range 15-65) is slightly above the average for Turkey.

Table 2: Population by age groups

	Burgas	Haskovo	Yambol	Total CBC BG	Edirne	Kırklareli	Total CBC TR
below 15	64 048	33 167	17 893	115 108	62 033	55 703	117 736
15-65	266153	143401	72363	481917	292 069	257 421	549 490
above 65	80 130	51 573	28 641	160 344	57 426	47 736	105 162
Total	**410 331**	**228 141**	**118 897**	**757 369**	**411 528**	**360 860**	**772 388**

Source: NSI & TÜİK

Figure 5: Population by age groups



The average population density of the Bulgarian side of the co-operation area is lower than the national one (63,9 inhabitants per km²) and varies significantly at municipal level. The region of Strandja mountain has the lowest population density of the whole country.

The population density on the Turkish side of the cooperation area shows an increasing tendency but remains lower than the national (107 inhabitants per km²). The population density of Edirne which has a surface area of 6.145 km² is 68 persons/km² and the population density of Kırklareli which has a surface area of 6.459 km² is 57 persons/ km². Edirne and Kırklareli fall below the average population density of Turkey. In Kırklareli Province the north and north-eastern areas of the territory are one of the least populated in Turkey.

The average population density of the total BG-TR CBC region in 2019 is 51,26 inhabitants per km² being far below the EU-28 average, which is 117,7 inhabitants per km²

Table 3: Population density

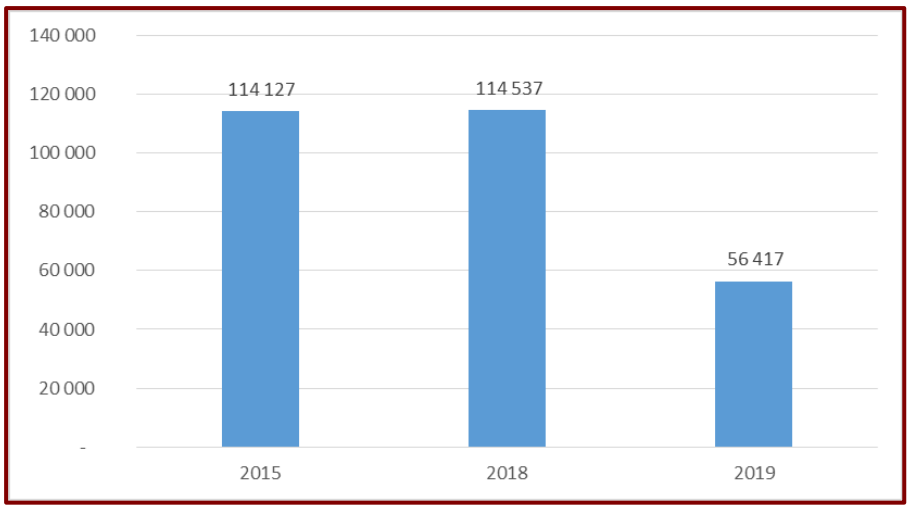
Administrative unit	Population density
Burgas district	53,80
Yambol district	35,90
Haskovo district	41,60
Average BG CBC area	**43,77**
Average BG	**63,90**
Edirne province	68,00
Kırklareli province	57,00
Average TR CBC area	**62,50**
Average TR	**107,00**
TOTAL CBC area	**51,26**
EU-28 average	**117,7**

2.4 Migration issues

In the area of migration, the situation in recent years has clearly shown that comprehensive management of migration processes requires holistic solutions at EU and cross-border level. Irregular migration continues to be a major issue of concern in Europe and at the external European borders, and the complex nature of mixed flows of economic and other migrants, refugees and asylum seekers will continue to present additional challenges.

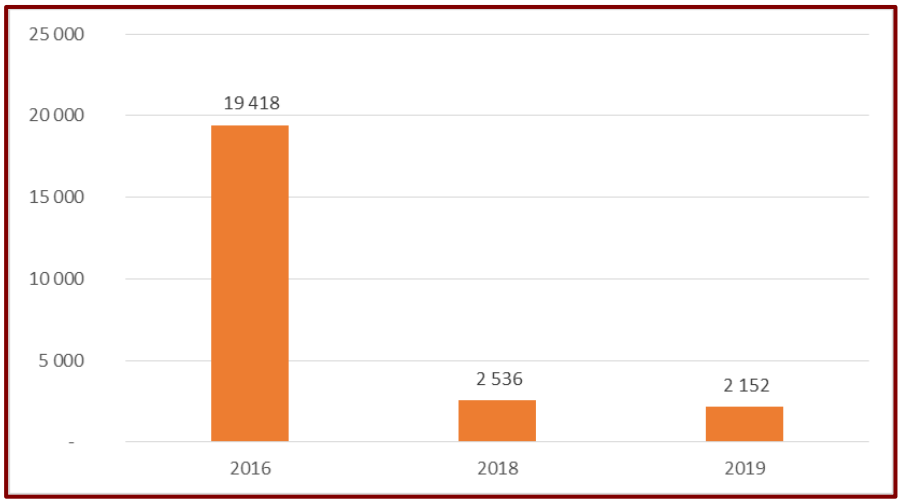
Bulgaria and Turkey are among the several countries in the Balkan Peninsula that have been the centre of the refugee influx in 2014-2016. Turkey became the top refugee receiving hosting country in 2014 (1,587,374), mid-2015 (1,838,848), and mid-2016 (2,869,421) reported on UNHCR registered refugees by country/territory of asylum. Currently, Turkey hosts the largest refugee population in the world, nearly 4 million. Nevertheless, the number of asylum applications has been decreased more than twice since 2017, and identical trend has been observed in Bulgaria too.

Figure 6: Number of asylum applications, Turkey



Source: Asylum Information Database (AIDA)

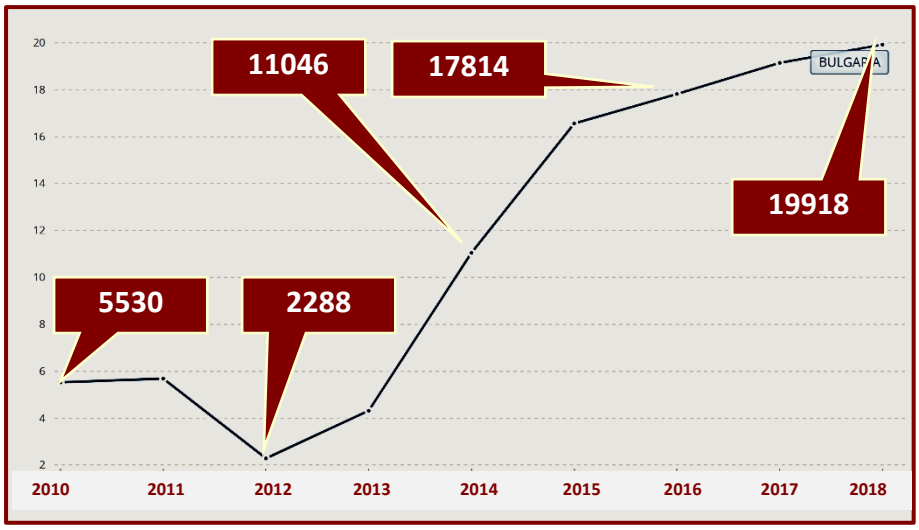
Figure 7: Number of asylum applications, Bulgaria



Source: Asylum Information Database (AIDA)

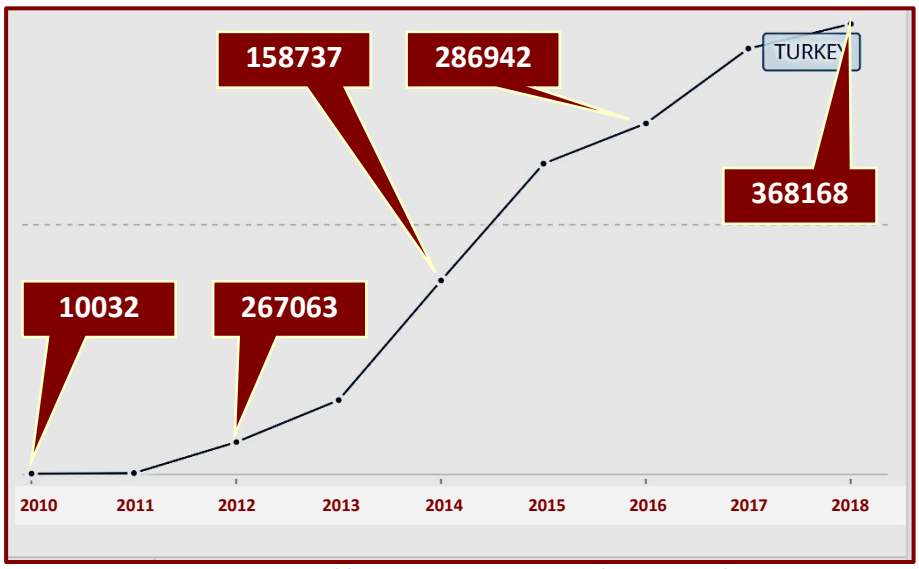
In contrast to the decreasing number of asylum applications in both countries, WorldBank data show a growing number of registered refugees in Bulgaria and Turkey, i.e. those who have been granted asylum or other form of protection. The increasing refugee population residing in both countries calls for implementation of comprehensive integration measures that would improve migrants' lives and at the same time boost local economic development, especially on the Bulgarian side of the border, where depopulation is reaching alarming proportions, and thus in-migration would partially neutralize the negative consequences of the out-migration in terms of workforce.

Figure 8 Refugee population by country or territory of asylum – Bulgaria



Source: World bank https://data.worldbank.org/indicator/SM.POP.REFG?locations=BG

Figure 9: Refugee population by country or territory of asylum - Turkey



Source: World bank https://data.worldbank.org/indicator/SM.POP.REFG?locations=TR

Although a drop in migration flows at the Bulgaria-Turkey CBC since the end of 2016 has been observed, the border area is still functioning as a crossing point of the so-called Eastern Borders Route (Frontex)[13]. This route is preferred by migrants and asylum seekers coming from the Middle East and Southern Asia. In addition, Turkey remains the key country along the Eastern Mediterranean route (Frontex). Thus, the Bulgaria-Turkey cross-border area remains and will continue to remain a preferred transit crossroad for a vast number of migrants and asylum seekers who try to reach their final West European destinations. According to latest data of the European migration network (EMN)[14], the top 5 nationalities of asylum seekers in Bulgaria are coming from Afghanistan, Iraq, Syria and Pakistan passing

[13] https://frontex.europa.eu/along-eu-borders/migratory-routes/eastern-borders-route/
[14] https://ec.europa.eu/home-affairs/sites/homeaffairs/files/03_bulgaria_country_factsheet_2019_en.pdf

through Turkey undertaking treacherous journeys that are mostly regulated by organized networks of smugglers. The EMN's Annual report on migration and asylum in Bulgaria for 2018 stated that the Bulgarian border authorities have detained 1323 people in an attempt to move illegally across the border, 689 out of them on entry and 634 on exit. Bulgarian authorities instituted 87 pre-trial proceedings for smuggling and 112 people were charged of accessory to irregular border crossing. They had tried to smuggle 707 people. Tackling this multi-billion-euro trade, anti-smuggling policy became an essential part of the EU's response to the migrant crisis. Thus, the EU's Agenda on Migration (2015) identifies the fight against migrant smuggling as a key priority. Therefore, it is critical for the Bulgarian and Turkish border authorities to comprehend and initiate more cooperative actions, for prevention of irregular migration in the cross-border region, in a way to enhance information exchange and operational cooperation.

Despite the decreasing number of asylum seekers in both countries, there are two worrying tendencies that call for immediate authorities' actions to be taken with precautious and in line with all relevant EU and international standards. As stated by the European Council on Refugees and Exiles in their 2020 country reports[15] for Bulgaria and Turkey, the number of undocumented irregular migrants and the number of unaccompanied minors in both countries grows every year. Turkey's hosting capacity for irregular migrants has been significantly improved over the last years through an extensive financial support of EU instruments (IPA) and special-purpose agreements (e.g. EU-Turkey Statement and Facility for Refugees), along with a national funding. Similarly, Bulgaria has invested a large amount of EU and national funds to improve the infrastructure where refugees and asylum seekers are accommodated until they receive/refuse forms of protection. Asylum seeking unaccompanied minors in Bulgaria and Turkey have been treated according to dedicated regulatory basis adopted in the spirit and the framework of related EU legal and procedural practices, yet there is still a room in both countries[16] for further improvements of the applied methods and practices for handling vulnerable migrants.

Irregular migration in Bulgaria Turkey CBC area is most likely to continue to rise security and humanitarian concerns, yet there have so far not been enough jointly implemented actions of institutional and operational cooperation matter so that to strengthen good migration management in the cross-border area in a coordinated and solidarity-based manner. One important step in this direction has been taken by both countries having signed in 2016 a Protocol for implementation of the EU-Turkey Statement. Thus, an official governmental basis for operational cooperation in tackling irregular migration has been laid down, therefore concrete cooperative actions have now been on the agenda. Since the continuing social and political instability in the Middle East and Southern Asia may trigger intensive migrants flow on the EU external borders at any time, there are continuous needs for improving institutional and technical capacity for adequate response to security and humanitarian challenges. As

[15] https://www.asylumineurope.org/reports
[16] ECRE's reports on Bulgaria and Turkey for 2020, https://www.asylumineurope.org/reports

Frontex states out in its Risk Assessment report for 2020[17], any perceived or actual deficiency in the migration management in the transit regions (like Turkey and Bulgaria) can result in much higher pressure towards the EU.

2.5 Economic Development

Economic development is a multi-layered process influencing the economic growth, the output of the innovation and business sectors, the labour productivity growth, the improving of the standard of living of the population of countries with sustainable growth from a low-income economy to a modern, highly profitable economy. Economic development and the discrepancies between and within regions are assessed with the help of several main indicators.

According to the official statistical data, the Bulgarian economy is continuously growing in the last 7 years (since 2013). The increasing individual consumption has major contribution to the growing gross domestic product (GDP) in the country which is closely related to the growing economic activity of the population, a higher employment and relatively higher remuneration levels.

The catching-up rates for Bulgaria are higher than the EU average but inadequate to bridge the major gap in terms of economic development and standard of living. With EU average annual growth rate of 1.1% for 2007-2017, the Eastern European economies grow at faster rates. With rates of 2,4%, Bulgaria is among the countries with moderate performance, but significantly lagging behind Poland (3,7%), Slovakia (3,2%), and Romania (3,0%). For this period, the growth rate for the Southeastern NUTS 2 region performs better with a rate of 2,7%, wheras the South Central region exhibits an annual average growth of 1,7%.

Another factor which has a positive impact on the growing economic activities in Bulgaria is the dynamically developing global economy, which is resulting also in an increasing demand for Bulgarian goods and services. The increasing export volume in the last 5 years is a good indicator for the competitiveness of the Bulgarian industrial production and service delivery.

In addition, the Foreign Direct Investments are continuously rising too, especially in the sectors real estate, financial brokerage, as well as production and trade of electricity. All these trends are showing a rapid developing economic situation in Bulgaria with a positive outlook for the upcoming years. Looking closer at the relevant labour market indicators, the picture shows similar positive trends.

Turkish economy proved its resilience after several internal and external shocks, including the failed coup attempt and severe geo-political tensions at the south-eastern border. In 2019, Turkey continued to face with severe challenges due to sharp depreciation of the Turkish Lira and the uncertainties stemming from global trade tensions. As a result, the economy recorded a growth rate of 0.9% in 2019. In 2019, the economy generated a current account surplus

[17] https://frontex.europa.eu/publications/frontex-releases-risk-analysis-for-2020-vp0TZ7

(%0.1 of GDP) in parallel with the slowing economic activity and domestic demand. The inflation rate, which was recorded as 20.3% in 2018 slowed down to 11.8% in 2019. Economic activity in Turkey continued its robust pace from the last quarter of 2019 until mid-March of 2020, on the back of the improvement in expectations and financial conditions whereas in 2020 it has started to weaken since mid-March due to the impact of the coronavirus outbreak on foreign trade, tourism and domestic demand. As in many countries, policymakers in Turkey introduced comprehensive policy measures to contain the adverse impacts of the pandemic. On the other hand, economic reforms are continuing and being supported by political reforms such as improvement of judiciary and rule of law, in order to achieve a better business environment. Trade and investment are fundamental pillars of EU-Turkey relationship. In 2019, the share of the EU in Turkey's total exports was around 50%, while the share of the EU in our total imports was almost 35%. EU is also the largest provider of Foreign Direct Investments to Turkey, with a share of almost 70% of FDI stocks.

Source: Ministry of Foreign Affairs, Directorate for EU Affairs

2.5.1 Economic Indicators

The current analysis of territorial differences in terms of GDP was made on the basis of comparisons of the following indicators:

- Gross domestic product by territorial units for statistical purposes;
- Gross domestic product per capita;
- Gross value added (GVA)

Gross domestic product (GDP) refers to the measurement of the total value of goods (products) and services produced in a given territorial area over a specified period (usually within a year) before depreciation. This is one of the ways of measuring national income and output.

Despite its relatively good overall economic performance, Bulgaria has been slow to catch up with the rest of the EU. Real Gross Domestic Product (GDP) (adjusted for inflation) grew by an estimated 3,2 % in 2018 and is expected to increase by 3,6 % in 2019 and 2020, driven by domestic demand. Potential GDP growth has strengthened over recent years. This has been driven mainly by improvements in total factor productivity while the contributions of capital and labour have been modest. Regional disparities are growing and hampering the competitiveness of the country. Output and incomes across Bulgaria are very uneven, as shown by a coefficient of variation of 49 % in the 2016 GDP per capita. Although it accounts for just 18,8 % of the population, the Sofia-city region generates nearly half of the country's GDP. The GDP situation is no different in the constituent districts of NUTS 2 regions. In most cases, the figure in one or two districts of a region is several times higher than in the remaining constituent districts.

The Turkish economy has been by far the largest among the enlargement countries, as its GDP was valued at EUR 754 billion in 2017, which was almost nine tenths of the total output across all of the enlargement countries. Turkey is the world's 18th largest economy and its GDP per capita continues to catch up with the more advanced EU economies. Looking at developments for real GDP between 2007 and 2017, there was an overall expansion of 8.6 % in the economic output of the EU-28. Real GDP of Turkey between 2007 and 2017 is almost doubled and increased with app. 53%.

The GDP of the province of Edirne in 2017 has been realized as 12,8 billion Turkish Liras, whereas the figures for the province of Kırklareli in 2017 were 13,7 billion Turkish Liras. As regards the GDP per capita in current prices, in Edirne has been realized 8,648 dollars and in Kırklareli 10,585 Dollars.

The figures below show the GDP at current prices of the Bulgarian CBC region (MEUR) in 2018

Table 4: GDP at current prices by regions

	GDP	Share %
BG	**56 087**	**100,00%**
Burgas	2 644	4,71%
Yambol	593	1,06%
Haskovo	1 004	1,79%
Total BG CBC region	4 241	7,56%
TR	**753 904**	**100,00%**
Edirne	3 096	0,41%
Kırklareli	3 316	0,44%
Total TR CBC region	6 412	0,85%

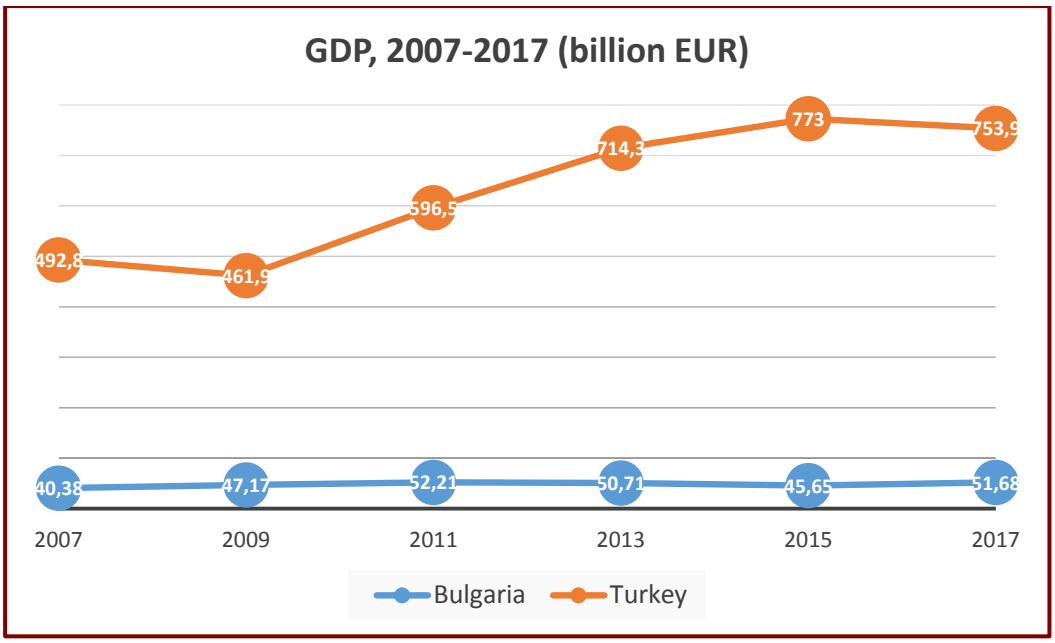
Source: NSI, TÜİK

Table 5: Gross domestic product (GDP), 2007-2017 (billion EUR)

	2007	2009	2011	2013	2015	2017
EU-28	13 005.70	12 330.60	13 217.50	13 596.80	14 828.60	15 382.40
Bulgaria	40.38	47.17	52.21	50.71	45.65	51.68
Turkey	492.80	461.90	596.50	714.30	773.00	753.90

Source: NSI, TÜİK

Figure 10: Gross domestic product (GDP), 2007-2017 (billion EUR)



Source: NSI, TÜİK

The Gross domestic product per capita in Bulgaria during the period from 2013 to 2017 was increasing slightly faster than the EU average. In terms of this indicator, the differences between the regions as well as the internal differences within the regions were also distinct.The differences in GDP per capita were even more distinct between the districts, within the region these districts formed. Less investment, which affects GDP per capita, was observed in districts where personnel shortages are identified in terms of both quantity and quality (education and qualification).

The difference between the districts of Burgas, Haskovo and Yambol is noticeable, but the analysis shows positive trends over the last two years and an increase in the value of the GDP indicator for all districts in the South-East NUTS 2 region (among which Burgas and Yambol). According to the GDP per capita indicator, the South-East region lags behind only from the Southwestern NUTS 2 region. As regards Haskovo region, the value of the GDP indicator shows slight increase over the years, but still the figures are far below the ones for Plovdiv district and the average for the South-Central NUTS 2 region.

Table 6: Gross domestic product (GDP) per capita, 2013-2018 (EUR)

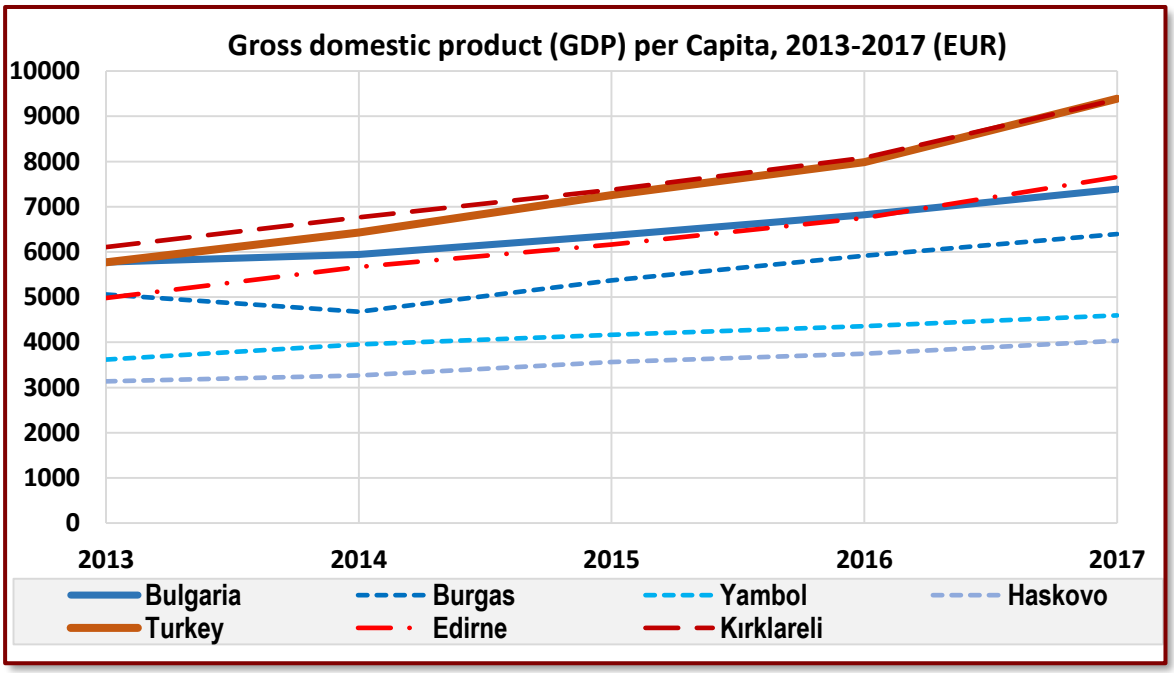
	2013	2014	2015	2016	2017	2018
Bulgaria	**5770**	**5940**	**6360**	**6820**	**7390**	**7980**
Burgas	5060	4677	5373	5918	6395	6435
Yambol	3619	3955	4169	4360	4596	4957
Haskovo	3137	3267	3567	3748	4035	4369
Turkey	**5768**	**6428**	**7256**	**7985**	**9387**	**-**
Edirne	4980	5666	6163	6747	7657	-
Kırklareli	6107	6764	7376	8081	9372	-

EU 28	26850	27720	29140	29310	30070	30980

Source NSI, TÜİK

As regards the Turkish regions, in terms of the share of the industrial output in the total GDP, while the province of Kırklareli has a higher place above the averages of Edirne and Turkey, the province of Edirne fell below the national average. The basic reason of the province of Kırklareli to remain above the average both in terms of the region and the country is the fact that there are many establishments operating especially in the textile sector. And in the province of Edirne, the share of the agricultural production has been realized above the averages of Turkey and Kırklareli due to the fact that the agricultural production in the province is more dominant.

Figure 11: GDP per Capita 2013-2017



Source: NSI and TÜİK, processed by MA

The Gross value added (GVA) is the measure of the value of goods and services produced in an area, industry or sector of an economy. GVA is obtained by subtracting the value of goods and services (intermediate consumption) used to produce this product from the value of goods and services (output) produced by economic units in a region. The main difference of GVA from GDP is that it does not include taxes on products such as VAT and SCT.

The values of the GVA indicator in Bulgaria (at national level) replicate the characteristics of the GDP indicator. The Southwestern NUTS 2 region clearly stands out in terms of GVA among all other regions. From the perspective of distribution of GVA among sectors, in all years the tertiary (services) sector was in the lead, followed by the secondary sector (industry sector) and the primary sector (agriculture, forestry, fishery). During the period between 2013 and 2017, the secondary sector registered a slight relative growth from 27,27% to 28,44%, while the primary sector registered a decline from 5,36% to 4,69% and the tertiary sector also declined from 67,37% to 66,87%.

Similar to the GDP indicator, the conclusions at district level are identical, since the GVA indicator is calculated as the difference between gross output at basic prices (before taxes on products and services) and intermediate production costs at buyer prices. The sectoral dynamics of GVA determines the priority development of different economic activities in the given NUTS 3 region. On the Bulgarian side, the Burgas District stands out, as the lowest value for the GVA indicator is registered in Yambol District. There is a steady trend of domination of the sector "services" and for 2017 its share was 56% against 37% for the sector "industry" and 7% for agriculture.

As regards the Turkish regions, in terms of the share of the industrial output in the total GVA, while the province of Kırklareli has a higher place above the averages of Edirne and Turkey, the province of Edirne fell below the national average. The basic reason of the province of Kırklareli to remain above the average both in terms of the region and the country is the fact that there are many establishments operating especially in the textile sector. And in the province of Edirne, the share of the agricultural production has been realized above the averages of Turkey and Kırklareli due to the fact that the agricultural production in the province is more dominant.

When the periodic development of the GVA is examined in 2004, the share of industry in the GVA of Edirne was 18,1% and it has increased to 23,4% in 2017. In the same period, the share of industry in the GVA of Kırklareli has increased from 41,9% to 45,8%.

As of 2017, while Edirne produces 0,29% of the total national industrial GDP, Kırklareli produces 0,61% of it. As of 2017, ranked 47th among 81 provinces in terms of its contribution into Turkey's industrial GDP, Kırklareli ranked 27th. In 2004, Edirne ranked 41st and Kırklareli ranked 21st. Accordingly, as of the years, the increase in the provinces of Edirne and Kırklareli in terms of industrial output has fallen behind other provinces.

As it could be seen from the table below, the share of the services in both countries, as well as in the CBC region prevails over agriculture and industry sectors with the exception of the Kırklareli province where the share of the industry sector is slightly above the rest ones.

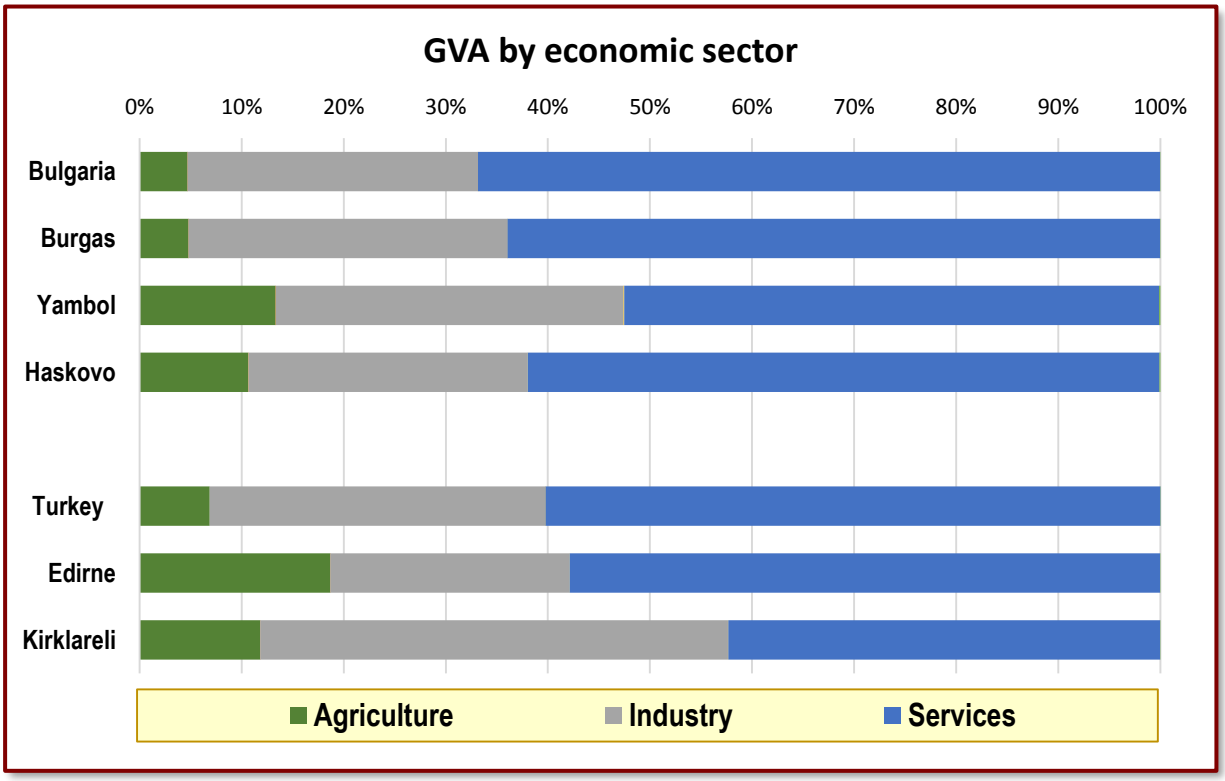
Table 7: GVA by economic sector (MEUR)

Statistical unit	GVA by economic sector						GVA
	Agriculture		Industry		Services		
Bulgaria	**2 103**	**4,69%**	**12 744**	**28,44%**	**29 961**	**66,86%**	**44 808**
Burgas	107	4,80%	699	31,24%	1 431	63,96%	2 237
Yambol	64	13,37%	163	34,12%	251	52,51%	478
Haskovo	86	10,68%	220	27,34%	499	61,98%	804
Turkey	**45 867**	**6,87%**	**219 827**	**32,91%**	**402 325**	**60,23%**	**668 020**
Edirne	513	18,70%	642	23,40%	1 588	57,90%	2 743

Kırklareli	347	11,82%	1 347	45,85%	1 244	42,33%	2 939

Source: NSI (2018) and TÜİK (2017), edited by MA

Figure 12: Structure of GVA in the cross-border region



Source NSI, edited by NCRD

The tables below show the tendencies in the share of GVA in the different economic sectors of the Bulgarian districts in the cross-border area during the period 2014-2017. As it could be seen the share of the service sector has been and still has a leading position as a whole. Only in Burgas district there is a slight decrease in the share of the service sector (from 73,39% to 63,95%) while the industry sector has increased its share by more than 10% for the period.

Table 8: GVA by Agriculture Sectors and Share in Bulgaria (million BGN)

	2014			2015			2016			2017		
	Agriculture share %	GVA in agriculture	Total	Agriculture share %	GVA in agriculture	Total	Agriculture share %	GVA in agriculture	Total	Agriculture share %	GVA in agriculture	Total
Burgas	5,66%	186	3292	4,62%	174	3756	4,54%	187	4120	4,73%	211	4452
Yambol	13,36%	114	850	12,27%	108	878	12,25%	111	904	13,30%	125	942
Haskovo	11,71%	155	1323	10,38%	148	1428	9,99%	148	1483	10,64%	169	1584

Source NSI

Table 9: GVA by Service Sectors and Share in Bulgaria (million BGN)

	2014			2015			2016			2017		
	Services share %	GVA in services	Total	Services share %	GVA in services	Total	Services share %	GVA in services	Total	Services share %	GVA in services	Total
Burgas	73,39%	2416	3292	68,32%	2566	3756	64,25%	2647	4120	63,95%	2847	4452
Yambol	50,00%	425	850	50,11%	440	878	51,33%	464	904	52,97%	499	942
Haskovo	65,00%	860	1323	62,96%	899	1428	62,17%	922	1483	62,56%	991	1584

Source NSI

Table 10: GVA by Industry Sectors and Share in Bulgaria (million BGN)

	2014			2015			2016			2017		
	Industry share %	GVA in industry	Total	Industry share %	GVA in industry	Total	Industry share %	GVA in industry	Total	Industry share %	GVA in industry	Total
Burgas	20,96%	690	3292	27,08%	1017	3756	31,21%	1286	4120	31,31%	1394	4452
Yambol	36,59%	311	850	37,70%	331	878	36,39%	329	904	33,76%	318	942
Haskovo	23,28%	308	1323	26,61%	380	1428	27,85%	413	1483	26,77%	424	1584

Source NSI

In places where rural populations are intense, agricultural activities are still the most important productive sector in Turkey. In line with, as of 2017, the share of agricultural sector has been over the national average both for Edirne and Kırklareli and for TR21 Region.

The agricultural sector of Edirne and Kırklareli was getting a share of 16.6% and 10.5% respectively from the GDP that the cities create, and they get a share of 7.6% from the GDP that the TR21 region creates. The reason for lower shares for the TR21 Region than those of Edirne and Kırklareli provinces is that the share that the province of Tekirdağ which is within the TR21 Region, gets from the agricultural sector is low (4.3%). Parallel to decrease of the share that the agricultural sector has in the GDP in Tukey, there has been a decrease in the share of the agricultural sector that both TR21 Region and the provinces of Edirne and Kırklareli have in the GDP. In 2004, while the share that Edirne and Kırklareli had in agriculture was 29.2% and 18.2% respectively, it became 16.6% and 10.5% in 2017. The decrease in agricultural production in the provinces of Edirne and Kırklareli has affected the agricultural GDP rankings of those cities in the same way. While Edirne ranked 19th in terms of size of agricultural yield, it regressed to 35th in 2017. While Kırklareli ranked 39th in 2004, it has regressed to the rank of 50 in 2017**.**

Table 11: GVA by Agriculture Sectors and Share in Turkey

	Turkey		Edirne		Kırklareli	
Year/ Data	Agriculture %	GVA in Agriculture (million TL)	Agriculture %	GVA Agriculture (million TL)	Agriculture %	GVA Agriculture (million TL)
2004	10,8	54,365	33,4	847	20,8	527
2015	7,8	161,448	20,8	1,868	14,2	1,312
2016	7,0	161,305	18,9	1,866	12,8	1,311
2017	6,9	189,000	18,7	2,114	11,8	1,431

Source: TÜİK

Table 12: GVA by Service Sectors and Share in Turkey

	Turkey		Edirne		Kırklareli	
Year/ Data	Services %	GVA in Services (million TL)	Services %	GVA in Services (million TL)	Services %	GVA in Services (million TL)
2004	60,5	304.887	48,5	1.231	37,3	906
2015	60,5	1.246.696	55,8	5.014	41,5	3.840
2016	61,0	1.402.423	57,5	5.665	43,2	4.424
2017	60,2	1.657.822	57,9	6.544	42,3	5.126

Source: TÜİK

As the province of Edirne is located at the intersection point of three important rivers (Meriç/Maritsa, Tunca/Tundzha and Arda) and its establishment on fertile lands, a significant amount of agricultural production takes place in the province. Approximately 50% of rice production, 25% of sunflower production for oil, and 3% of wheat production in Turkey take place in Edirne.

Accordingly, based upon these, the development of the industry of the province took place in the form of agricultural industrialization. As of 2017, out of 394 establishments that are registered in the industrial registry, 44 of them are the establishments producing rice, 14 of them are the establishments producing raw and refined oil, 15 of them are establishments producing flour and 21 of them are establishments producing milk and dairy products. The textile sector also develops other than the industrial establishments based on agriculture.

As it is seen in the graph below, 41,1% of the industrial establishments are located in Marmara, 20,4% are located in Central Anatolian, 13,8% are located in Aegean, 9,2% located in

Mediterranean, 8% are located in Black Sea, 4,8% are located in Southeast Anatolian and 2,7% are located in the Eastern Regions of Turkey.

When the provinces in the Marmara region are sorted based on the number of establishments, the province of Edirne ranked in the 10th place by 0,7% and Kırklareli ranked in the seventh place among eleven provinces in the region. According to the number of employees, 50,3% of the industrial establishments in the province of Edirne are micro, 36,1% are small scale, 10,9% are medium scale and 2,7% are large scale establishments.

The industry in the province of Kırklareli is mostly intensified around the D-100 highway and especially in the sub province of Luleburgaz. Industry has been increasingly developing in Kırklareli. The attempt of the Istanbul industry to spread in the periphery is among the major reasons of this development.

As of 2017, there is a total of 788 industrial facilities in Kırklareli. 84,64% of them are located in the central sub province, Babaeski and Lüleburgaz sub provinces and the remaining 15,36% are located in other sub provinces. Of a total of 788 establishments that are registered in the industrial registry, 262 of them consist of establishments producing food, 160 of them consist of establishments producing furniture products, 68 of them consist of establishments producing minerals, 67 of them consist of establishments producing textiles, 64 of them consist of establishments dealing with metal works, 17 of them consist of establishments manufacturing machines, 12 of them consist of establishments manufacturing press, 29 of them consist of establishments producing chemical and plastic products and 109 of them consist of other establishments.

Out of those who work in the industry, 31% of them are employed in the textile products manufacturing sector and 18% of them are employed in the ready garments manufacturing sector.

While Kırklareli ranks in the seventh place in the region in terms of its industrial establishments located in the Marmara Region by 1,5%, of all the total industrial establishments according to the number of employees, 66,3% are micro, 20,5% are small scale, 9,9% are medium scale and 3,4% are large scale establishments.

When the industrial sector's GVA statistics that belong to the year of 2004 and the period of 2015 - 2017 are examined; it is seen that 23,4% of the GVA of the province of Edirne belongs to the industrial sector in 2017 which is 5,3 % increase from 2004.

The share of GVA that belongs to the industrial sector of the province of Kırklareli in 2017 is 45,8%.

In the same year, the share of the industrial output in GVA is 32,9% across Turkey.

In terms of the share of the industrial output in the total GVA, while the province of Kırklareli has a higher place above the averages of Edirne and Turkey the province of Edirne fell below the national average. The basic reason of the province of Kırklareli to remain above the average both in terms of the region and the country is the fact that there are many

establishments operating especially in the textile sector. And in the province of Edirne, the share of the agricultural production has been realized above the averages of Turkey and Kırklareli due to the fact that the agricultural production in the province is more dominant.

When the periodic development of the GVA is examined in 2004, the share of industry in the GVA of Edirne was 18,1% and it has increased to 23,4% in 2017. In the same period, the share of industry in the GVA of Kırklareli has increased from 41,9% to 45,8%.

Table 13: GVA by Industry Sectors and Share in Turkey

	Turkey		Edirne		Kırklareli	
Year	Industry %	GVA in Industry (million TL)	Industry %	GVA in Industry (million TL)	Industry %	GVA in Industry (million TL)
2004	28,8	145,006	18,1	460	41,9	1,062
2015	31,7	652,583	23,4	2,101	44,3	4,096
2016	32,0	735,169	23,6	2,323	44,1	4,516
2017	32,9	905,819	23,4	2,645	45,8	5,552

Source: TÜİK

2.5.2 Foreign direct investments (FDI)

Foreign direct investments (FDI) are by nature financial resources invested in buying fixed tangible assets, patents, trade marks, know-how, securities, acquisition of new fixed tangible assets, reconstruction and expansion or extension of already existing ones, etc.[18]

The Organisation for Economic Cooperation and Development (OECD) states that FDI is a "key element in the international economic integration. FDI builds and develops direct, stable and lasting inter-relations among economies. They encourage the transfer of technology and know-how between countries and provide considerable opportunity for the host economy to promote its products more widely in international markets. FDI is also an additional source of funding for investments and in the appropriate (supportive) policy environment could be an important development tool".

Investment direction and sustainability are contingent upon the trends of the global trade and investment flows as well as on the investment climate of the investee countries they are directed to. In the first years of Bulgaria's membership in the EU, relatively large volumes of foreign direct investments were made, one third of which were in the industry.

As a percentage of GDP, FDI are below the EU average, with significant regional discrepancies. Sofia attracts more than half of non-financial foreign direct investment. Other major recipients

18 https://www.researchgate.net/publication/325846240_FOREIGN_DIRECT_INVESTMENTS_IN_THE_ECONOMIC_DEVELOPMENT_OF_BULGARIA

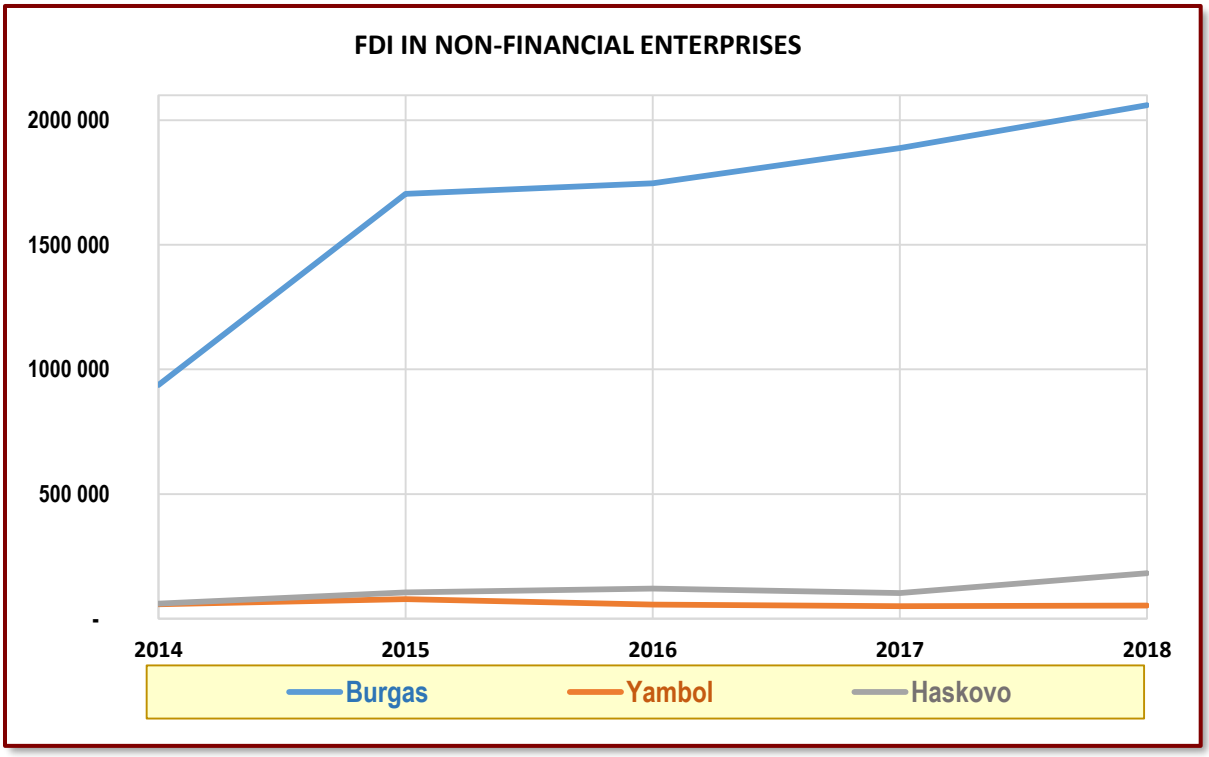
of foreign direct investment are the larger urban centres, particularly in the south of the country, boosting the economic performance of these regions (Burgas).

Table 14: Foreign direct investments in Bulgaria for the period 2007-2018 (thousands EUR)

	2014	2015	2016	2017	2018
Burgas	937 227	1 704 392	1 746 015	1 887 318	2 059 421
Yambol	58 091	79 030	56 527	50 680	52 899
Haskovo	61 324	105 335	120 400	102 671	182 793

Source: NSI, edited by MA

Figure 13: Foreign direct investments in non-financial enterprises (thousands EUR)



Source: NSI, edited by MA

As it could be seen from the data and graphic/s above, Burgas region significantly prevails in terms of share of foreign direct investments, compared to Yambol and Haskovo region. This is due to the fact that Burgas region is characterized by high level of industrialization. The industry is characterized by diversified specificity and plays the role of leading sector in the economic structure. Some proceedings are the only or decisive for the country: dark and light oil products, chemical fibers, plastics and other chemical products; shipbuilding, ventilation equipment, cargo wagon building, fish-processing industry, etc.

As concerns Turkey, its impressive growth performance and structural reforms implemented over the past decade have landed it on the radar of many international investors. According

to Ernst&YoungAttractiveness Survey Europe, Turkey became the 7th most popular FDI destination in Europe in 2018. The country was home to 261 projects, up 14 percent year-on-year, and enjoyed a 4 percent share in all FDI projects across Europe[19].

Until 2002, total FDI into Turkey stood only at app. EUR 13,5 billion while the country has attracted around EUR 189 billion of FDI during the 2003-2018 period.

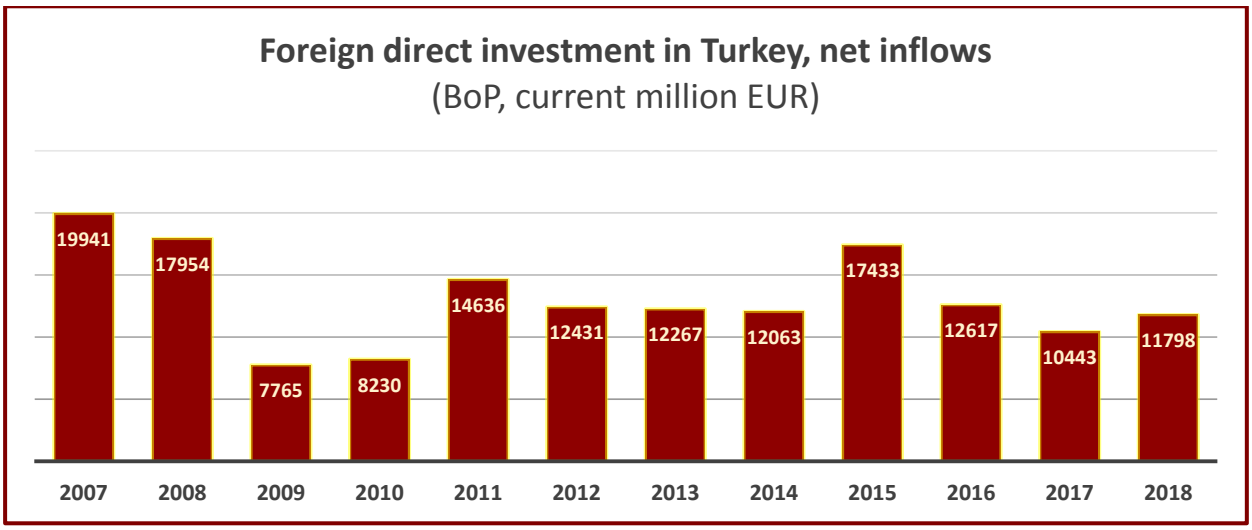
During the past 16 years, the finance and manufacturing sectors have attracted the highest amount of FDI in Turkey, with sectors of interest becoming significantly diversified in line with Turkey's 2023 vision of having a higher position in the global value chain.

The changes in foreign direct investments in Turkey for the period 2007-2018 could be summarized, as follows[20]:

Table 15: Foreign direct investment in Turkey, net inflows (BoP, current million EUR)

2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
19941	17954	7765	8230	14636	12431	12267	12063	17433	12617	10443	11798

Figure 14: Foreign direct investment in Turkey, net inflows (BoP, current million EUR)



Source: data from Worldbank, edited by MA

2.5.3 Tourism sector

The attractiveness of tourism in the CBC region comes from the rich cultural and natural heritage, diverse landscapes and relatively good connectivity/accessibility.

Based on territorial concentration and tourism resources, Bulgaria is conceptually divided into nine tourist regions. The justification for these regions is a consolidated result from

[19] https://www.invest.gov.tr/en/whyturkey/pages/fdi-in-turkey.aspx
[20] https://data.worldbank.org/indicator/BX.KLT.DINV.WD.GD.ZS?locations=TR

synthesised expertise in the field of Bulgarian tourism, spatial affiliation and specificity of tourism resources, the objective division of tourism markets and products concerned, the views of stakeholders. The division into tourism regions helps form regional tourism products and implement regional marketing and promotion.

The three districts part of the Bulgarian programme area fall within the following two tourism regions:

- Yambol and Haskovo districts – under the Trakia Region – cultural (all types), health (all types), wine, adventure and eco tourism;
- Burgas district – under the Burgas Black Sea Coast Region – maritime, cultural (all types), health (all types). Religious, adventure and eco tourism.

Map 3: Scheme of tourism zoning of Bulgaria

Source: Source National Tourism Zoning Concept of Bulgaria, 2014

According to 2017 NSI data, the spatial structure of the resources and their utilisation in the sector are concentrated along the Black Sea coast - 68% of the beds, 69% of the overnight stays and 67% of the revenues. This structure has been inherited and traditionally established over the past few decades.

Summarised by groups, the tourism resources of Bulgaria include:

- *cultural and historical assets* - about 40 000, 7 under the auspices of UNESCO, among the top 10 in Europe, but with low utilisation of the potential of the sites;

- *natural* - many attractive rock formations, water and vegetation formations (3 on the UNESCO list) concentrated in mountainous and semi-mountainous areas, most of them with nature conservation status (according to the PAA) and Natura 2000 status;
- *mineral waters* - large capacity (over 240 deposits) but low utilisation;
- *Black Sea coast* - the most significant tourist asset of the country, the basis of the dominant product 'maritime tourism';
- *biological diversity*[21] plays a key role in the development of the natural and territorial complex of the system of recreation and tourism in Bulgaria.

The spatial distribution of the country's tourism resources is characterised by a high degree of overlap and territorial proximity of natural and cultural sites. This geographical specificity is an important competitive advantage in the creation of tourism products. This allows to combine different recreational activities in time and space, provides an opportunity to overcome seasonality and increase the usability of the tourism superstructure. Bulgaria, as well as the CBC region, has all the prerequisites for successful development as a tourism destination and, apart from a variety of tourism resources, has a relatively good tourism infrastructure, active generating markets with increasing demand and considerable untapped potential.

The realisation of the potential of the Bulgarian tourism regions is directly dependent on the correspondence of the implemented tourism policy with the policy in a wider European context. Current priorities of the European tourism policy include: to enhance the competitiveness of the sector; to promote the development of sustainable, responsible and high-quality tourism; to consolidate the European tourist image and profile; and to streamline the potential of EU policies and financial instruments for development of tourism.

In order to ensure the sustainable development of the tourism sector, Bulgaria including the CBC region needs to face the challenges of the modern environment and competition, marketing, existing management deficits and shortcomings in the legal framework. The shortage of qualified staff is a threat both for the economy as a whole and for tourism. Coordination between private and public institutions in the construction and maintenance of tourism, technical and information infrastructure is needed.

Tourism plays an important role in the economic structure of the Bulgarian cross-border region. The main factors for its development are the attractiveness of natural sites / beaches, seawater, etc. /, anthropogenic resources / churches and monasteries, historical sites, etc. /, the availability of various food and beverage industries, etc. Both international and domestic recreational tourism have been developed.

According to the Concept for tourist zoning of Bulgaria (2014), the districts of Yambol and

[21] There are 55 reserves, 364 natural landmarks, 3 national parks and 11 nature parks in Bulgaria. The total number of protected areas and sites is 1 012 and the protected species are 574.

Haskovo fall within the scope of the Thracian region.

The “Thrace” tourism area has a major specialization mostly cultural and wine tourism. Its expanded specialization is cultural tourism (all types), wine tourism, business tourism, health tourism (all types), adventure and ecotourism.

Burgas region falls within the scope of Burgas Black Sea Coast Region. Here is situated the biggest tourist complex in Bulgaria - "Sunny Beach", as well as some of the preferred tourist complexes - "Dunes", "Elenite", "Pearl". The rich history of Nessebar and Sozopol and the traditional small towns and villages along the coast are the preferred destination for many tourists.

Above 25% of the accommodation establishments in Bulgaria are concentrated in the CBC region. Almost 40% of the beds and more than 35% of the revenues in the tourism sector are also coming from the CBC region with the main share of Burgas district (of almost 90%) while the other two districts do not have any substancial contribution.

In the last few years, there has been a rapid tourist uptake of the Black Sea coast, which helps to revitalize them economically and demographically, but also creates some environmental problems. Despite the intensive tourism development of the coast, there are untapped potentials and underutilized opportunities. The mineral water resources allow a combination of climate and balneotherapy (Pomorie, Burgas, etc.), which could attract many foreign tourists after appropriate promotion and opening of new bases. The Strandzha region, with its natural landmarks, megalithic complexes and unique cultural heritage, does not yet contribute to the valorisation of its potential.

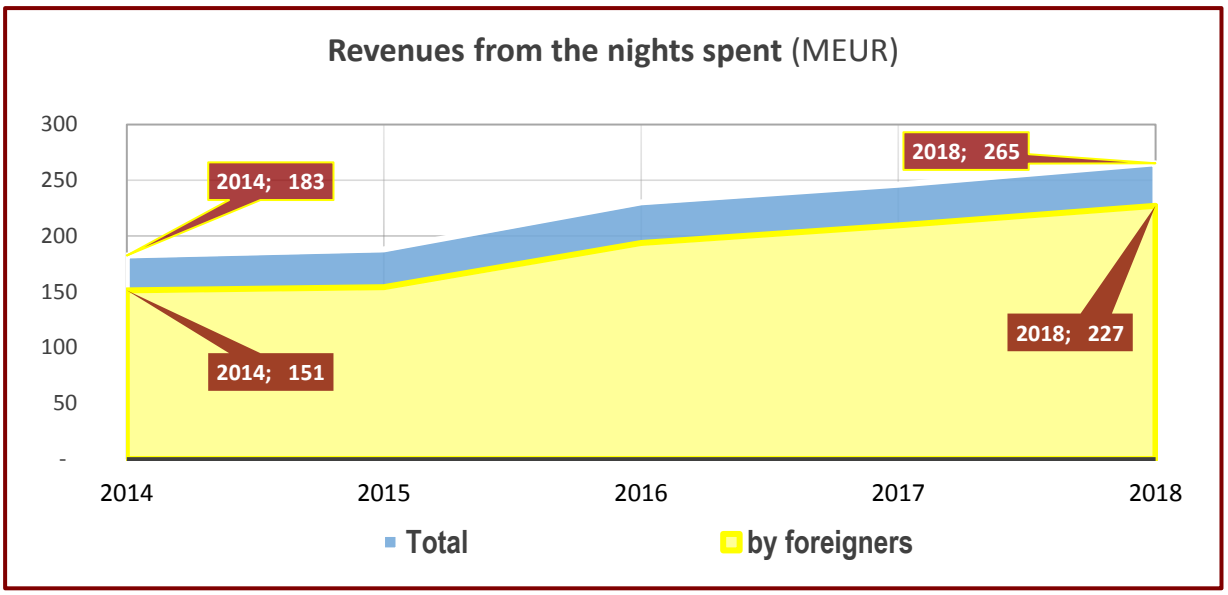
Table 16: Tourism indicators for Bulgarian NUTS III regions (2018)

Administrative unit	Accommodation establishments[22]	Bed-places	Nights spent		Arrivals		Revenues from the nights spent (BGN)	
			Total	by foreigners	Total	by foreigners	Total	by foreigners
Bulgaria	3 458	335 597	26 845 013	17 748 925	7 799 680	3 910 159	1455702154	1085224585
Burgas	848	129 865	9 717 859	7 797 343	1 703 496	1 220 998	511 441 164	441 153 710
	24,52%	38,70%	36,20%	43,93%	21,84%	31,23%	35,13%	40,65%
Yambol	24	757	39 718	10 240	18 008	3 233	1 535 735	513 520
	0,69%	0,23%	0,15%	0,06%	0,23%	0,08%	0,11%	0,05%
Haskovo	34	1 519	150 249	55 628	70 308	23 374	5 888 038	2 592 578
	0,98%	0,45%	0,56%	0,31%	0,90%	0,60%	0,40%	0,24%

Source: NSI

[22] https://ec.europa.eu/eurostat/statistics-explained/index.php/Glossary:Tourist_accommodation_establishment

Figure 15: Revenues from the night spent in Bulgaria (MEUR)



Source: https://infostat.nsi.bg/infostat/pages/reports/result.jsf?x_2=1258

In terms of tourism, Turkey has a larger territory and presents a variety of touristic attractions all over the country. It is a very popular tourism destination all over the world. Despite their cultural, historical and natural potentials, Edirne and Kırklareli are not the most popular areas for tourist attraction in Turkey and as such, they are shadowed by other regions of country. In terms of summer tourism, the Mediterranean and Aegean coasts, which provide more favorable climate and well-established tourism infra-structure, are more preferred by tourists than the Black Sea coast.

On the Turkish territory of the CBC region, as of 2018, in Edirne there were a total of 129 accommodation facilities of which 32 establishments had tourism establishment certification and 97 establishments had municipal certification. The total bedding capacity of these establishments was 1063. In Kırklareli there were a total of 14 accommodation facilities of which 14 establishments had tourism establishment certification and 23 establishments had municipal certification.

In 2018, the number of overnight stays in the facilities with tourism establishment certification was 144,415,267 in total of which 0,2% belongs to Edirne and 0,05% belongs to Kırklareli. The average duration of stay in the facilities with tourism establishment certificate was 2.87 days and it was 2.14 days in the facilities with municipal certification. The average duration of stay of Edirne and Kırklareli is below the national average both in the facilities with tourism establishment certificate and the facilities with municipal certification.

The percentage of occupancy rate in the facilities with tourism establishment certificate is 56,43% in Turkey, 38,66% in Edirne and 30,57% in Kırklareli. The percentage of occupancy rate in the facilities with tourism establishment certificate in Edirne and Kırklareli is below the national averages and the occupancy rate in the facilities with municipal certification is below the national average which is 38,92%.

As of 2018, there are 5 border gates in Edirne and 2 border gates in Kırklareli. The number of visitors of Edirne and Kırklareli in 2018 was 4334,405 which accounts for 11% of the number of total border gate visitors in Turkey. The number of visitors in 2018 of the border gates located in Edirne was 3.835.131 and of this number, 17% belongs to Hamzabeyli, 19% belongs to İpsala, 58% belongs to Kapıkule, 6% belongs to Pazarkule and 0,3% belongs to Kapıkule (train) border gates. Total number visitors in 2018 of the border gates located in Kırklareli was 499,174 and almost all of it belonged to Dereköy border gate.

Table 17: Tourism indicators for Turkey and Turkish NUTS III regions

NUTS III equivalent	Nights spent in accommodation establishments		Arrivals in accommodation establishments	
	Total	by foreigners	Total	by foreigners
Edirne	715 426	143 127	5 278 639	3 835 131
Kırklareli	217 685	16 291	511 581	449 174

Source: TurkStat - https://biruni.tuik.gov.tr/ilgosterge/?locale=en

Table 18: Tourism indicators for Turkey and Turkish NUTS III regions

Indicators	Turkey	Edirne	Kırklareli
Number of Accommodation Facilities with Tourism License (2018)	4,906	32	14
Share of Facilities in Turkey (2018)	100%	0,7%	0,3%
Bed Capacity of Facilities with Tourism License (2018)	1,199,995	4,050	2,061
Share of Bed Capacity in Turkey (2018)	100%	0.3%	0.2%
Rate of Occupancy in Facilities with Tourism License (2018) (%)	56,43	38,66	30,57
Number of Arrivals to Facilities with Tourism Operation License (2018)	50,344,818	228,046	40,439
Number of Overnights in Facilities with Tourism Operation License (2018)	144,415,267	306,162	69,214
Average Duration of Stay in Facilities with Tourism Operation License (2018)	2.87	1.34	1.71
Number of Facilities with Municipality License (2018)	7,671	97	23
Bed Capacity of Facilities with Municipality License (2018)	511,213	6,013	1,292
Rate of Occupancy in Facilities with Municipality License (2018) (%)	38,92	28,5	32,86
Number of Arrivals to Facilities with Municipality License (2018)	21,612.838	236,652	100,603

Number of Overnights in Facilities with Municipality License (2018)	46,271.455	409.264	148,471
Average Duration of Stay in Facilities with Municipality License (2018)	2.14	1.73	1.48

Source: Republic of Turkey Ministry of Culture and Tourism

For a sustainable development of tourist destinations, there are a number of key factors that must be taken into consideration. In addition to factors like managing dynamic growth, climate change, poverty alleviation, support for conservation, etc., tourists' and residents' security is a crucial consideration. Uncertainty regarding security can determine significant fluctuations of touristic flows, so residents' and tourists' safety becomes a global problem for a sustainable tourism.

In order a tourism destination to be attractive it must be able to provide a safe environment to visitors. Indeed, tourists may be particularly exposed to certain forms of crime because they lack cultural understanding and do not speak the language. But tourists can also cause trouble, among other because they feel carefree and unaccountable when holidaying in a foreign place.

Faced with this situation, local authorities are often best placed to design and implement prevention policies but also to foster good coexistence between tourists and local residents.

The need to tackle the problems associated with crime and security in tourist cities is recognized in the European Forum for Urban Security (EFUS) initiative on "Security and Tourism.

Security of travel has become a global problem that cannot be disregarded. The threat of terrorism is a factor the global travel industry is forced to face. In Europe in recent years, terrorist attacks, and the considerable media coverage they have received, have subsequently had an influence on travellers' behaviour.

There is a growing spread of understanding that basic changes in security concept in travel and tourism are needed, together with the necessity of common actions among partner countries.

Over the last years, the Commission has developed policies in all sectors related to the prevention of terrorist attacks and the management of their consequences, e.g. in countering terrorist financing and in hindering access to explosives and to Chemical, Biological, Radiological and Nuclear materials.

2.5.4 Small and medium-sized enterprises

Small and medium-sized enterprises (SMEs) are the backbone of the Bulgarian economy and generate more than 60% of the national GDP. The largest number of SMEs is in the group of micro-enterprises (between 0 and 9 employees), which in 2018 reached 92.7% of the total

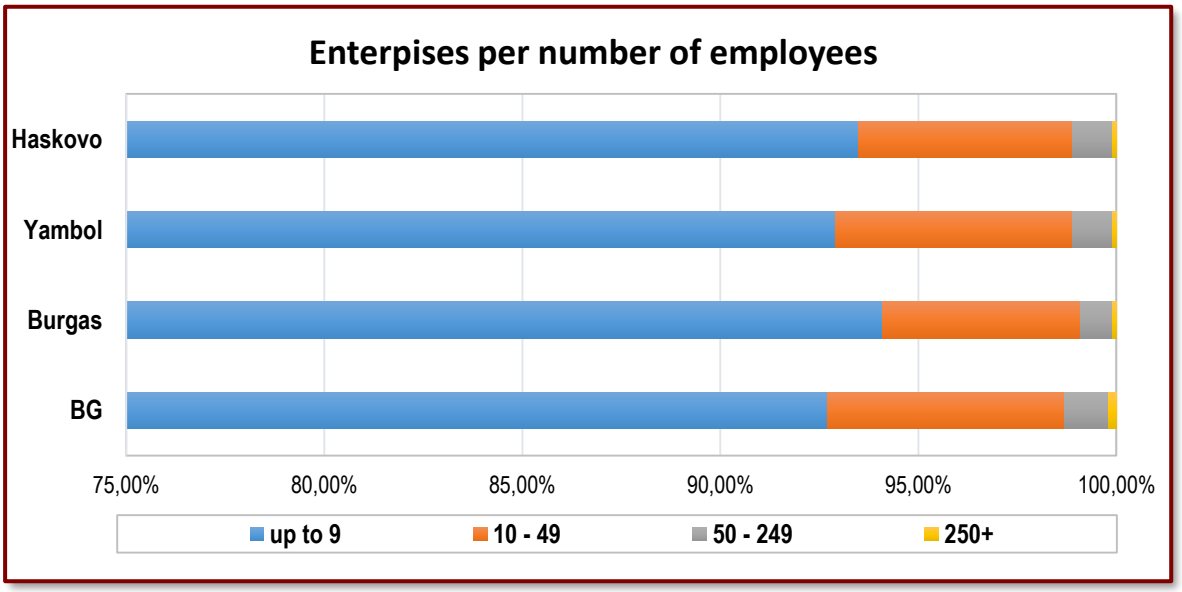
number of enterprises in the non-financial sector (compared to 91.23% in 2009), followed by the second group (between 10 and 49 employees). The total number of enterprises in the region for 2018 is 48 047, reaching a share of almost 12% of the total number of enterprises in Bulgaria

Table 19: Enterprises in the Bulgarian CBC region per numler of employees, 2018

Administrative unit	Total number	Share		Enterpises per number of employees							
				up to 9		10 - 49		50 - 249		250+	
BG	413535		100,00%	383347	92,70%	24812	6,00%	4549	1,10%	827	0,20%
CBC region	48047	100,00%	11,62%	45076		2504		419		48	
Burgas	30736	63,97%		28923	94,10%	1537	5,00%	246	0,80%	31	0,10%
Yambol	5446	11,33%		5059	92,90%	327	6,00%	54	1,00%	5	0,10%
Haskovo	11865	24,69%		11094	93,50%	641	5,40%	119	1,00%	12	0,10%

Source: NSI, data processed by MA

Figure 16: Enterprises in the Bulgarian CBC region per number of employees



Source: NSI

In the Bulgarian CBC region there is only one functioning Industrial and Logistics Park – Burgas, operated by both the National Company Industrial Zones and the Municipality of Burgas. The development of an area between Yambol and Sliven has been discussed many times, which together with the logistics zone planned in the Regional Development Plan of Stara Zagora, will improve and balance the presence of such zones on a regional scale.

In Turkey, SMEs are defined as enterprises, which have less than 250 employees and whose annual net sales revenue or annual financial balance sheet is under 125 million Turkish Lira. Currently, Turkey has 3,645,469 active SMEs, representing 99.83% of all registered entities in the country. The SMEs contribute 62% of the country's GDP, 55.1% of the country's exports, and 72.7% of its workforce. According to the "Regulation on the Definition, Qualification and Classification of Small and Medium-Sized Enterprises", SMEs are classified as follow:

Table 20: Classification of Small and Medium-Sized Enterprises

Criteria	Micro-Sized Enterprise	Small-Sized Enterprise	Medium-Sized Enterprise
Number of Employees	<10	<50	<250
Annual Net Sales Income	< TRY 3 Million	< TRY 25 Million	< TRY 125 Million
Annual Financial Balance Sheet	< TRY 3 Million	< TRY 25 Million	< TRY 125 Million

The largest number of SMEs is in the group of micro-sized enterprises (between 0 and 9 employees), which compose 93.65% of the total number of SMEs, followed by the second group (between 10 and 49 employees) as 5.29% and then the third group as 0.89%.

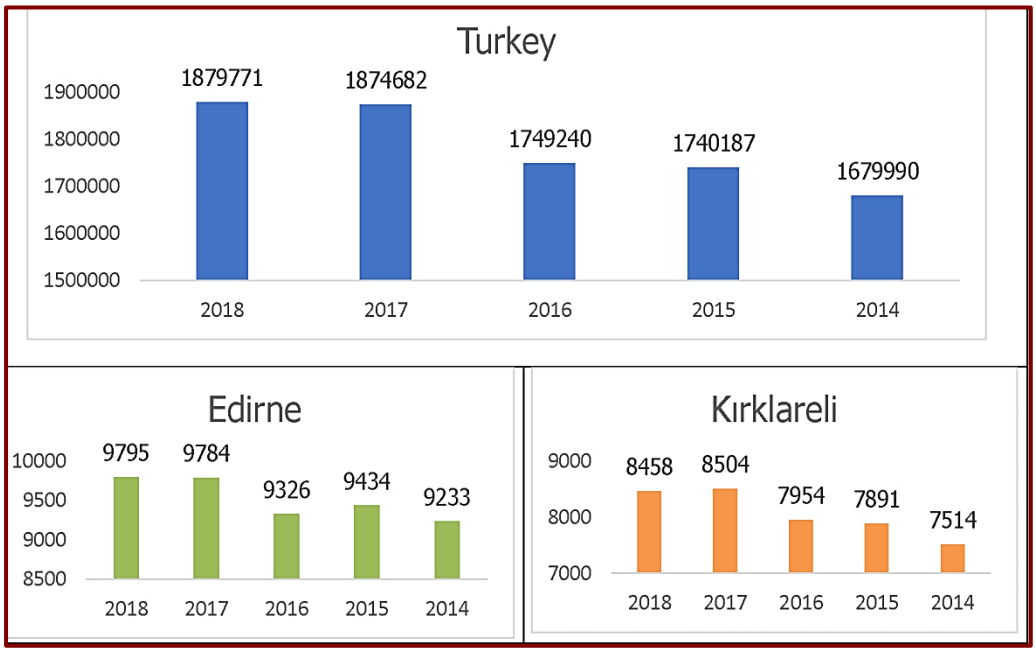
Source: KOSGEB (Small and Medium Enterprises Development Organization of Turkey) - https://en.kosgeb.gov.tr/site/tr/genel/detay/5667/definitions-and-regulations

On the Turkish territory of the CBC region, there are 11,854 enterprises (6,203 in Edirne) and (5,651 in Kırklareli) as of the end of 2017. In both provinces, the largest number of enterprises is the ones operate in retail trade.

The distribution of sectors in Edirne and Kırklareli according to NACE REV.2 Classification which gives important clues as to which sectors are dominant in economic activity and which sectors create employment (data of 2017, data for 2018 has not been published yet), is given in the tables below.

As it can be seen from the table, among the 10 sectors that provide highest employment in Edirne Retail Trade, Building Construction, Food and Beverage Activities and Building and Landscaping Activities are listed, while in Kırklareli Building Construction, Retail Trade and Food Products Manufacturing sectors are listed.

Figure 17: Number of Enterprises Statue of 4/A (2014-2018)



Source: Republic of Turkey Social Security Institution

Table 21: Edirne- Distribution of the Number of Enterprises and Individuals Covered by Social Security in the Top 10 of 4 / A by Activity Groups (2017)

	Activity Groups	Number of Enterprises	Number of Social Insurant
1	Retail Trade	2,013	8,176
2	Food and Beverage Service Activities	790	4,011
3	Road and Pipeline Transportation	591	1,988
4	Wholesale Trade	574	2,229
5	Building Construction	556	4,084
6	Food Products Manufacturing	403	2,642
7	Real Estate Activities	367	468
8	Building and Landscaping Activities	330	3,778
9	Wholesale and Retail Activities and Motor Vehicle Repair	291	908
10	Office Management and Support Activities	288	2,667

Source: Republic of Turkey Social Security Institution

Table 22: Kırklareli- Distribution of the Number of Enterprises and Individuals Covered by Social Security in the Top 10 of 4 / A by Activity Groups (2017)

	Activity Groups	Number of Enterprises	Number of Social Insurant
1	Retail Trade	1,670	5,418
2	Building Construction	878	7,387
3	Road and Pipeline Transportation	750	2,179
4	Food and Beverage Service Activities	694	2,656
5	Wholesale Trade	354	1,776
6	Building and Landscaping Activities	299	2,680
7	Special Building Activities	298	1,231
8	Food Products Manufacturing	277	3,541
9	Office Management and Support Activities	229	1,032
10	Plant and Animal Production	202	1,394

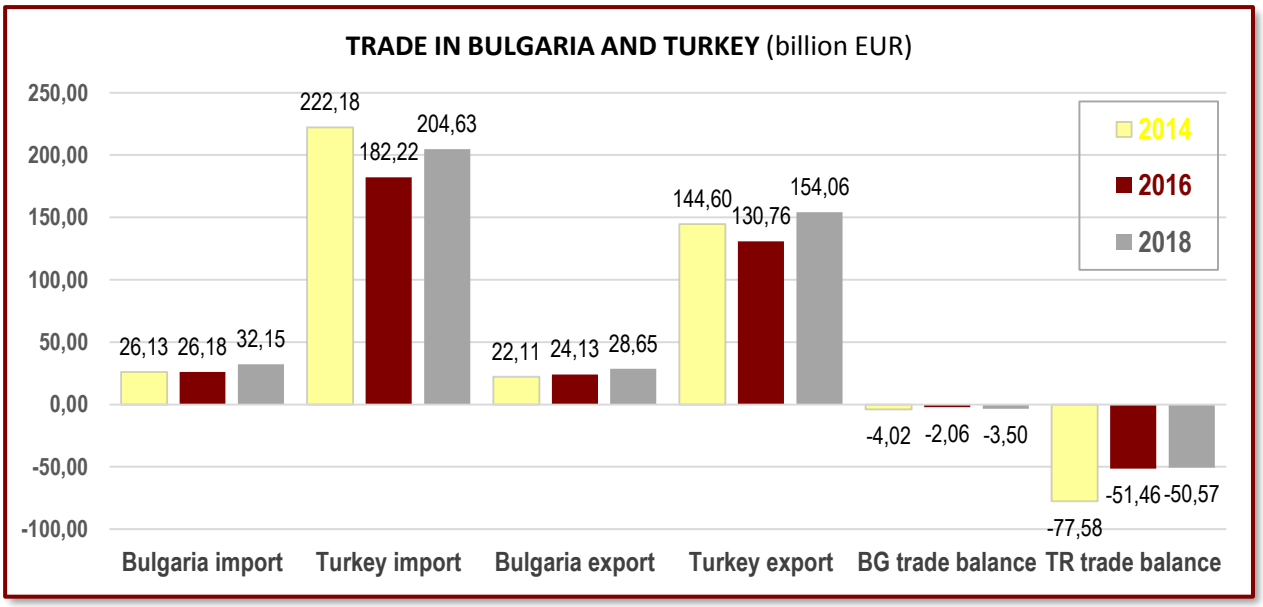
Source: Republic of Turkey Social Security Institution

2.5.5 Trade

In general, there is a positive correlation between international trade and economic growth. Trade-related data at a territorial level can provide a good indication of its competitiveness and its capacity to be or become a significant player in the global markets. Trade data is currently unavailable for the Bulgarian districts, therefore it is difficult to draw significant conclusions for the entire area. In the same time, the current analysis looks at general national data for the two economies and in more detail at the structure of imports and exports in the Turkish side of the cross-border area in order to try and build the picture of trade significance and composition.

Overall, at the national level, the trade values for Turkey are superior to those in Bulgaria in all years of the analysis. Both imports and exports are much higher in Turkey than in Bulgaria: in 2018 imports reached 205 bln. EUR in Turkey and exports above 150 bln. EUR, compared to 32 bln. EUR imports in Bulgaria and around 29 bln. EUR exports.

Figure 18: Trade in Bulgaria and Turkey (billion EUR)



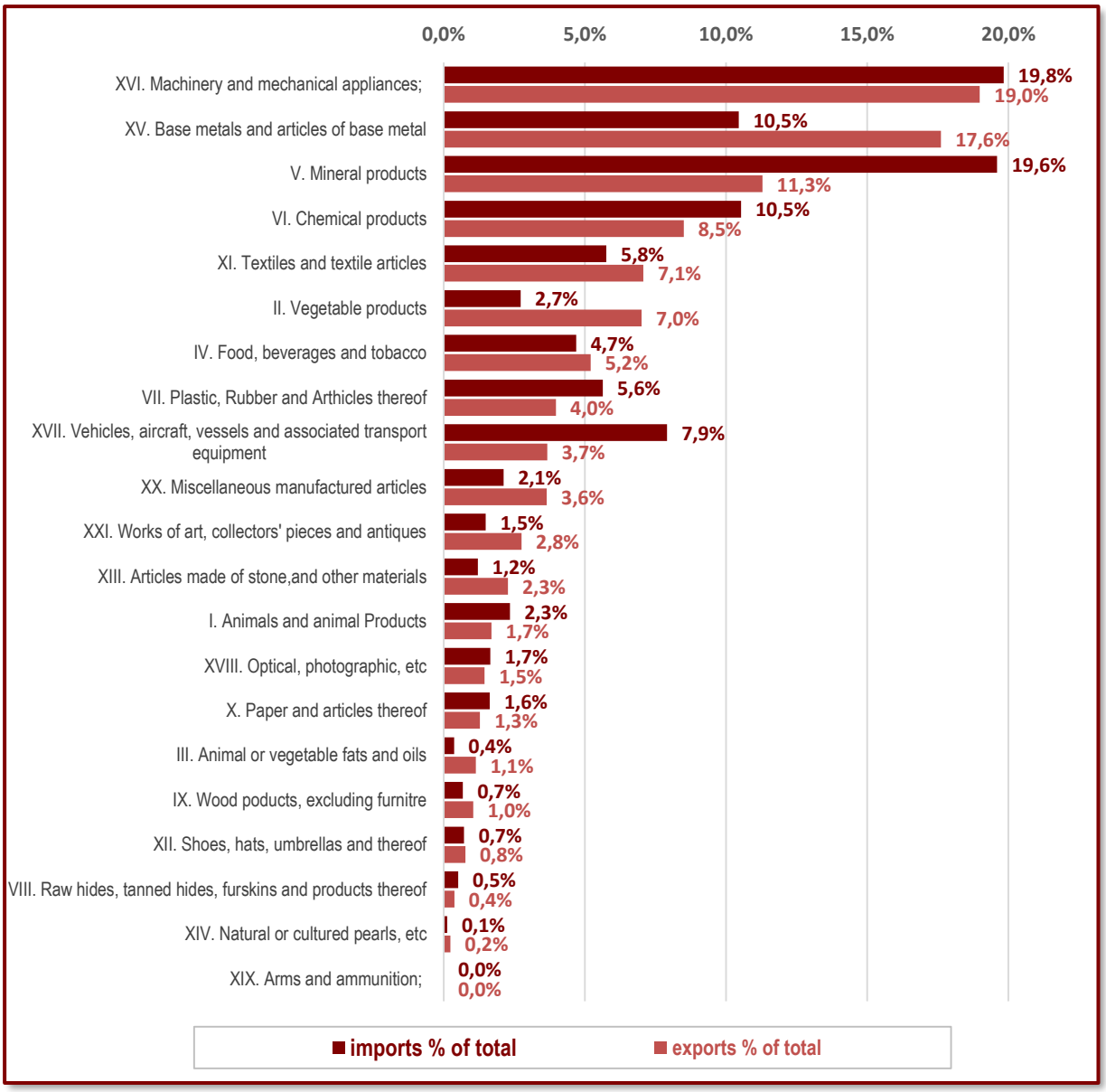
Source: NSI, TÜİK

Bulgaria had a positive evolution of trade, with both imports and exports increasing between 2012 and 2018 while Turkey shows a positive trend in both import and export in the last three years after the decrease until 2016. The rise in imports in Bulgaria was driven by stronger domestic demand which, year-on-year, outpaced the evolution of exports, slowed down by the lower economic growth and demand in Europe, the main trade partner.

Both countries have a negative trade balance and in Bulgaria the trade deficit increases in the last three years. Given the consumption-driven growth, such a situation weakens the real economic growth, demanding for policies that would support Foreign Direct Investment (FDI) inflow, a higher export of services, and a stronger and modernized productive base.

In Bulgaria, the main categories of products where there is a trade surplus are base metals and vegetable products, indicating on one hand a lack of sophistication and reliance on basic resources, and a potential area for specialization in agriculture, on the other hand. Bulgaria is a net importer of machinery and vehicles, questioning its ability to support an industrial sector that can deliver high value-added products to the European and global markets. New advancements supported by technological discoveries can support even the agriculture sector, to make it more efficient and effective for both workers (income) and employers (profit), as it is the case with precision farming, Internet of Things (IoT), and automatization.

Figure 19: Main categories of traded products in Bulgaria, 2018



Source: NSI

The top export destinations of Bulgaria are Germany, Turkey, Italy, Romania and Greece. The top import origins are Germany, Russia, Romania, Turkey and Italy.

Table 23: Trade exchange between Bulgaria and Turkey (MEUR)

2016	2017	2018	2019	2020 (1st quarter)
3514,8	4390,5	4938,2	4699,1	993,6

The trade exchange between Bulgaria and Turkey, as a key indicator for the bilateral economic relations shows a stable increasing trend in the last years, as presented in the table above.

When it is considered that Turkey persistently has current deficit, having foreign trade surplus is of great significance for the country. In this regard, while Edirne has foreign trade deficit; Kırklareli, a region which provides high exportation potential with the products that it

produces, has foreign trade surplus. While considering the developments regarding foreign trade in Edirne and Kırklareli which is provided below in detail, the tendencies in the structure of foreign trade and concentration on some products and countries is evaluated by analysing the 5-year period between 2014 and 2018.

Table 24: Foreign Trade Indicators

Foreign Trade Indicators	Turkey	Edirne	Kırklareli
Foreign Trade Volume (2018) (million USD)	390,968	116	348
Balance of Foreign Trade (2018) (million USD)	-55,126	-12	10
Export (2018) (million USD)	167,920	52	179
Export per capita (2018) (USD)	2,05	0,13	0,50
Import (2018) (million USD)	223,047	64	169
Import per capita (2018) (USD)	2,71	0,16	0,47
Rate of Exports Meeting Imports (2018) (%)	75,3	80,9	106
Number of Export Enterprises (2018)	76,430	106	86
Number of Import Enterprises (2018)	68,264	97	88
Export per Enterprise (thousand USD) (2018)	2,197	492	2,09
Share of High and Medium High Technology in Export (2018) (%)	39,9	21,3	9,4
Share of High and Medium High Technology in Import (2018) (%)	55,4	25,7	49,1

Source: TÜİK

➢ Volume of Foreign Trade

In 2018, the foreign trade volume of Edirne province was realised as 116.9 million USD, the foreign trade volume of Kırklareli province was realised as 349.2 million USD and the foreign trade volume of whole Turkey was realised as 390.1 billion USD. As it is seen from the table below, due to economic recession experienced both in Edirne and Kırklareli and Turkey, a decrease in the foreign trade volume has been experienced over years. On the other hand, while there was no change in the share that Edirne had in the foreign trade, the share of Kırklareli decreased significantly in the last two years due to the impact of narrowing down in export of textiles and ready-made garments.

➢ Foreign Trade Balance

In 2014, while Edirne had 42 million USD of export, 89 million USD of import and -47 million USD of foreign trade deficit, Kırklareli had 402 million USD of export, 142 million USD of import and 260 million USD of foreign trade surplus. In the same year, Turkey had 170,610 million USD of export, 242,177 million USD of import and – 84,567 million USD of foreign trade deficit.

Due to recession in textile and ready-made garment sectors, a decrease in export rate of

Kırklareli is seen since 2016 and a decrease of 55% is seen compared to the figures of 2014. Between 2014 and 2018, while export increased by 24% in Edirne, import decreased by 28% and the foreign trade deficit decreased by 26%.

Despite the decrease experienced in export, different from Edirne and Turkey, Kırklareli had foreign trade surplus except the year 2016.

Table 25: Volume of Foreign Trade Balance (Million USD)

	Edirne			Kırklareli			Turkey		
Year	**Export**	**Import**	**Balance**	**Export**	**Import**	**Balance**	**Export**	**Import**	**Balance**
2014	42	89	-47	402	142	260	157,610	242,177	-84,567
2015	37	77	-40	507	122	385	143,839	207,234	-63,395
2016	39	73	-34	187	369	-182	142,529	198,618	-56,089
2017	42	101	-59	167	157	10	156,993	233,800	-76,807
2018	52	64	-12	179	169	10	167,921	223,047	-55,126

Source: TÜİK

➢ Export Performance of Edirne

The export performance of ten sectors is taken into consideration in Edirne while seven sectors are considered in Kırklareli due to diversity of the foreign trade products.

Accordingly, the following items compose the main export items in Edirne: agriculture and animal breeding, Fishery, foods and drinks, ready-made garments, chemical materials and products, other non-metallic mineral products, metal ware industry, machinery and equipment which are not classified elsewhere, medical tools, precise optical tools and watches, furniture and other items that are not classified elsewhere.

The share of these ten sectors within total exports is around 95%.

While the textile products were at insignificant levels within the exports of Edirne province compared to Kırklareli, Fishery, medial tools and furniture which have a lower share in the number of total exports, have an important share in the total exports alongside with other sectors in the province of Kırklareli.

As of 2018, the share of the low-tech products in exported products was 71,1%, the share of the medium-low tech products was 7,6%, the share of the medium-high tech products was 19,4% and the share of the high-tech goods was 1,9%.

Table 26: Export Sectors and Amounts in Edirne (ISIC Rev.3. $)

Chapter Name	2014	2015	2016	2017	2018
Agriculture and Animal Breeding	1,510,868	2,360,013	3,005,425	2,953,267	4,247,201
Fishery	---	---	35,407	1,195,143	1,895,942

Foods and Drinks	29,998,075	23,629,436	21,658,393	28,079,011	28,918,471
Ready-made Garments	4,860,276	4,161,027	970,877	153,963	1,017,915
Chemical Materials and Products	1,467,929	1,073,404	1,601,977	1,257,298	3,939,744
Other Non-metallic Mineral Products	92,880	358,703	732,401	1,223,108	1,491,338
Metal Ware Industry	433,151	591,337	1,708,788	400,150	1,120,177
Machinery and Equipment which are not classified elsewhere	1,465,296	1,947,865	2,287,059	2,380,750	4,862,403
Medical Tools Precise Optical Tools and Watches	487,413	45,730	960,322	1,181,374	483,824
Furniture and Other Items that are not classified elsewhere	512,414	725,100	1,017,698	781,179	1,151,504

Source: TÜİK

➢ Export Performance of Kırklareli

The following items compose the main export items in Kırklareli: agriculture and animal breeding, foods and drinks, textile products, ready-made garments, main metal industry, machinery and equipment which are not classified elsewhere and wastes and scraps.

Although the weight of these seven sectors among themselves has changed over the years within the total exports, more than 95% of exports is composed of these items. While the share of these seven sectors in 2014 in total exports was 99%, it became 95% in 2018.

While the textile products and ready-made garments constituted 73% of the total exports in 2014, due to the big recession experienced in textile products and ready-made garments sectors, the share of these two products in exports declined down to 3% in 2018.

As of 2018, the share of the low-tech products in exported products was 78,5%, the share of the medium-low tech products was 12,1%, the share of the medium-high tech products was 9.4% and the share of the high-tech goods was 0%.

Table 27: Export Sectors and Amounts in Kırklareli (ISIC Rev.3, $)

Chapter Name	2014	2015	2016	2017	2018
Agriculture and Animal Breeding	19,863,854	21,389,071	22,557,613	30,207,997	26,884,830
Foods and Drinks	62,420,534	78,374,895	85,835,578	94,778,564	105,534,077
Textile Products	50,786,175	38,416,656	7,036,114	3,256,844	2,950,145
Ready-made Garments	243,144,376	345,703,556	46,948,680	1,145,491	2,203,336
Main Metal Industry	7,008,173	7,768,107	9,786,599	12,861,859	15,258,734

Machinery and Equipment which are not classified elsewhere	1,884,755	1,187,149	1,996,978	11,602,413	11,779,796
Waste and Scraps	13,035,974	7,435,743	9,756,176	7,665,911	6,037,425

Source: TÜİK

➢ Imports of Edirne

Among the items imported, over the years, the same product group has been imported generally and the share of nine products whose import was the highest was around 98%.

The main import items are as follows: agriculture and animal breeding, foods and drinks, textile products, tree and cork products (except furniture), knitted materials such as natural straws, chemical materials and products, machinery and equipment which are not classified elsewhere, electrical machinery and devices that are not classified elsewhere, radio, television, communication equipment and devices, and wastes and scraps.

As of 2018, the share of the low-tech products in imported products was 70,5%, the share of the medium-low tech products was 3,8%, the share of the medium-high tech products was 20,5%, and the share of the high-tech goods was 5,2%.

Table 28: Import Sectors and Amounts in Edirne (ISIC Rev.3. $)

Chapter Name	2014	2015	2016	2017	2018
Agriculture and Animal Breeding	42,277,844	29,874,396	32,586,527	52,728,038	33,921,792
Foods and Drinks	21,695,880	16,673,030	20,975,148	27,582,709	17,177,179
Textile Products	2,311,989	1,901,582	851,724	730,096	52,403
Tree and Cork Products (except furniture) knitted materials such as natural straws	2,470,189	2,252,258	3,052,372	2,736,343	1,704,839
Chemical Materials and Products	2,724,836	2,855,657	1,014,272	1,816,465	1,441,526
Machinery and Equipment which are not classified elsewhere	2,075,253	1,562,483	958,707	1,637,276	2,300,949
Electrical Machinery and Devices that are not classified elsewhere	156,992	77,487	25,303	175,669	1,615,827
Radio. Television. Communication Equipment and Devices	298,650	274,816	483,148	681,580	1,325,181
Waste and Scraps	12,686,296	18,235,801	12,094,828	11,381,884	3,460,879

Source: TÜİK

➢ Imports of Kırklareli

Among the items imported, over the years, the same product group has been imported generally and the share of the eight products whose import was the highest was around 96%. The main import items are as follows: agriculture and animal breeding, foods and drinks, textile products, chemical materials and products, main metal industry, metal ware industry (except machinery and equipment), machinery and equipment which are not classified elsewhere, and electrical machinery and devices that are not classified elsewhere.

As of 2018, the share of the low-tech products in imported products was 30,5%, the share of the medium-low tech products was 20,3%, the share of the medium-high tech products was 48,7%, and the share of the high-tech goods was 0,4%, The basic reason for high share of the medium-high tech products is import of high-tech machinery and equipment which to produce textiles and ready-made garments. In general terms, although the import of Kırklareli and Edirne are similar to each other, the import of tree and cork products (except furniture), knitted materials such as natural straws, Radio, Television, communication equipment and devices, and wastes and scraps is insignificant.

Table 29: Import Sectors and Amounts in Kırklareli (ISIC Rev.3. $)

Chapter Name	2014	2015	2016	2017	2018
Agriculture and Animal Breeding	76,302,365	61,819,607	49,646,227	83,651,560	101,713,051
Foods and Drinks	5,760,868	5,973,910	5,934,672	1,619,904	1,878,150
Textile Products	9,870,559	10,239,567	10,008,410	15,572,228	15,447,313
Chemicals and Products	17,024,033	16,455,918	12,073,344	20,971,057	29,307,732
Main Metal Industry	13,300,201	12,850,490	15,321,076	12,520,830	12,107,938
Metal Goods Industry (Excluding Machinery and Equipment)	977,897	989,819	64,137,947	2,791,386	683,953
Machinery and Equipment which are not classified	8,595,896	4,189,681	148,208,730	9,644,840	2,004,189
Electrical Machines and Devices which are not classified	2,673,469	925,895	51,436,455	2,252,013	64,733

Source: TÜİK

➢ Foreign Trade for Edirne

While Edirne exports to 85 countries, it imports from 42 countries. As of 2018, the share of first 10 countries in export of Edirne is 67,4%, and Bulgaria has the biggest share with 17% and it is followed by Albania and Kosovo with 7,3% and 6,7% respectively. Greece with 5,4% ranks 6th among the countries with whom the highest amount of import is made. Of the export taking place in Edirne, 22,4% of exportation is made with Bulgaria and Greece which are bordering countries.

The fact that the share of first 10 countries in the export of Edirne is 67,4% indicates that import is made with sufficient number of countries even if the volume is not very high and thus the market risk is relatively low. On the other hand, the fact that Bulgaria had the biggest share with 17% bears an important risk for Edirne. Therefore, maintaining healthy relations with Bulgaria is very important for both parties.

The share of first 10 countries in the import of Edirne is 92,2%, Bulgaria has the biggest share in imports with 44,2%, it is followed by the Russian Federation and Romania with 18,7% and 8,7% respectively. The share of these three countries in the total imports is 71,6%. There is a trade difference of 19.6 million USD in favour of Bulgaria in the foreign trade of Edirne and it would be useful to undertake necessary market survey to adjust this difference in favour of Edirne.

Table 30: Foreign Trade Volume of Edirne by Countries (Million USD, 2018)

Export			Import		
Countries	**USD**	**%**	**Countries**	**USD**	**%**
Bulgaria	8,887,942	17,0	**Bulgaria**	28,546,603	44,2
Albania	3,823,109	7,3	**Russian Federation**	12,078,600	18,7
Kosovo	3,515,173	6,7	**Romania**	5,594,313	8,7
Bosnia and Herzegovina	3,421,408	6,5	**China**	2,749,266	4,3
Thailand	3,346,435	6,4	**Malaysia**	2,610,881	4
Greece	2,832,204	5,4	**Hungary**	2,338,801	3,6
Hong Kong	2,661,593	5,1	**Slovakia**	1,791,327	2,8
Angola	2,459,416	4,7	**Moldova**	1,486,574	2,3
Northern Macedonia	2,288,546	4,4	**Greece**	1,180,502	1,8
Libya	1,945,636	3,7	**Uruguay**	1,176,000	1,8
Other Countries	17,062,955	32,6	**Other Countries**	5,065,471	7,8
Total Exports	52,244,417	100,0	**Total Imports**	64,618,338	100,0

Source: TÜİK

➢ Foreign Trade for Kırklareli

While Kırklareli exports to 135 countries, it imports from 68 countries. As of 2018, the share of first 10 countries in export of Kırklareli is 45,5% and Angola has the biggest share with 10.5% and it is followed by Yemen with 5%. Bulgaria ranks 4th with 4,9% among the countries with whom the highest amount of import is made and Greece ranks 26th with 1% among the

countries with whom the highest amount of import is made. Of the export taking place in Kırklareli, 5,9% of export is made with Bulgaria and Greece that are bordering countries.

The fact that the share of first 10 countries in export of Kırklareli is 45,5% indicates that import is made with sufficient number of countries even if the volume is not very high and thus the market risk is relatively low. However, it is a big risk for Kırklareli to have countries with high levels of vulnerability more than countries with stable economies among the countries with whom the highest amount of export is made. Thus, channelling the market towards countries such as European countries and the US where the economic stability is high would mitigate the possibility of having fluctuations in export.

The share of first 10 countries in import of Kırklareli is 81%. The Russian Federation has the biggest share in imports with 49,6%. It is followed by Kazakhstan and China with 6,3% and 5,5% respectively. The share that these three countries have in the total imports is 58,8%.

Consequently, when the countries are analysed in terms of export and import with the provinces of Edirne and Kırklareli, it is observed that the countries and geographic locations with whom these two provinces make export and import are different. On the other hand, it is also seen that Bulgaria is among the first 10 countries in the export and import of both provinces.

Table 31: Foreign Trade Volume of Kırklareli by Countries (Million USD, 2018)

Export			Import		
Countries	**USD**	**%**	**Countries**	**USD**	**%**
Angola	18,901,756	17,0	**Russian Federation**	79,419,458	44,2
Yemen	11,729,642	7,3	**Kazakhstan**	10,598,953	5,9
Benin	8,901,293	6,7	**China**	9,276,005	5,2
Bulgaria	8,819,158	6,5	**Bulgaria**	8,206,265	4,6
Germany	8,334,679	6,4	**Pakistan**	7,940,684	4,4
Philippines	5,670,216	5,4	**India**	7,203,408	4,0
Malaysia	5,316,208	5,1	**Train**	5,590,009	3,1
Somalia	5,275,925	4,7	**Germany**	3,334,718	1,9
Cuba	4,470,000	4,4	**Belgium**	2,917,179	1,6
Nigeria	4,380,947	3,7	**Czech Republic**	2,812,301	1,8
Other countries	97,901,333	54,5	**Other countries**	32,217,087	19,0
Total Exports	179,701,157	100,0	**Total Imports**	169,516,067	100,0

Source: TÜİK

2.5.6 Global competitiveness of the national economies

Competitiveness represents a complex indicator reflecting the quality of certain dimensions that have an impact on the productivity of a national economy and on its ability to compete on the global scale. The *Global Competitiveness Report*[23] issued yearly by the World Economic Forum compares all national economies in terms of competitiveness.

For the 2018-2019 edition[24], Bulgaria ranks 49th out of 141 countries analysed, advancing from 51st place in the previous edition, while Turkey is stable at 61st globally, a slight improvement (+0.5 points) over last year. Compared to 2012-2013 period, Bulgaria improved its performance (advanced 13 positions[25]), while the figures Turkey show a decrease (with 18 positions) on the global ranking scale (43rd position out of 144 countries analysed in 2012-2013 period).

The report illustrates that on average, world economies still struggle to find the optimal balance between technology integration and human capital as to ensure competitiveness, equality and sustainability, and are still rebounding after the productivity losses incurred after the economic crisis. Enhancing competitiveness remains key for improving living standards.

The Global Competitiveness Index 4.0 is built based on four major components (enabling environment, human capital, markets, innovation ecosystem), defining the institutions, policies and factors that determine the level of productivity. The framework for computing the GCI 4.0 includes the four key components and the twelve pillars they reunite, as follows:

- *Enabling environment:* (1) Institutions, (2) Infrastructure, (3) ICT adoption, (4) Macroeconomic stability
- *Human capital:* (5) Health, (6) Skills
- *Markets:* (7) Product market, (8) Labour market, (9) Financial system, (10) Market size
- *Innovation Ecosystem:* (11) Business dynamism, (12) Innovation capability

The figures from 2019 edition show that Bulgaria performs better in Macroeconomic stability, Labour market conditions, Financial system and the Innovation ecosystem indicators. At the same time the figures for the following pillars show a need for improvemnent: Infrastructure, Health, Product market and Business dynamism.

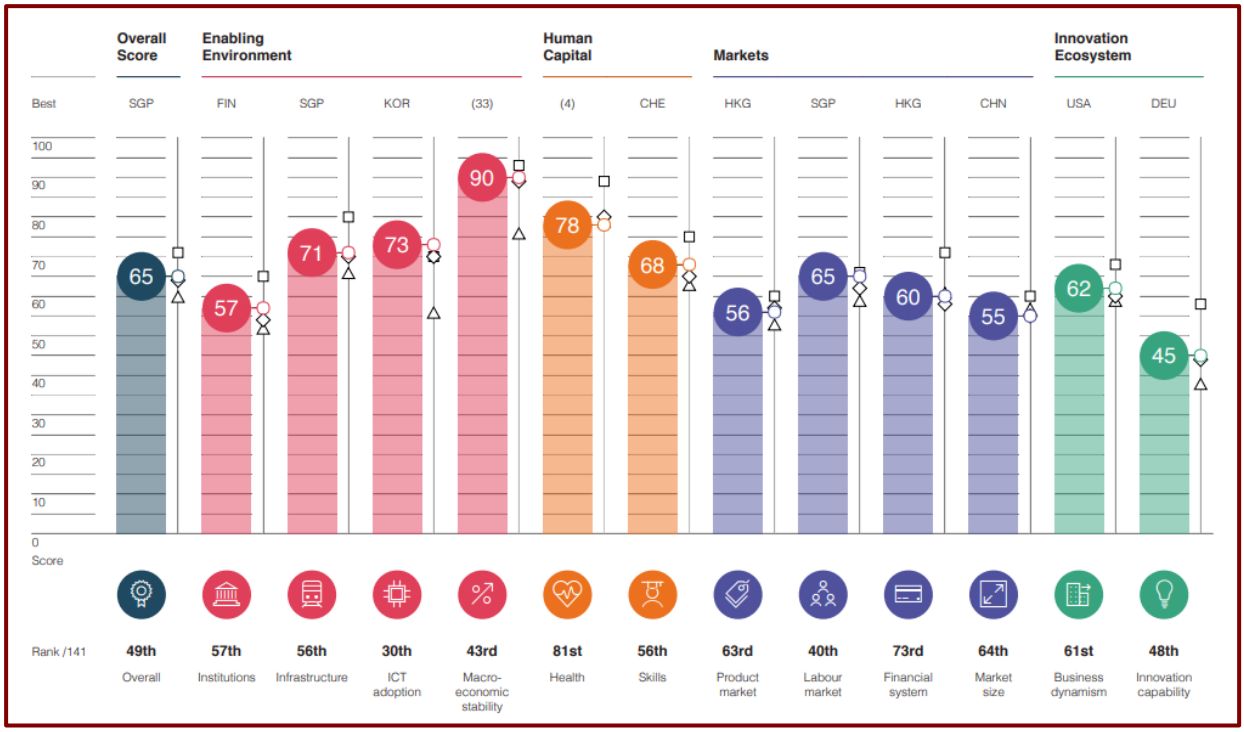
Turkey's performance is mixed, with significant progress in some dimensions while losing some ground in others. Among the most improved elements, Turkey advances on ICT adoption, Infrastructure and Labour market pillars. These improvements, in addition to the large market size (13th position), sustain Turkey's competitiveness performance. On the other hand, Turkey's progress in this area is counterbalanced by a significant deterioration of its macro-economic environment (–6.1 points, 129th), driven mainly by higher inflation (13,7%,

[23]World Economic Forum, *Global Competitiveness Report 4.0,* 2019. http://www3.weforum.org/docs/WEF_TheGlobalCompetitivenessReport2019.pdf
[24] Idem 19, pg. 118-119, pg. 478-479
[25] World Economic Forum, *Global Competitiveness Report,* 2013, pg. 120-121 http://www3.weforum.org/docs/WEF_GlobalCompetitivenessReport_2012-13.pdf

132nd) and, to a lesser extent, a slight decline in product market efficiency (–1.1 points, 78th), which is caused mainly by lower performance on non-tariff barriers (–1.5 points, 79th). Remaining open while lowering inflation will be the key challenges for Turkey to improve its competitiveness.

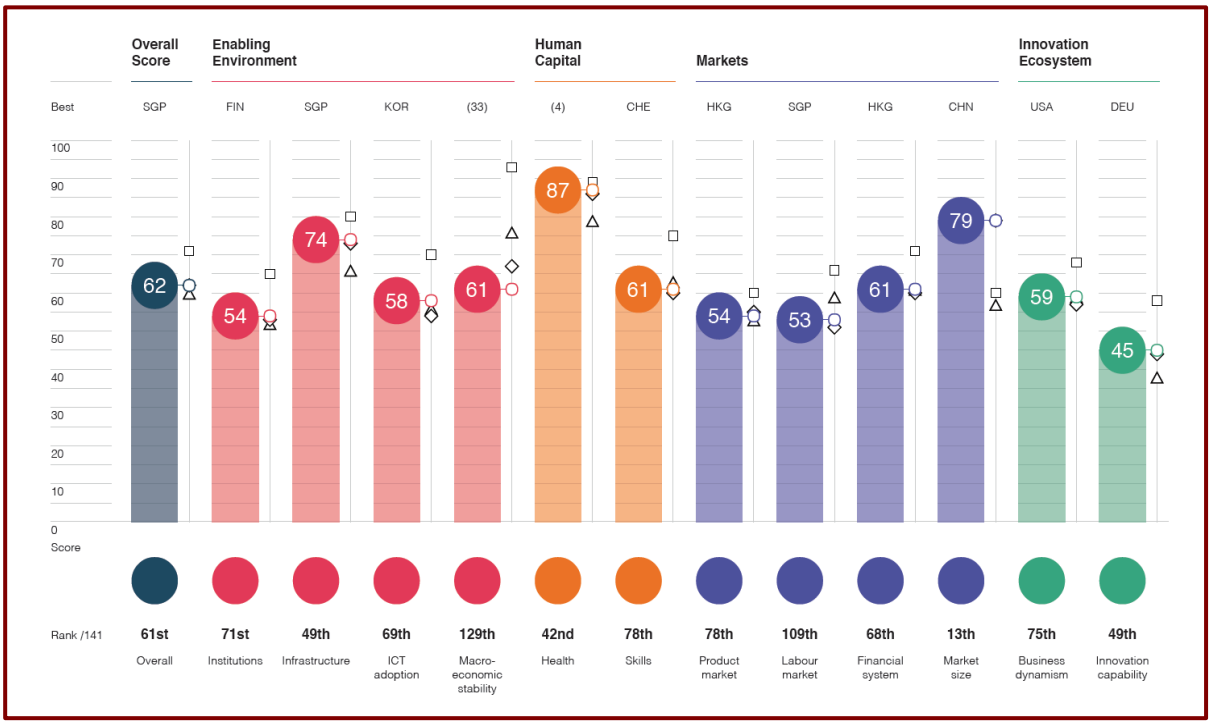
The cross-border area follows the same path as the national economies, so there are still numerous issues to be solved in the coming period. Despite the differences, both economies need to tackle certain dimensions, where they rank poorer than the overall score, such as health, skills, product market, financial system as well as innovation ecosystem maturity. Among others ICT adoption remains one of the variables on which both countries position relatively well.

Figure 20: GCI 4.0 for Bulgaria



Source: http://www3.weforum.org/docs/WEF_TheGlobalCompetitivenessReport2019.pdf

Figure 21: GCI 4.0 for Turkey



Source: http://www3.weforum.org/docs/WEF_TheGlobalCompetitivenessReport2019.pdf

2.6 Labour Market

The labour market is of key importance to the stability of the economy, public and social development and quality of life. The social and economic basis for its continued development is a cumulative result of the proper functioning of systems in a number of areas - demography, healthcare, education, pension system and business environment, including administrative service delivery. A well-functioning labour market with a high-skilled workforce that is capable of rapidly upgrading its skill base is a strong driver for a dynamic and competitive economy.

The workforce (economically active persons) or persons aged 15 and over who invest or offer their labour in the production of goods and services include employed and unemployed persons. In 2014, the workforce in Bulgaria stood at 3 308 700. Following a decrease — a trend that lasted until 2016, in 2017 the workforce increased to 3 277 500 owing to the implementation of active labour market measures under various national programmes and projects co-financed by EU funds.

2.6.1 Employment rate

The **employment rate** (the ratio of the employed to the working age population) is a leading indicator for the labour market, which measures the share of employed persons in the population. In the period 2014-2018 the employment rate in the population in active working age (15 to 64 years) increased in Bulgaria, reaching 67,70% in 2018 and almost catching up with the EU average. The current employment rate has exceeded the pre-crisis level of 2008,

when the indicator stood at 64%. The employment rate in the Bulgarian towns and cities (70%) is higher than in villages (57,4%), with a 70,1% share of men and 63,1% share of women currently in the workforce.

At the district level, the employment rate in Bulgaria is close to the national average while the Turkish CBC provinces show a definitely higher employment rate compared to the national average.

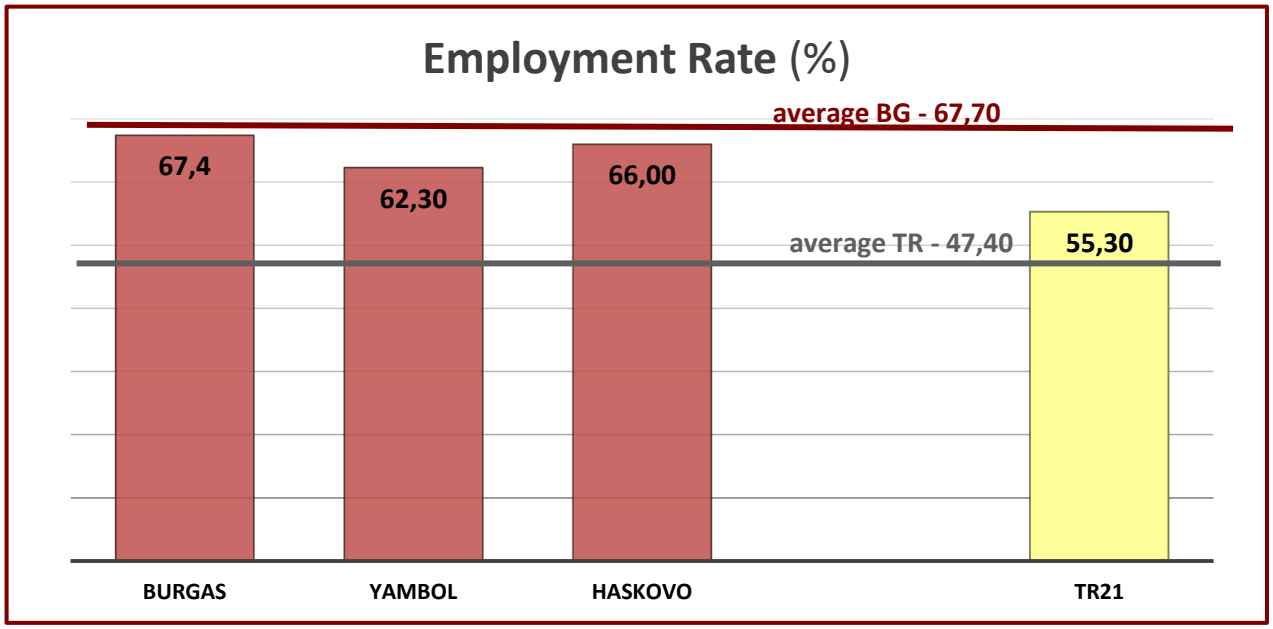
Table 32: Employment Rate (%)

	2014	2015	2016	2017	2018
Burgas	60,30	62,20	63,60	64,80	67,40
Yambol	58,80	62,80	66,20	67,90	62,30
Haskovo	61,90	63,10	64,20	64,30	66,00
TR21	57,50	59,10	59,90	59,70	61,40

Source: NSI and TÜİK, edited by MA

The above discribes the trend of the labour market in the CBC region showing a clear overall positive development of the economy in the border area.

Figure 22: Employment rate



Source: NSI, data processed by MA

Since 2013 and 2014, TÜİK releases the figures for national income, unemployment, inflation and similar other numbers not by provinces but by NUTS2 regions. Thus, evaluations are made for Turkey and TR21 region for labour force participation, unemployment and employment rates for those who are 15 years of age and above.

According to 2018 data, the total population over 15 years of age in the TR21 Region, which is

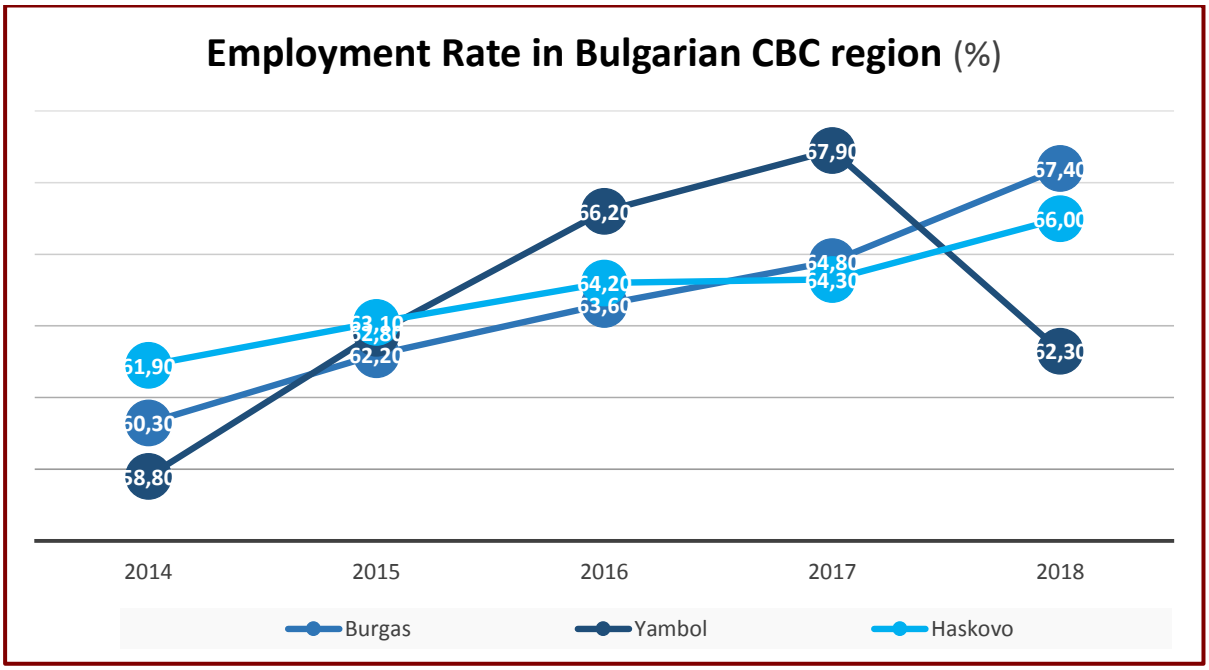
composed of Tekirdağ, Edirne and Kırklareli provinces is 1,461,977 and total labour force is composed of 1,295,806 persons. When labour force participation rate is analysed under the heading of employment, it is above the national average and the unemployment rate is below the national average.

Table 33: Employment Indicators

Indicators	Turkey	TR21
Labour Force (15+) (2018) (thousand)	32,274	834
Labour Force Participation Rate (15+) (2018) (%)	53,2	59,7
Unemployed (15+) (2018) (thousand)	3,537	62
Unemployment Rate (15+) (2018) (%)	11,0	7,5
Employment (15+) (2018) (thousand)	28,738	772
Employment Rate (15+) (2018) (%)	47,4	55,3

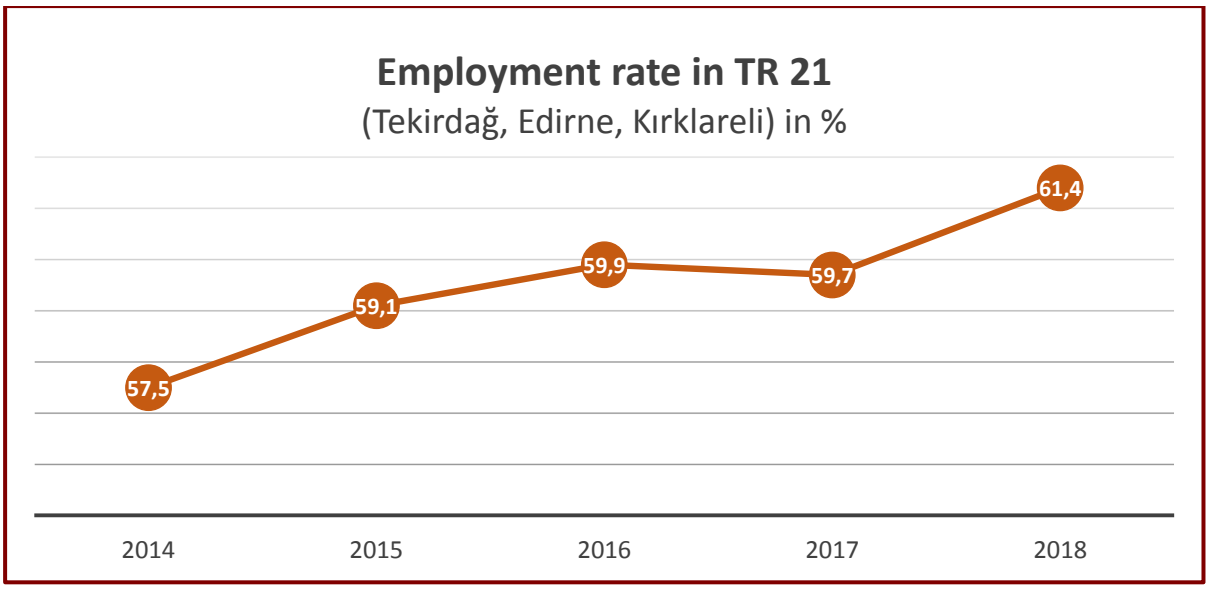
Source: TÜİK

Figure 23: Employment rate in Bulgarian CBC region



Source: NSI, data processed by MA

Figure 24: Employment rate in TR21 (Edirne, Kırklareli, Tekirdağ)



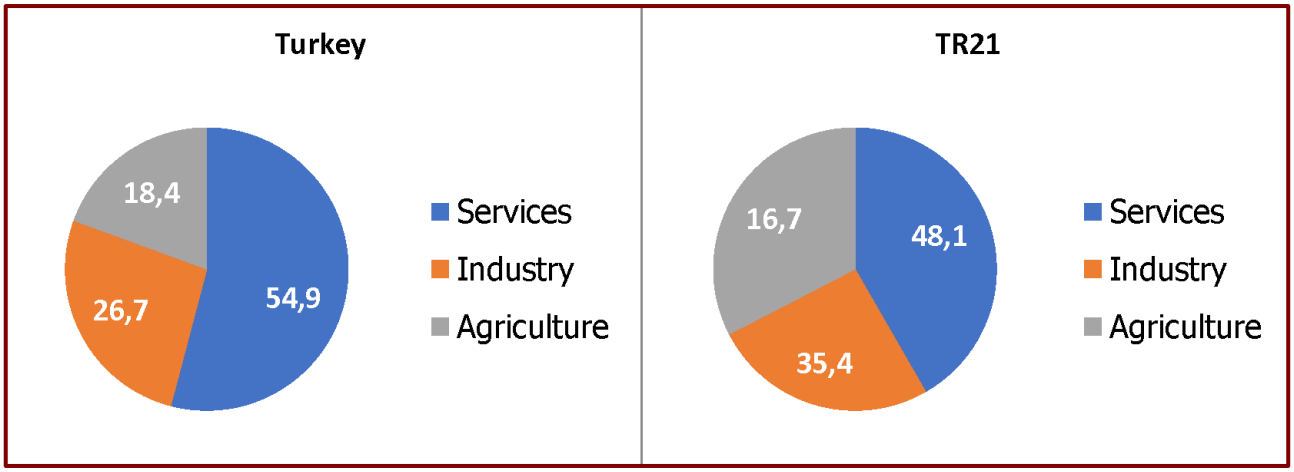
Source: TÜİK

In Turkey, when the sectoral distribution of those who are employed is concerned, it is observed that service sector ranks first with 15,774,000 persons with 54,9%. Industrial sector ranks second with 7.667.000 persons with 26,7% and agricultural sector ranks third with 5,297,000 persons with 18,4%.

In TR21 region, the first rank belongs to the services with 48,1% (371,000 persons), the second rank belongs to industry with 35,4% (273,000 persons) and the third rank belongs to agriculture with 16,7%

(129,000 persons). In the light of these data, it is observed that the capacity of the sectors in TR21 region to create employment shows parallelisms with Turkey and the weight of industrial sector affects other sectors.

Figure 25: Sectoral Distribution of Employment in Turkey and TR21 Region /2018



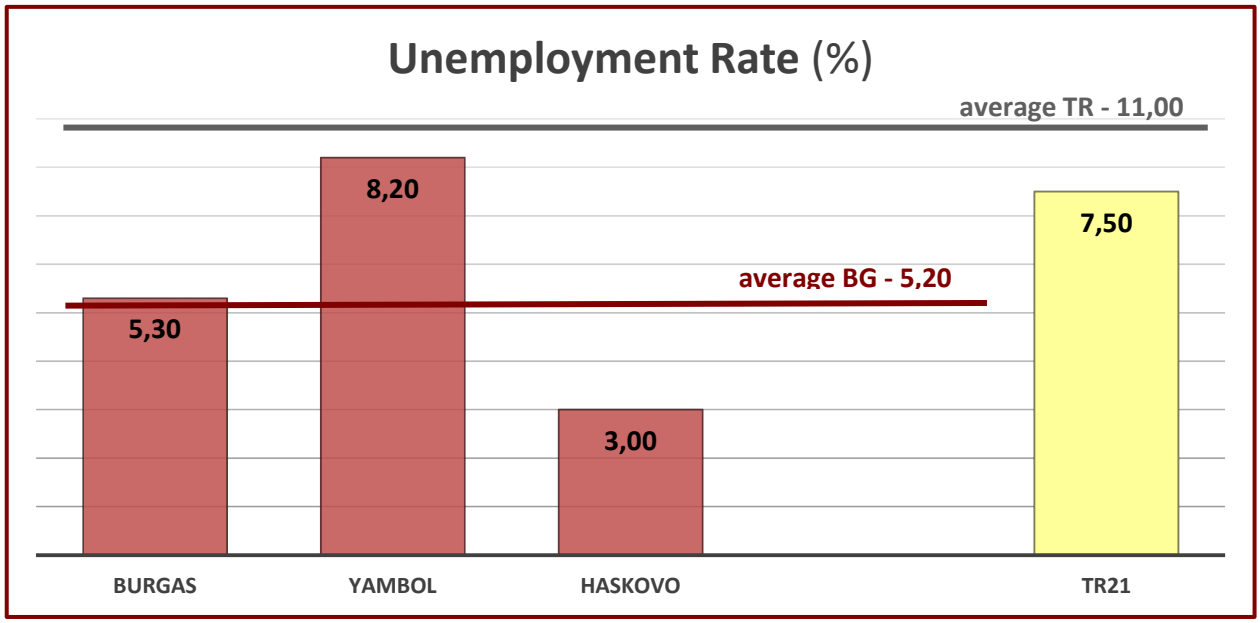
Source: TÜİK

2.6.2 Unemployment rates

The unemployment rate (the relative share of unemployed persons in the total economically active persons) in the population aged 15 to 64 years in Bulgaria in 2018 reached 5,2% and compared to 2014 there is a significant decrease with more than 6 percentage points.

Unemployment in Bulgaria stood at 5,4% in October 2018 as compared to 6,7% in EU-28 (according to the latest Eurostat data) and 5,3% in September 2018 as compared to 7,4% for EU-28 during the same period. The lowest level reported in July 2019 was 4,8%. At the district level, the highest unemployment rate in registered in Yambol district (8,2% in 2018), while the figures for Burgas and Haskovo regions are lower or similar to the country's average. There is a significant positive change accounted for Haskovo district where the high figures for the unemployment rate in the period 2010-2013 (13,3%-14,3%) shifted to 3,0%.

Figure 26: Unemployment rate (%)



Source: NSI, data processed by MA

Youth unemployment (age group 15 to 24 years) in Bulgaria decreased to 12,9% in 2017 and was lower than the EU average of 16,8%. While this positive dynamics is partially due to rising employment levels among young people during the period in question, it is also a consequence of the decline in the number of economically active persons in this age group.

A significant decrease in long-term unemployment (i.e. unemployment for a period of one year or more) has been registered from 6,9% (2014) to 3,2% in 2018. Despite this positive trend, most of the individuals in this group (55,0% in 2017) have been unemployed for a period of more than one year.

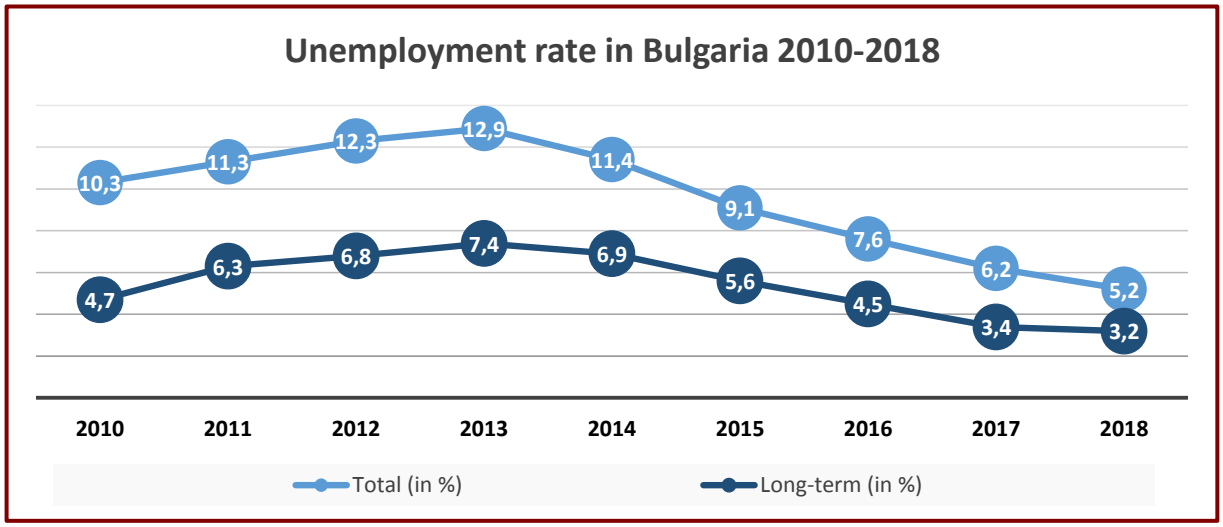
In Turkey the latest unemployment rate (10,9 %) was closer to — although still higher than — the average unemployment rate in the EU-28. In Turkey, after rising in 2009, the unemployment rate fell to a low in 2012 before increasing again through to 2017.

Table 34: Unemployment rates (persons aged 15-64 years) 2010-2018 (in % of labor force)

		2014	2015	2016	2017	2018
Bulgaria	Total (in %)	11,4	9,1	7,6	6,2	5,2
	Long-term (in %)	6,9	5,6	4,5	3,4	3,2
	Burgas	11,0	10,3	8,9	8,7	5,3
	Yambol	15,0	12,0	7,4	7,7	8,2
	Haskovo	10,4	8,6	7,0	4,8	3,0
Turkey	Total (in %)	9,9	10,3	10,9	10,9	11,0
	Long-term (in %)	2,0	2,2	2,2	2,4	2,4
	TR21	7,6	7,3	7,5	8,3	7,5

Source: NSI, TÜİK

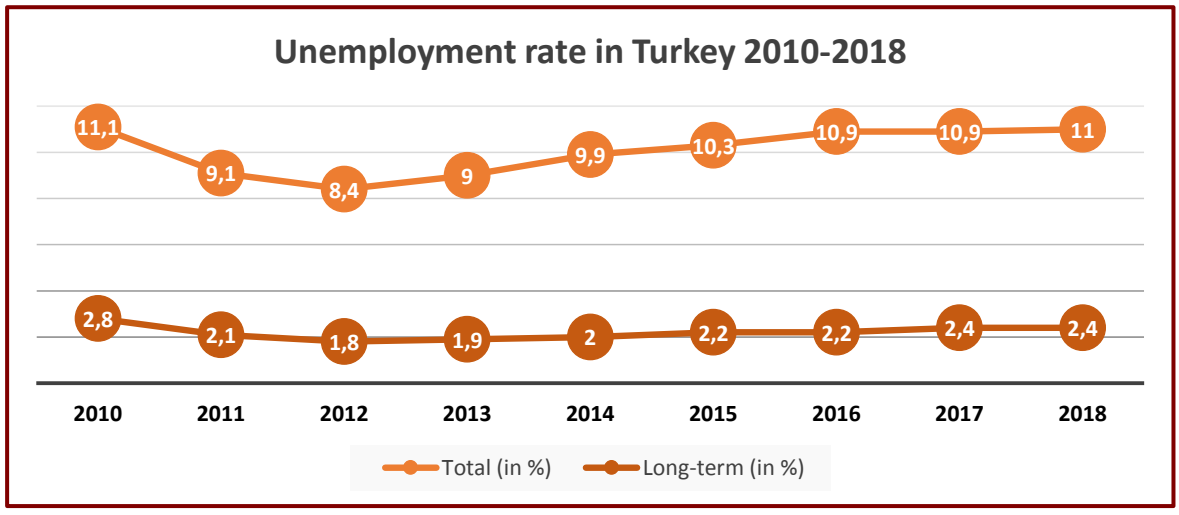
Figure 27: Unemployment rate in Bulgaria 2010-2018



Source: NSI, processed by MA

For the territory of Turkey, the tendency is slightly increasing unemployment rate in the period 2012-2018 (see below).

Figure 28: Unemployment rates in Turkey 2010-2018



Source: TÜİK, processed by MA

In terms of social security, in 2018 the number of workplaces within the scope of 4/A in Turkey was 1.879.771. The share of Edirne in the total number of workplaces is 0,5% and Kırklareli share is 0,4%. The number of individuals actively working is 22,072,840 persons in Turkey, 107,363 persons in Edirne and 101,349 persons in Kırklareli. As for the number of retired individuals within the scope of social security by provinces, it is 22,92% in Edirne and 18,2% in Kırklareli. When the national average of 14,92% is considered, the ratio of the retired individuals in Edirne and Kırklareli to the total population of the provinces is above national average.

Table 35: Social Security Indicators

Indicators	Turkey	Edirne	Kırklareli
Number of Enterprises Covered by 4 / a (12/2018)	**1,879,771**	**9,795**	**8,458**
Ratio of Social Security Coverage to Province Population (2018) (%)	**85,22**	**88,91**	**88,22**
Number of Active Employees in the Scope of Social Security (12/2018)	**22,072,840**	**107,363**	**101,349**
• 4/a Social Insurance Institution (SSK)	16,054,759	67,254	72,400
• 4/b Social Security Organization for Artisans and the Self-employed (BAĞ-KUR)	2,984,780	20,490	14,929
• 4/c Retirement Fund	3,033,301	19,619	14,020
Ratio of Active Employees to the Province Population within the scope of the Social Security (12/2018) (%)	**23,28**	**26,09**	**23,27**
Number of Pensioners within the Scope of Social Security (12/2018)	**12,613,151**	**94,303**	**82,082**
Ratio of the Retired to Province Population within the Scope of the Social Security (12/2018) (%)	**14,92**	**22,92**	**18,02**

Source: TÜİK

2.6.3 Healthcare Services

Good and sustainable social services like healthcare and the availability of utilities are important components of the quality of life of the residents in a territory. If healthcare is not available or not accessible, the social cohesion of a territory is at high risk of social tension and migration. The attractiveness for investments and tourism depends also of these services. Quality and quantity of health care services in the CBC area can be described through some quantitative indicators, available in both counties and districts of the programme area, shown in the table below. The health care services play a critical role in the creation of the conditions for an inclusive growth, and the fight against social exclusion and poverty.

As of 2017, the existing healthcare system of the border area includes 256 health establishments and 7482 beds. The uneven distribution of hospitals and hospital beds fails to ensure equitable access to healthcare for all inhabitants, particularly the residents of small remote settlements. Population decline and ageing, as well as the depopulation of some

peripheral regions, compounded by poorly maintained transport infrastructure along the periphery and in remote agglomerations, presents difficult challenges to the healthcare system and regional policy alike.

Table 36: Health establishments and beds in the CBC area (number)

Administrative Unit	Number of Health Establishments										
	Total			Hospitals				Outpatient medical establishments		Other	
				Multispeciality		Specialised					
	number	beds	beds per 100 000	number	beds	number	beds	number	beds	number	beds
Bulgaria	2557	56512	760	185	37489	137	13438	2066	1253	145	2086
BG CBC region	234	4888	515	17	2581	14	1481	185	193	14	255
Burgas	119	3255	709	9	1407	8	1205	92	140	7	205
Yambol	37	422	345	3	372	1	38	31	12	2	-
Haskovo	78	1211	491	5	802	5	238	62	41	5	50

Source: NSI, TÜİK

Table 37: Hospitals in CBC area (number)

Administrative Unit	Number of Hospitals								
	Total			Public Hospital		University Hospitals		Private Hospitals	
	number	beds	beds per 10 000	number	beds	number	beds	number	beds
Turkey	1 518	225 863	279	879	135 339	68	41 324	571	49 200
TR CBC region	20	2 793	359	12	1 412	1	942	7	439
Edirne	11	1 911	470	7	805	1	942	3	164
Kırklareli	9	882	248	5	607	-	-	4	275

Source: NSI, TÜİK

The data presented for the province of Edirne show that the number of beds per 10 000 inhabitants is almost twice over the national average, whereas the figures for the province of Kırklareli are close to those for the entire country. In the Bulgarian part of the CBC region the number of beds per 100 000 inhabitants for Haskovo and Yambol districts is far below the national average while number for Burgas District is very close to the national.

Table 38: Health establishments and beds in BG CBC area (number), 2016-2018

Districts	2016		2017		2018	
	Health establishments	Beds	Health establishments	Beds	Health establishments	Beds
Burgas	118	2930	117	3174	119	3255
Yambol	39	497	40	497	37	422
Haskovo	78	1198	79	1198	78	1211

Source: NSI, TÜİK

According to the Bulgarian statistics for the Districts of Burgas, Yambol and Haskovo in the period 2016-2018 the data show that the changes in the number of establishments and the bed capacity are minor. Out of all hospitals in Turkey, 0,7% of them are located in Edirne and 0,5% of them are located in Kırklareli. In terms of the number of hospital beds per 10,000 persons, while Edirne is above, Kırklareli is below the national average.

As of 2017, there was a total of 1.070 doctors of whom 503 were specialists, 262 were general practitioners and 305 were assistant doctors. In Kırklareli, there was a total of 499 doctors of whom 266 were specialists, and 233 were general practitioners.

Table 39: Distribution of health care professionals in the Bulgarian part of CBC area (number), 2018

Administrative unit	Physicians		Dentists		Other health personnel	
	Number	Inhabitants per physician	Number	Inhabitants per dentist	Number	Inhabitants per medic
Burgas	1 316	305	353	1 324	2287	176
Yambol	359	343	112	1 399	667	185
Haskovo	677	339	240	1 152	1191	212
Total BG CBC	2 352	329	705	1 292	4145	191
Total BG	30 078	236	8355	967	46 702	212

Source: NSI

Table 40: Distribution of health care professionals in the Turkish part of CBC area (number), 2018

Admin. unit	Specialist Doctors		Practicing Doctors		Assistant Doctors		Nurses	
	Number	Inhabitants per doctor	Number	Inhabitants per doctor	Number	Inhabitants per doctor	Number	Inhabitants per nurse
Kiklareli	266	1 357	233	1 549	-	-	671	538
Edirne	503	818	262	1 571	305	1 349	1 150	358
Total TR CBC	769	1 004	495	1 560	-	-	1 821	424
Total TR	**80 951**	**1 013**	**44 649**	**1 837**	**24 397**	**3 361**	**166 142**	**494**

Source: TÜİK, Republic of Turkey Ministry of Health

The data presented for the province of Kırklareli show that the number of inhabitants per specialist doctor and nurse is above the national average, whereas the province of Edirne is below. Same is the situation with the practicing doctors - both provinces are below the national average. The number of inhabitants per assistant doctor in Edirne province is more than twice below the national average. According to abovementioned data a conclusion may be drawn that the health system in Edirne is quite developed.

In the Bulgarian side of the CBC area the number of inhabitants per physician and dentist is above the national average in all three eligible districts.

Analysing the distribution of healthcare professionals, the total number of physicians in the CBC area is 3921, dentists – 969, others 6028 (including medical specialists, nurses, midwives, pharmacists and other health personnel).

Table 41: Distribution of health care professionals in BG CBC area (number), 2016-2018

	Burgas			Yambol			Haskovo		
	Physicians	Dentists	Other	Physicians	Dentists	Other	Physicians	Dentists	Other
2016	1315	338	2365	354	112	687	680	229	1229
2017	1316	353	2287	359	112	667	677	240	1191
2018	1347	310	2220	347	85	627	673	198	1200

Source: NSI

The Bulgarian data show the uneven distribution of healthcare facilities, therefore a key priority should be ensuring equal access to health services for people, including those living in small, remote settlements. As of 2018 in Haskovo District there are 491 hospital beds per 100000 persons, 709 in Burgas District, 345 in Yambol District. The number of served people by a doctor was 305 in Burgas District, 343 in Yambol District and 339 in Haskovo District. The peripheral municipalities of Yambol District are the most difficult to be served due to demographic changes, loss of educated medical professionals, inefficient management of the sector and to insufficient hospital facilities.

Analysing the broad picture, the average life expectancy in Bulgaria is slightly rising, but remains the lowest in the EU28 - 74.8 years for the period 2015-2017. Compared to the previous period (2014-2016), the average life expectancy is increased by 0.1 years. The average life expectancy in Bulgaria for men is 71.3 years, while for women it is 78.4 years. For the period between 2007 and 2017, the increase in males is 2.0 years and in females by 2.1 years. According to the latest World Health Organization data published in 2018 life expectancy in Turkey is: male 73.3 years, female 79.4 years and total life expectancy is 76.4 years. Serious risk factors (smoking, alcohol consumption, obesity, an unbalanced diet and low levels of physical activity) remain a health threat for a high proportion of the population. In the past few years more than half of population older than 15 years is exposed to tobacco smoke. In relation to the last study, there is an increased percentage of inhabitants who have

a habit of everyday alcohol consumption. Everyday consumption of alcohol is mostly represented among the poorest population.

Taking into consideration all of the abovementioned, the most important tasks in healthcare will be linked to demographic projections and the changing needs of the population in all age groups in order to better prepare it for the specific challenges arising from longer life expectancy through appropriate prophylactic care and educational efforts. There should be more emphasis on this matter in the future years, in order for the numbers to grow so that the population in the programme area would benefit from accessibility to health care services and effective and timely care.

2.6.4 Education

Education is a key public service for a territory as it enables the social mobility and the development of competencies and abilities for the economic development of the region. The private companies need a stable flow of well-trained people in order to maintain and increase their competitiveness on the local, national and European market. A sound educational system that is responsive to the labour market requests is thus essential for both the livelihoods of local citizens and for the economic development of companies in a region. The successful implementation of education policies affects the development of human capital, economic growth and smart specialisation, the labour market, social inclusion and quality of life. Therefore, education and continuing education are among the main drivers of economic growth.

In 2018 there were 1 955 general education schools in Bulgaria. Out of them 131 were primary schools, 1 173 basic schools, 68 combined schools, 115 upper secondary and 468 secondary schools. In comparison with the previous school year, because of closure or modification, the total number of general education schools decreased by 14.

The share of attained primary and secondary education level in the whole CBC area is slightly above or very close the national average of the respective country. As regards university educational level the figures are below the national averages but for the Turkish provinces they are relatively close to the national ones, while the situation for the Bulgarian districts shows figures far below the national ones (from 2 to 5 time less compared to the country's average).

Table 42: Attained education level in the CBC area (number), 2017

Administrative unit	Primary school and Junior/ vocational high school[26]		High and vocational high school[27]		Universities and other higher educational institutions		Total
Burgas	6870	60,99%	2967	26,34%	1 428	12,68%	11 265
Yambol	2124	70,78%	676	22,53%	201	6,70%	3 001

[26] Presented as "Basic", NSI, Education.
[27] Presented as "Secondary", NSI, Education.

Haskovo	3531	65,24%	1620	29,93%	261	4,82%	5 412
Total BG CBC	12 525	63,65%	5263	26,75%	1890	9,60%	19 678
Total BG	**113250**	**52,20%**	**48 281**	**22,25%**	**55 428**	**25,55%**	**216 959**
Kiklareli[28]	119 002	49,63%	77 327	32,25%	43 442	18,12%	239 771
Edirne	141 313	51,91%	83 111	30,53%	47 798	17,56%	272 222
Total TR CBC	260 315	50,84%	160 438	31,34%	91 240	17,82%	511 993
Total TR	**22 091 390**	**48,76%**	**13 965 346**	**30,83%**	**9 246 040**	**20,41%**	**45 302 776**

Source*:* NSI and TÜİK

According to the 2018 data of TÜİK regarding educational status for those aged 15 years old and over, the percentage of those who have received at least primary education is 75% in Turkey and it is 84% for both Edirne and Kırklareli.

Table 43: Education Indicators in Bulgaria, 2018/2019

Indicator	BG	Burgas	Yambol	Haskovo
Number of Universities	54	2	-	-
Number of university graduates	53115	1265	205	278
• **Professional Bachelor**	1869	117		
• **Bachelor**	27831	649	122	200
• **Master degree**	23415	499	83	78
Number of Academician	21756	605	80	48
• **In collegies**	692	78	-	-
• **In universities**	21064	527	80	48

Source: NSI

The unsatisfactory characterization of the regional potential of human resources in Bulgaria was noted in the indicator "population aged 25-64 with higher education" (%). The country's average by this indicator is falling behind the EU average over the whole analyzed period and in 2017 was 25,6% compared to the EU average of 31,4%. The indicator for Bulgaria is also characterized by lower dynamics compared to the EU average, with an increase of 2,2% in 2017 compared to 2014, while an increase of 7,2% in the EU average. For the period 2016-2018 the number of graduates with higher education is decreasing in Yambol District, increasing in Haskovo District (even tripled from 2016) and steadily decreasing in Burgas District even though for Southeast statistical region Burgas is the district with the highest share of graduates with higher education.

[28] For the provinces of Edirne and Kırklareli the statistics are for age category 15 and more, Turkish statistical institute

Table 44: Graduates in colleges/universities and equivalent higher schools

Year / Administrative unit	2016	2017	2018
Burgas	1 594	1 428	1 265
Yambol	223	201	205
Haskovo	56	261	278
Total BG CBC	1873	1890	1748

Source: NSI

There are two universities in the Bulgarian part of the CBC region, both located in Burgas: Burgas Free University and University 'Prof. Asen Zlatarov'. In Yambol there is one filial of Trakian University (Stara Zagora).

Prof. D-r. Asen Zlatarov University of Burgas is the only state university in the South East region of Bulgaria. Founded in 1963, today the University comprises four faculties and 3 colleges which offer 29 Bachelor and over 60 Master degree programmes. More than 320 high qualified lecturers, 127 of them habilitated, teach at the university. The university has established active scientific relations with institutes and universities in England, France, Germany, Russia, Turkey, Spain, Italy, Hungary, Serbia, Poland, Slovenia and etc. They give opportunity for scientific specializations and study practice of the academic staff and students, for exchange of lecturers, academic and scientific literature.

Burgas Free University /BFU/ is one of the first private universities in the country. It is accredited by the National Evaluation and Accreditation Agency29. All the University's main activities have been certified, as well as its degree programmes: education of students in Bachelor, Master and PhD programmes, qualification, research and international relations activities. In 2012 it achieved a new five-year accreditation with a capacity for training 7200 students.

The largest share of foreign students in Bulgaria came from Greece (24,6%), followed by the United Kingdom (15,3%), Germany (8,9%), Turkey (7,9%) and Ukraine – 5,8% of the total number of foreign students.

The trends that will influence the education sector in the future reflect the basic requirements for equal access to quality education at all levels and for all social groups, better link between education, science and business. Planned reforms on national level are expected to improve outcomes across the education system at all levels and the effective deployment of the necessary infrastructure at all places.

The optimization of the school network will create prerequisites for financing vocational

[29] NEAA is a government authority which recognizes the license of universities to provide higher education services by evaluating the quality of their main activities: educational process, research, international relations, quality management system, employment of graduates and competitiveness.

schools of national and regional importance, protected professions, according to the needs of the municipalities in the particular area, as well as the introduction of training through work (dual training).

Table 45: Education indicators in Turkey

Indicator	TR	Edirne	Kırklareli
Literacy Rate (2017) (%)	96,97	97,51	98,15
Number of Universities (2019)	206	1	1
Number of University Students (2018-2019)	7 740 502	44 297	22 749
• **Associate Degree**	2 829 430	13 974	10 025
• **Bachelor**	4 420 699	26 448	11 558
• **Postgraduate**	394 174	3 290	1 143
• **Doctorate**	96 199	585	23
Number of Academician (2018-2019)	168 389	1 862	761
• **Professor**	27 081	242	24
• **Associate Professor**	15 763	92	32
• **Faculty Member**	39 599	450	213
• **Lecturer**	37 160	400	247
• **Research Assistant**	48 786	678	245

Source: TÜİK. Council of Higher Education (YOK)

According to the 2018 census results of the ABPRS, the percentage of literacy for the population aged 6 years old and older in Edirne is 97,51% and it is 98,15% in Kırklareli and 96,97% in Turkey. The literacy rates are above the Turkish average for both Edirne and Kırklareli. Illiterates for the province of Edirne were 10 307, for Kırklareli - 6 694 and on national level - 2 330 640. General total of all types of attained education level: for Edirne - 343 062, for Kırklareli - 299 286 and on national level - 61 017 157.

The percentage of those who have graduated from high school or an equivalent school is 24,1% in Turkey, 24,97% in Edirne and 26,8% in Kırklareli. And for those who have graduated from higher education, the percentage is 15,9% in Turkey, 14,34% in Edirne and 14,85% in Kırklareli. Trakya University is located in Edirne and Kırklareli University is located in Kırklareli. Thus, there is one university in each province. The number of students of Trakya University for the year 2018 was 48.542 and other than the central campus, there are campuses in the districts of Havsa, İpsala, Keşan and Uzunköprü. The number of students of Kırklareli University for the year 2018 was 27,665 and other than the central campus, there are campuses in the districts of Babaeski, Lüleburgaz, Vize and Pınarhisar. The number of academicians per 10,000 students is higher than Turkey's figure. Regarding to URAP (University Ranking by Academic Performance) Edirne Trakya University is 74th, Kırklareli University is 142nd line among 166

universities in Turkey. In addition in order to promote the tradition among young people, to conduct academic research on safeguarding the Kırkpınar wrestling competitions and to educate young people the Kırkpınar Physical Education and Sports Academy was established at Trakya University.

2.6.5 Sport

The analysis of interregional disparities in the CBC area covers the state-of-play and development of sport infrastructure for professional and recreational sporting activities, existing needs and the potential for development of sport.

In Bulgaria, sport infrastructure is linked to regional development and Bulgaria's capacity to attract private investment by hosting elite sport forums in the future. These are highly important for the physical culture and general health of the population. Sport facilities and sites used as a venue for large-scale cultural events.

Most existing sport arenas, stadiums and mass sport facilities have been designed to meet the needs existing in a different economic, social and demographic reality and do not conform to the highest standards for the safety and comfort of such venues as stipulated in currently applicable statutory instruments. The largest sport arena in the Bulgarian part of CBC region is the construction of Arena Burgas, a multi-functional sport hall in Izgrev, Burgas, with a capacity of 6 000 seats, is expected to be completed in 2020. A project for the construction of a multi-functional sport hall in Tsarevo with an expected completion date in 2020 is currently under way.

According to the register kept by the Ministry of Youth and Sport there are 116 swimming pools in Bulgaria 39 of which - indoor.

Table 46: Sport halls and centres, swimming pools 2018 in Bulgarian part of CBC region

Region / District	Halls and centres (number)	Swimming pools (incl. indoor swimming pools)
Bulgaria	138	116 (39)
Burgas	7	5 (1)
Yambol	1	1 (1)
Haskovo	3	2

Source: Ministry of Youth and Sport, Register of sports facilities

Some of the swimming pools situated in agglomerations rich in mineral water rely on this natural resource. According to available information about the management of swimming pools different management arrangements are used, including partnership between municipalities, sport clubs and the private sector. In a handful of cases, the facilities also rely on renewable energy sources.

According to the NSI pilot survey for the school year 2017/2018 more than 70 % of school buildings have gymnasia or other facilities that enable for normal teaching and learning and

sport activities. The findings relating to the health, lifestyle and low physical activity levels in all age groups in Bulgaria provide essential input that should inform the efforts of the Ministry of Youth and Sport in setting priorities to ensure adequate facilities are available for mass sport and better awareness of the importance of physical exercise. Improving performance in this and other areas will require better coordination at policy level and in the work of several institutions as well as integrated development and management of infrastructure for elite sport and leisure-time mass sporting activities.

In Turkey, the number of youth centers and sport halls is satisfactory and investment on the construction of such facilities is still developing. While demand on sports tourism and the contribution of sports to economic growth is increasing, the lack of sports culture awareness in public and the concentration of interest in sports in some certain areas stand as the most important weaknesses in this sector. (**Source:** Strategic Report 2019-2023 of Ministry of Youth and Sports, https://en.gsb.gov.tr/)

The province of Edirne has 3 youth centers and 13 stadiums to perform sports such as football, basketball, volleyball etc. Similar is the number for the province of Kırklareli 4 youth centers and12 stadiums. The number of gymnasiums/halls and swimming pools is presented in the table below:

Table 47: Sport infrastructure in the Turkish part of the CBC region

Province	Gymnasiums	Sport halls	Swimming pools
Edirne	**7**	**1 chess hall**	**1**
Kırklareli	**4**	**1 field hockey hall**	**1**

Source: Ministry of Youth and Sports, Republic of Turkey, https://en.gsb.gov.tr/

When the number of athletes in 2018 is analysed, there are 30,176 licensed athletes in Edirne and the rate of women athletes is 39,3%. The ratio of the total population of Edirne to the number of athletes is below 1%. In Kırklareli, there are 20,583 licensed athletes and the rate of female athletes is 40,6%. As in Kırklareli and Edirne, the ratio of the number of athletes to the population is below 1%. Turkey in general, the total number of licensed athletes 4,907,955, the share of women is 33,6%

Table 48: Number of Licensed Athletes (2018)

Region	Licensed			Active		
	Men	Women	Total	Men	Women	Total
Turkey	3,261,853	1,646,102	4,907,955	433,849	261,849	695,698
Edirne	18,312	11,864	30,176	1,711	1,233	2,944
Kırklareli	12,228	8,355	20,583	1,210	1,071	2,281

Source: Ministry of Youth and Sports, Republic of Turkey, https://en.gsb.gov.tr/

Table 49: Number of Sports Club as of Ownership (2018)

Region	Military	Institution	School	NGO	Specialized	Total
Turkey	5	1052	896	13399	476	15828
Edirne	-	5	10	106	4	125
Kırklareli	-	13	3	95	4	115

Source: Ministry of Youth and Sports, Republic of Turkey, https://en.gsb.gov.tr/

2.7 Environment

Air, water and soils are the most important environmental components, as not only human health, but also the quality of life and the protection of biodiversity depend on them. Limiting the harmful impact of climate change and mitigating the risk of natural disasters are dependent on their quality and their integrated management.

2.7.1 Air

In the Bulgarian CBC region is situated one of the largest manufacturing companies in the country, which also is among the largest emitters of pollutants – Lukoil Neftochim - Burgas.

In the District of Burgas in 2018, exceedance of the established air quality indicator norms is reported only for the indicator fine particulate matter (PM10) – 61 exceedances of the average daily rate were registered. In 2018 the situation in terms of PM10 is similar for Haskovo district. The number of registered exceedances of the daily average value is still higher than the set norms. Monitoring data in 2018 show that the majority of days with registered excess concentrations of PM10 are in the winter months during the heating season. Major factors for PM10 exceedances are the use of solid fuels for heating, road transport and adjacent infrastructure.

For all other pollutants (sulphur dioxide - SO2, fine particulate matter - PM25 and ozone - O3) monitored in Burgas and Haskovo districts, compliance with the regulatory requirements was achieved. This is evidence of the improved air quality in both districts.

In Yambol district there is no permanent monitoring point, however in the Yambol municipality indicative measurements of the quality of the air is conducted. ~~monitoring of the above air quality indicators is not held.~~

Table 50: Registered levels of main air pollutants in Bulgarian districts (annual average values)

Administrative unit / monitoring point	NO2 µg/m3	CO µg/m3	SO2 µg/m3	PM10 µg/m3
Burgas district				
Meden Rudnik	12,56	0,29	11,51	15,75
Dolno Ezerovo	16,05	0,28	NA	32,96

RIEW	18,64	NA	4,01	30,00
Yambol district	**NA**	**NA**	**NA**	**NA**
Haskovo district				
Haskovo	NA	NA	NA	29,01
Dimitrovgrad	17,00	NA	NA	28,72
~~**MAXIMUM**~~ **LIMIT VALUE**	**40**	**10**	~~**125**~~**N/A**	**40**

Source: MOEW, 2019

A similar table that depicts pollutants (indicator fine particulate matter - PM10, nitrogen dioxide - NO2 sulphur dioxide - SO2 and ozone - O3) monitored in Edirne and Kırklareli districts can be found below:

Table 51: Greenhouse Gas Emissions Average (µg/m³)

Administrative unit / monitoring point	PM10 µg/m3	SO2 µg/m3	NO2 µg/m	O3µg/m3
Edirne				
Edirne (city)	57	2	21	13
Edirne (Karaağaç)	-	8	13	42
Edirne (Keşan)	43	16	17	68
Kırklareli				
Kırklareli (city)	45	4	56	37
Kırklareli (Limanköy)	20	2	1	82
Kırklareli (Lüleburgaz)	29	6	6	-

Source: Socio-economic and Demographic Analysis within the Scope of the Preparation Period of INTERREG-IPA Bulgaria Turkey Cross-border Cooperation Programme (2021-2027)

2.7.2 Water ~~and soil~~

During the period from 1996 to 2016 the quality of surface waters in Bulgaria continued to improve, and this positive trend was most prominent with regard to the core physico-chemical parameters. Nevertheless, in 65% of the 'lake' category and in 57% of the 'river' category the good status objectives with regard to the biological assessment indicator have not been achieved.

Between 1997 and 2016 gradual improvement of the majority of indicators for monitoring groundwater quality was observed. Nitrates are a major groundwater pollutant – in approximately 21% of the monitored groundwater points the average annual values were found to be above the limit values. During the 20-year period concerned there have been individual exceedances of heavy metal content in groundwater, in most cases unstable in time.

The major part of marine water bodies – 14, are classified as having moderate ecological

status, and only 2 water bodies in Burgas Bay and Varna Bay have poor ecological status. (Socio-economic analysis of the regions in the Republic of Bulgaria, 2019)

Five out of six marine water bodies in the Bulgarian eligible area are classified as having good ecological status (namely BG2BS000C1008 cape Emine – sv. Vlas, BG2BS000C1108 sv. Vlas – Pomorie, BG2BS000C1208 Pomorie – Sarafovo, BG2BS000C1010 Burgas gulf and BG2BS000C1011 cape Akin – cape Maslen) and only 1 water body (BG2BS000C1010 South Burgas gulf) has moderate ecological status. (Spatial development schemes of Bulgarian NUTS 2 regions – Southeastern Region)

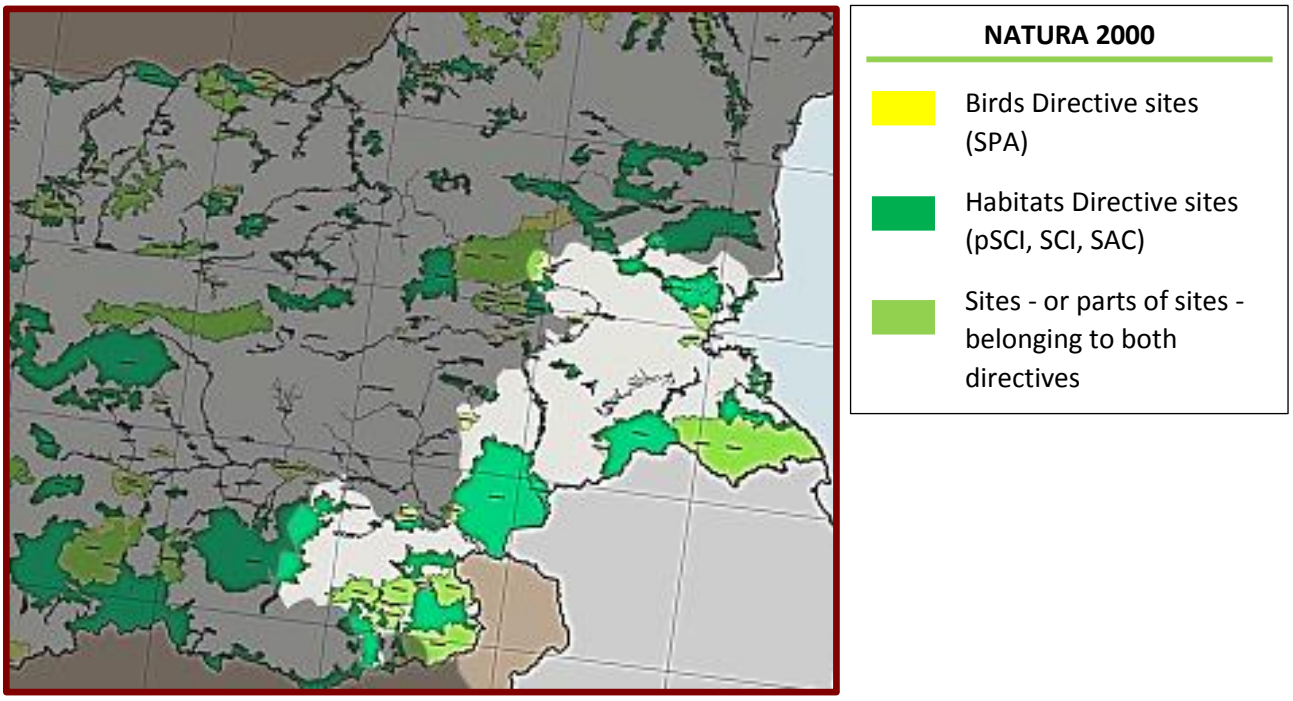
On the Turkish side the problem with pollution of water also exists – the main reasons why quality of Turkey's water resources decrease are: over use of natural resources, untreated industrial and domestic waste waters mixing into water resources due to unplanned and rapid Urbanisation and non-planned Urbanisation, insufficiency of present waste water treatment facilities in terms of capacity and process, and agricultural activities (State of the Environment Report for Republic of Turkey 2016).

2.7.3 Protected areas, Biodiversity, Flora and Fauna

Bulgaria has 1 015 protected areas which cover approximately 5,3% of the country's territory. Their total area gradually increased from 5,2% in 2007 to 5,3% in 2014, and that percentage remained unchanged in 2016. By the end of 2016 Bulgaria had designated 339 protected zones in the Natura 2000 network and those covered 34,4% of the national territory.

Natura 2000 is a network of core breeding and resting sites for rare and threatened species, and some rare natural habitat types which are protected in their own right. It stretches across all 27 EU countries, both on land and at sea.

Map 4: Natura 2000 Sites in Bulgaria



Source:
https://ec.europa.eu/environment/nature/natura2000/db_gis/pdf/BGn2k_0802.pdf

The aim of the network is to ensure the long-term survival of Europe's most valuable and threatened species and habitats, listed under both the Birds Directive and the Habitats Directive. The above data rank Bulgaria's National Ecological Network (NEN) as third in the EU. In NATURA 2000 network are included in total 88 sites, as follows:

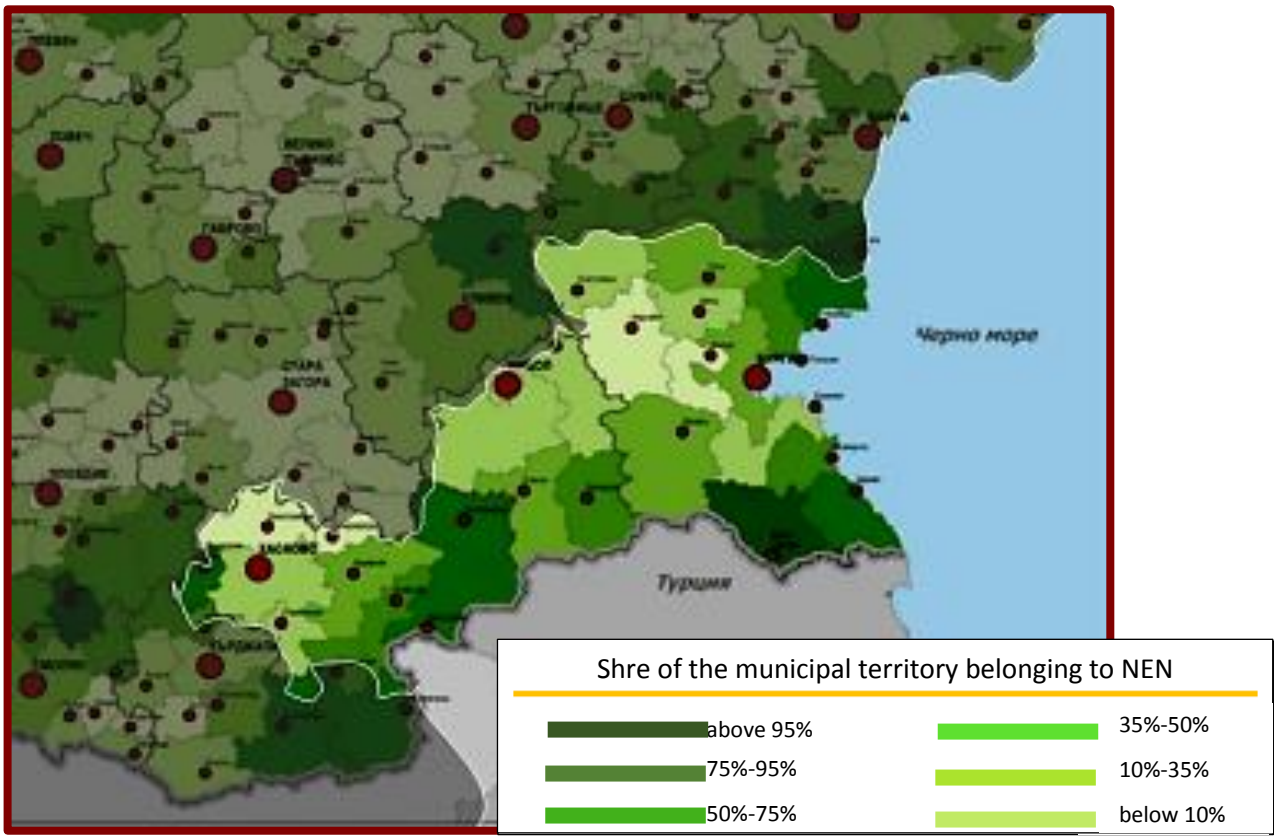
Table 52: Nimber of Natura 2000 sites per district

District	Birds	Habitats
Burgas	13	28
Yambol	7	19
Haskovo	12	9

Source: http://natura2000.moew.government.bg/

Burgas district is among the districts that have the highest percentage of protected areas (17,14%), while the protected areas in Haskovo and Yambol cover less than 1% of the total area. Malko Tarnovo is one of the five municipalities in Bulgaria where protected zones cover over 99% of the total area.

Map 5: Share of National ecological network in Bulgaria



Source: Scheme for spacious development

The significant share of NEN sites is evidence of the biological significance of the different areas and of the undertaken conservation measures. It is a prerequisite for developing educational tourism and ecotourism. On the other hand, this circumstance significantly limits human activities in such areas. Issues in spatial development and in economic life arise in cases where the restrictive regimes of protected areas overlap with those of protected zones and natural habitats, and where the social and economic aspects of development are underestimated on account of the environmental aspects. This problem is most prominent at the lowest level, that of municipalities, especially those where almost the entire area of the municipality is covered by NEN sites.

Bulgaria is known not only for its rich and biologically diverse flora and fauna and the relatively high coverage of its natural assets by protection measures, but also for the bird migration routes – Via Pontica and Via Aristotelis. The second largest European migration road of the birds - Via Pontica passes along the Black Sea Coast. Along the Via Pontica route there are wetlands of international importance, with suitable nutrition conditions, microclimate and wind regime. During the mid-winter bird count the biggest number of birds are recorded in the municipalities along the Danube and in the municipalities of Burgas, Kameno and Shabla along the Black Sea Coast. Every spring and autumn thousands of birds fly over the Danube delta, the Srebarna reserve, the unique bay forests around the mouths of Kamchia and Ropotamo rivers, the Bosporus and Dardanelle straits, to direct to Africa.

Turkish part of the CBC region also hosts a number of nature parks and protected areas, such as Gala Lake National Park in Turkey (Edirne). Two protected areas: Kasatura Korfezi Nature Reserve (Kırklareli) and Saka Lake Nature Reserve (Kırklareli) are located in the province of Kırklareli.

While Turkey is rich in terms of flora, it is rich in fauna as well, due to its geographical location. The main reasons for this are that Turkey acts as a bridge between Europe and Asia; it is located on migratory routes; it enjoys different types of climate and ecosystems; it has a rich flora and thus it is able to provide habitat for many animal species. All these ecological factors have resulted in a rich fauna.

The rich Turkish flora includes more than 9.000 varieties of plants. About 3.000 of them are endemic to Turkey and grow in nature nowhere else in the world. Turkey is the centre of origin for more that 30 species of fruits, and also a centre for world's most important plant genetic sources especially for grains and legumes. Due to Turkey's rich fauna, 40.000 animal species found in Turkey are estimated to be over 80% of the ones found in the whole continent of Europe. The diversity of fauna in Turkey is even greater than that of wild plants.

One main environmental issue concerns the Black Sea, which is one of the main connection factors of the CBC region. The Black Sea is habitat for 168 fish species, four different marine mammals and thousands of plants. Generally, the Black Sea faces numerous problems and threats such as the decrease of biological resources, declining diversity of species, etc. The main reasons for these are pollution, irresponsible fishing as well as eutrophication.

2.7.4 Climate change

One of the major global environmental pressures today is represented by climate change, a process heavily stimulated by society's main activities and consumption patterns, correlated with the lack or slow pace of the process of implementing mitigation strategies and policies. It may be considered one of the greatest and most profound challenges humanity has to deal with, as climate change expands its outcomes over the economic, social and environmental components of society.

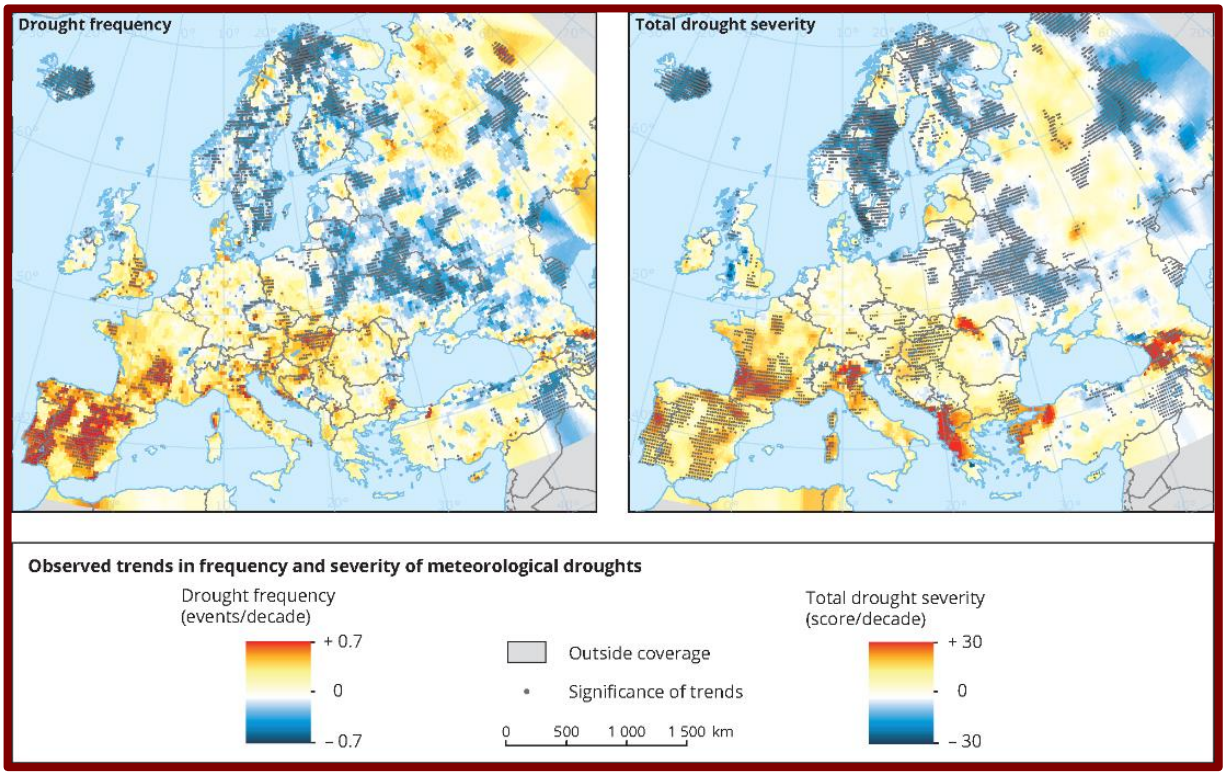
Various analyses, assessments and scenarios by national and international institutions and experts place Bulgaria and Turkey among the countries at higher climate change risk. The factors which are expected to impact adversely human health, the environment, biodiversity and economic growth include extreme temperatures, droughts, higher precipitation frequency and intensity, torrential rains and the related processes and disasters. The frequency of natural disasters has increased in recent years. A series of disasters have been observed, mainly related to the development of powerful convective storms, which have caused serious material damage and casualties in a number of regions of Bulgaria and Turkey.

Taking into account the environmental situation, the whole CBC area is rated as region with deficits to adapt to climate change.

2.7.5 Droughts

One of the main outcomes of climate change is represented by prolonged periods of meteorological and hydrological droughts and the decrease of soil moisture. Droughts usually occur in areas that are already arid, or which are prone to dryness. According to the existing data, the analysed region is characterized by a slightly higher drought frequency. The frequency of dry years registered in Bulgarian and especially in the Danube Plain and the Thracian Lowland increased, while rainy years are not significantly present anymore.

Map 6: Drought frequency and severity in Europe

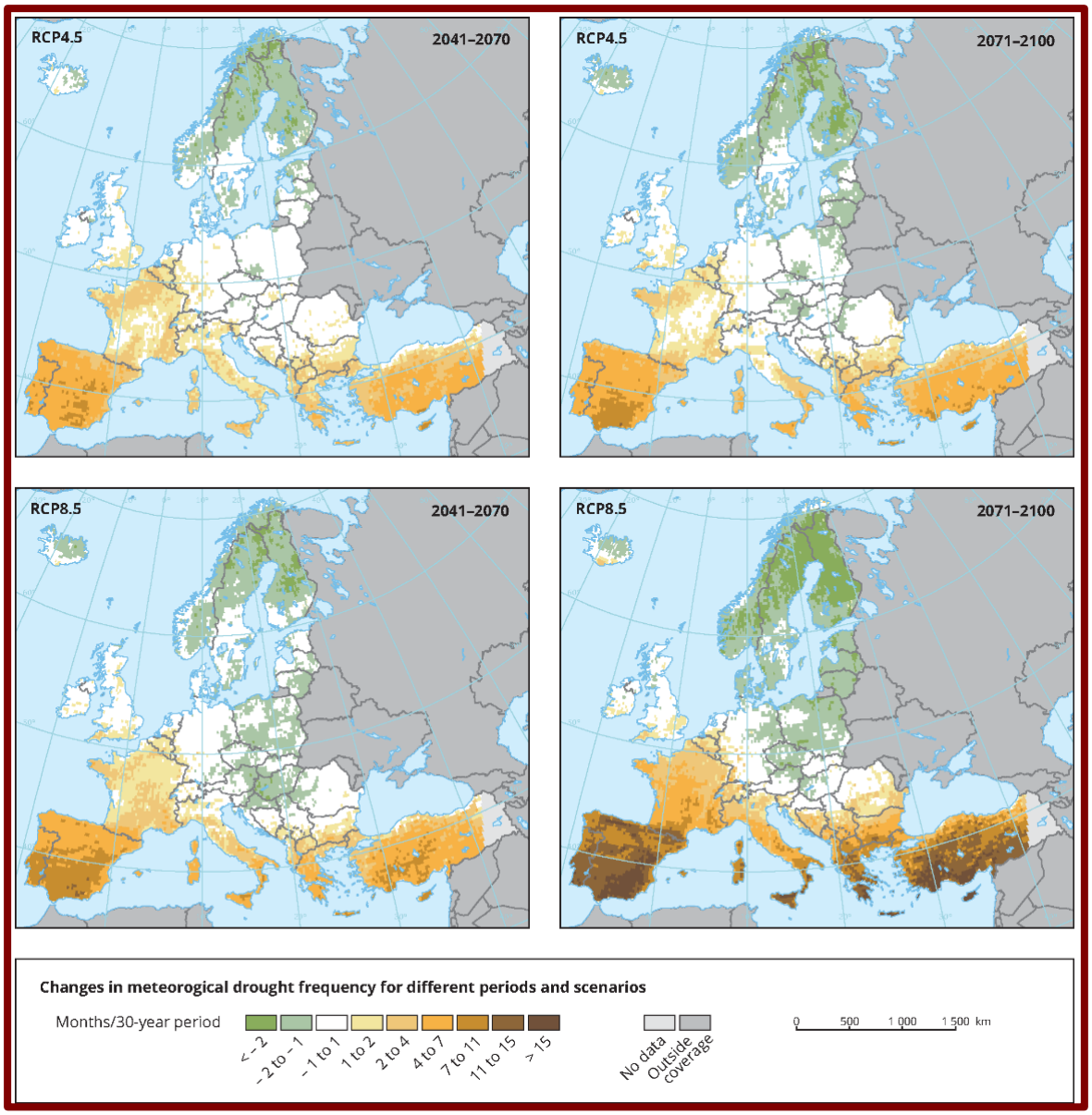


Source: EUROPEAN Environmental agency

According to two of the four Representative Concentration Pathways (RCP)30 scenarios developed by the Intergovernmental Panel on Climate Change (IPCC), the Bulgaria-Turkey cross-border area will not be bypassed by meteorological droughts in the future. In this context, while droughts are almost a certainty, it is up to policy makers and central governments to develop and implement strategies for mitigation and a series of adaptive measures so that the negative effects could be reduced as much as possible.

Map 7: Projected change in the frequency of meteorological droughts

[30] Scenarios that include time series of emissions and concentrations of the full suite of greenhouse gases (GHGs) and aerosols and chemically active gases, as well as land use/land cover (Moss et al., 2008).



Source: European Environment Agency

2.7.6 Forest fires

Forest fires cause serious damages to the environment and agriculture. They often result in human casualties as well. The most common causes for forest fires are as follows: self-ignition of dry grass near forests, natural phenomena (lightnings), negligent handling of fire, uncontrolled burning of household waste, etc.

The consequences of forest fires are various, including: ecological (deforestation and erosion of soil, destruction of unique habitats of rare, protected species etc.), Economic (loss of timber, necessity of resources for remedy measures etc.) and Social (deterioration of business conditions, decline in tourism sector, depopulation of affected country sides etc.).

Table 53: Forest fires

Administrative unit	Number of forest fires								
	2010	2011	2012	2013	2014	2015	2016	2017	2018
Total BG	1630	2185	3010	764	2245	2474	2448	741	480
Burgas	34	659	786	-	-	-	6	-	-
Haskovo	2	-	-	1	-	24	11	13	-
Yambol	113	-	-	5	26	-	-	-	-
total BG CBC	149	659	786	6	26	24	17	13	0

Source*:* NSI

Given the above table a conclusion may be drawn the in the recent years the Bulgarian CBC region faces decreasing number and low risk of forest fires. However the historical data show that forest fires (especially in Burgas district) are not a rare phenomenon and should not be neglected.

Table 54: The number and the hectare of forest fires for the TR CBC region

Administrative unit	Number of forest fires				
	2014	2015	2016	2017	2018
Total TR	2149	2150	3188	2411	2167
Edirne	3	10	31	13	10
Kırklareli	2	14	22	12	-
total TR CBC	5	24	53	25	10

Administrative unit	Hectares affected by forest fires				
	2014	2015	2016	2017	2018
Total TR	3117.34	3219.00	9156.27	11992.76	5644.00
Edirne	1.53	2.91	400.61	11.19	12.10
Kırklareli	2.50	10.17	8.13	3.26	-
total TR CBC	4.03	13.08	408.74	14.45	12.10

Source: TÜİK

2.7.7 Other natural risks

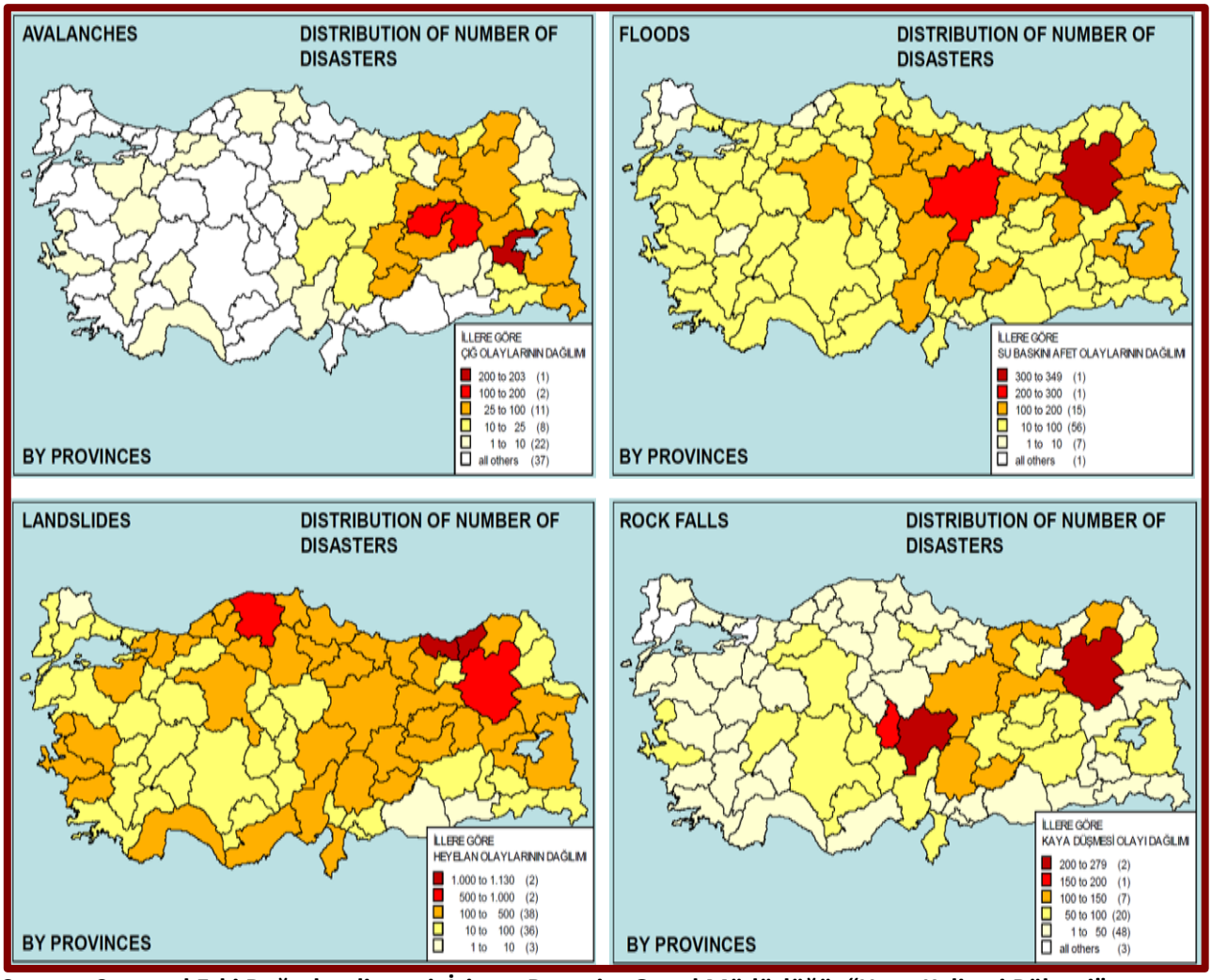
- Landslides

Heavy rain and human activity contribute to the activation of landslides in Bulgaria which are most prominent along the Danube River and the Black Sea coast.

There are three categories in terms of exposure to landslides: low, moderate and high risk of landslides.

The map below depicts the risk of the disasters regarding avalanches, floods, landslides and rock falls. Edirne and Kırklareli are found to be low risk cities in terms of landslides, rock falls and avalanches. The low level risk provides a high potential for Turkish and foreign investors and international projects.

Map 8: The map below depicts the risk of the disasters regarding avalanches, floods, landslides and rock falls

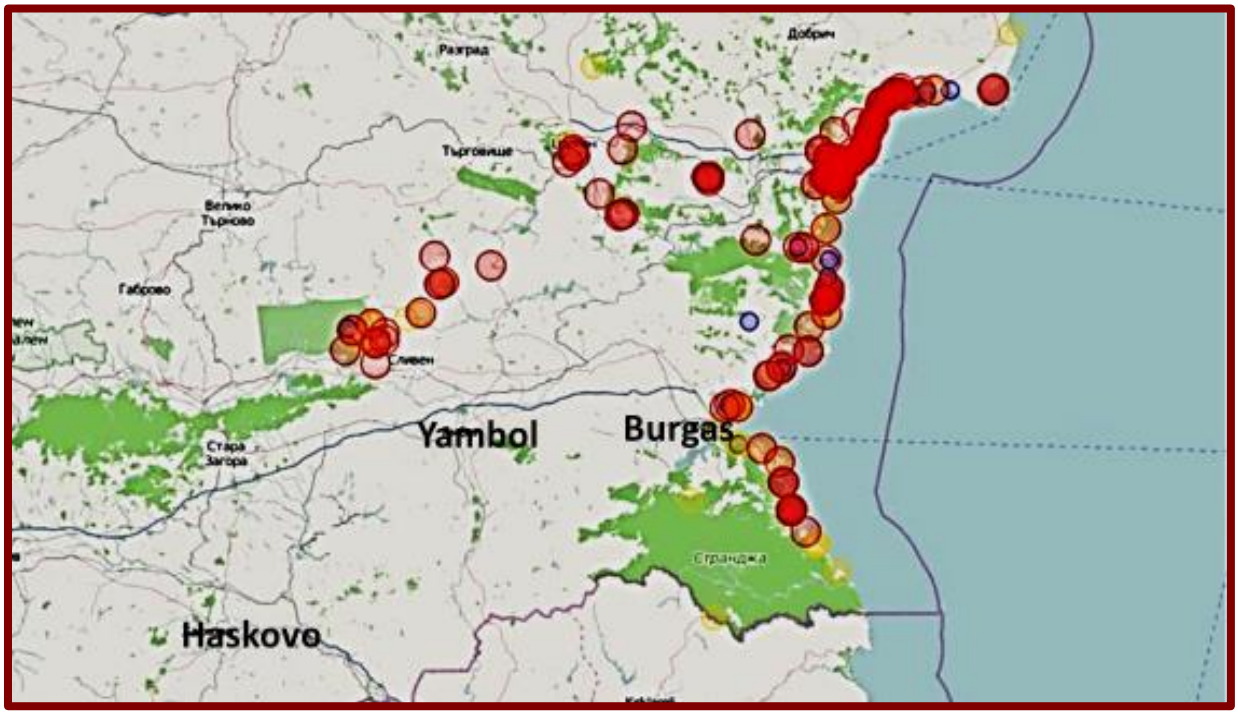


Source: Çevresel Etki Değerlendirmesi, İzin ve Denetim Genel Müdürlüğü. "Hava Kalitesi Bülteni", October 2019

Turkey is on strong fault lines, motion through east-west direction. On the other hand, Edirne and Kırklareli are the cities out of the failure lines and have low risks while Tekirdağ and Çanakkale are on the high-risk area.

The Bulgarian CBC region is characterized by moderate to low landslide development. The most affected landslides are observed along the seashore north of Burgas and in the mountainous part of Eastern Stara Planina. With the least landslide processes are the lowlands and valleys of the area.

Map 9: Landslides in the Bulgarian CBC area



Source: MRDPW

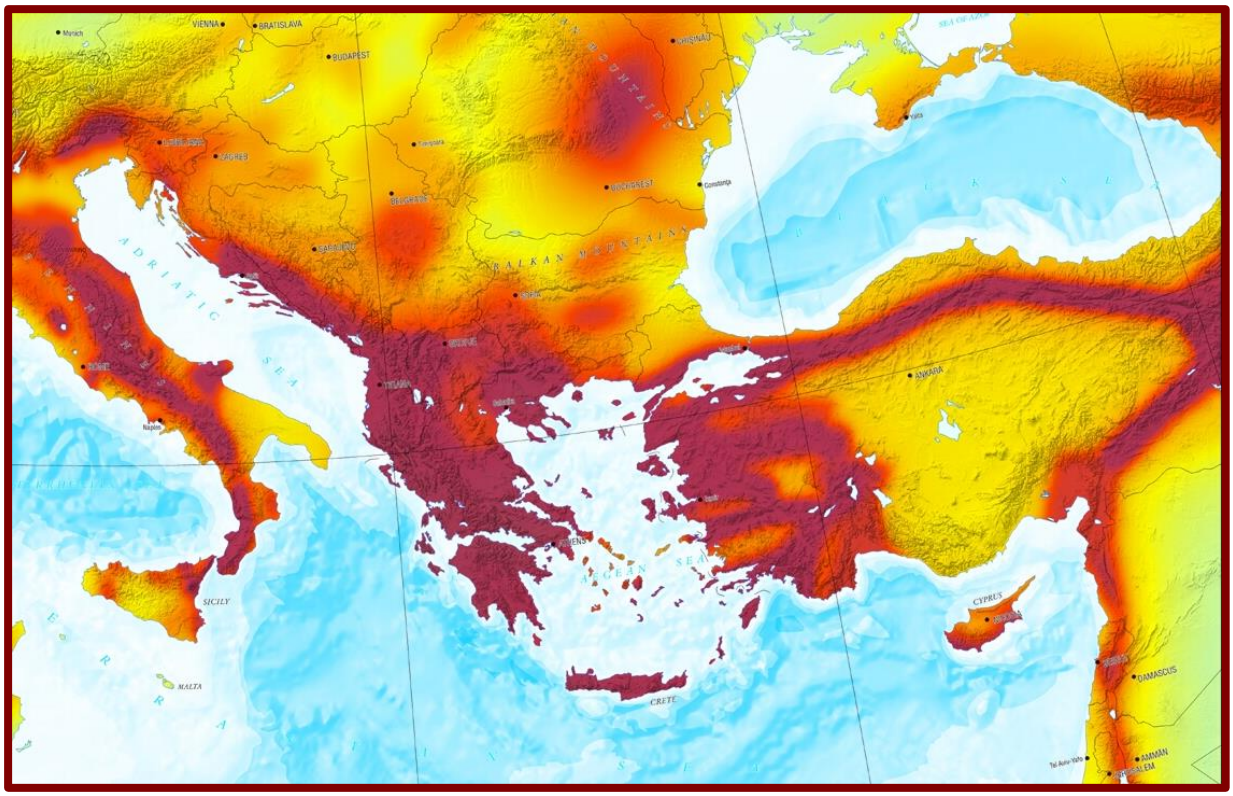
Seismic Risk

The countries of the Balkan Peninsula are located in the Aegean seismic zone, which is part of the Mediterranean earthquake area. Given the relatively high population density and high density of construction, even in the case of weaker earthquakes significant adverse effects may be observed.

Earthquakes in Bulgaria are among the most dangerous natural disasters, as 97% of the country's territory is threatened by seismic impact.

The cross-border area is exposed to relatively high seismic risk. The three Bulgarian districts do not belong to the most vulnerable to earthquakes regions in the country.

Map 10: Map of seismic hazard



Source: https://www.preventionweb.net/files/10049_10049ESCSESAMEposterA41.jpg

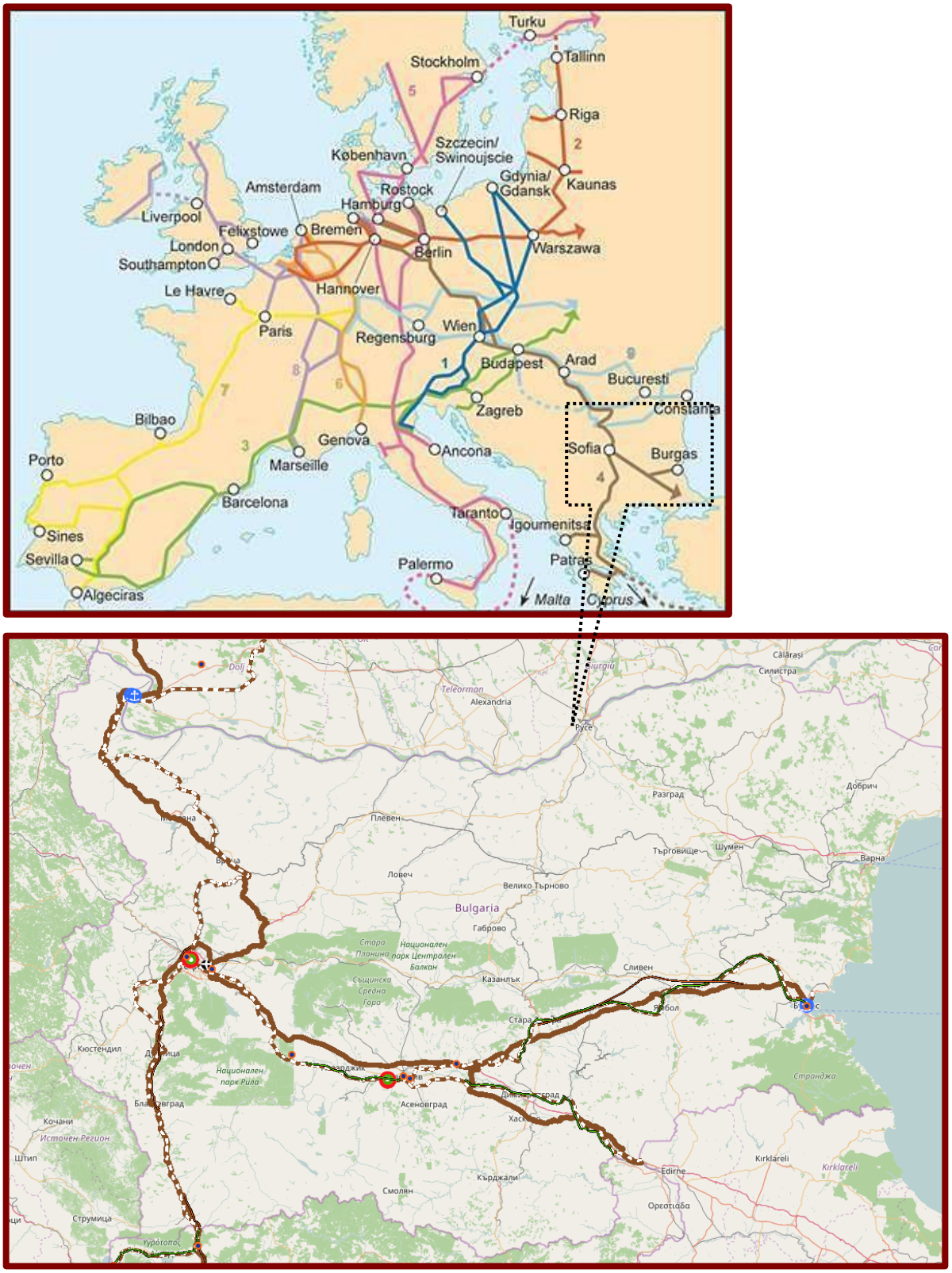
2.8 INFRASTRUCTURE

2.8.1 Transport infrastructure

- TEN-T network

Through the territory of the Bulgaria-Turkey CBC region passes one of the core TEN-T network corridors with extensions to third countries - Orient/East-Mediterranean corridor that links northern Germany (Hamburg-Berlin) to Eastern Europe (Prague-Bratislava, Budapest-Timișoara-Craiova-Sofia) and South Eastern Europe (Sofia-Plovdiv-Svilengrad-Turkish border).

Map 11: TEN-T network in Europe



Source:https://ec.europa.eu/transport/infrastructure/tentec/tentec-portal/site/maps_upload/corridors_png/C4_orient_estmed.pdf

Map 12: TEN-T with extension to neighbouring countries

Source: https://ec.europa.eu/transport/infrastructure/tentec/tentec-portal/site/maps_upload/annexes/annex3/Annex%20III%20-%20VOL%2033.pdf

➢ Road network

The Bulgarian CBC region is crossed by the A1 Trakia Motoway from Sofia to Burgas, as well as the A4 Maritsa Motorway from Orizovo Road Junction (Trakia Motorway) to Kapitan Andreevo. Maritsa Motorway connects regions of Haskovo and Edirne. The A5 Cherno more Motorway connects Varna — Slanchev bryag — Burgas. The motorway is with a planned length of 108 km, of which only 10 km are built.

Table 55: Length and structure of National Road Network in Bulgaria as of 31.12.2017

Administrative unit	Roads total (km)	Motorway (km)	I class (km)	II class (km)	III class (km)
Burgas district	1 176	51	252	249	624
Yambol district	637	35	96	87	419
Haskovo district	1 146	93	155	151	747
Bulgaria	19 861	734	2 928	4 028	12 171

Source: NSI

The analysis of the structure of the road network in the different regions of the Bulgarian part of the eligible area shows that all three districts have relatively high share of motorways and first-class roads built on their territory – above national average (18,4), namely 25,8 – for Burgas, 21,6 – for Haskovo and 20,6 – for Yambol. The first-class roads network complements the motorways one conducting mainly transit transport flows integrating the road networks of both neighbouring countries.

The first-class roads passing through the Bulgarian CBC area are:

- I-5: Ruse — Byala — Veliko Tarnovo — Stara Zagora — Dimitrovgrad – Haskovo — Kardzhali — Greek border(E-85);
- I-6: North Macedonian border — Gyueshevo — Kyustendil — Radomir — Sofia — Karlovo — Kazanlak — Karnobad – Aitos – Burgas mainly serves the so-called "sub-Balkan line" (E773);
- I-7: Romanian border/Silistra Border Checkpoint — Shumen — Yambol — Elhovo — Lesovo-Hamzabeyli Border Checkpoint/Turkish border;
- I-8: Serbian border — Dragoman — Sofia — Plovdiv — Dimitrovgrad – Harmanli – Svilengrad — Turkish border (E-80);
- I-9: Romanian border — Durankulak — Varna — Burgas — Malko Tarnovo — Turkish border (E-87).

In addition the Bulgarian part of the eligible area is served by second class roads:

- II-53: (Polski Trambesh – V. Tarnovo) Polikraishte – Gorna Oriahovitsa – Lyaskovets – Elena – Stara Reka – Byala – Sliven – Yambol – Kalchevo – Sredets;
- II-55: Debelets – Kilifarevo – Gurkovo – Dolno Panicherovo – Nova Zagora – Mlekarevo – Radetski – TPP II – Polski Gradets – Madrets – Mladinovo – Svilengrad;
- II-79: Elhovo — Bolyarovo – Sredets — Meden Rudnik - (Burgas –Marinka);
- II-99: (Burgas – Marinka) – Sozopol – Primorsko – Tsarevo – Malko Tarnovo – Turkish border.

Given the role of the motorways and first-class roads in conducting transit flows and ensuring the integration of the country's road network with that of neighbouring countries, relative high share of motorways and first-class roads built on their territory give to cross-border area a more favourable position to integrate both nationally and at European level.

Despite the construction of motorways, the observed overall indicator for the regions during the period 2014-2017 does not change significantly because sections of the motorways are often built on the routes of the existing first-class roads.

Table 56: Relative share of the roads in good condition, by districts in Bulgaria (%)

Administrative unit	2007	2013	2017
Burgas district	30,2	27,1	40,1
Yambol district	50,6	50,3	41,6

Haskovo district	42,8	33,6	34,8
Bulgaria	39,4	39,6	39,7

Source: RIA

The well-maintained road network in good condition for the whole country is about 40 %, both in the previous programming period 2007-2013 and in the period 2013-2017. As of 31.12.2017, all three districts in the eligible area have maintained under 50 % of their road network in good condition. The trend is negative for Haskovo and Yambol district with decrease of about 9 points over the period 2007-2017.

The actual transport services of the municipalities are implemented by the municipal road network, which provides the connections of settlements in the municipality with the municipal centre, connections with settlements in neighbouring municipalities, or access to local transport infrastructure facilities (railway stations, ports of local importance, container terminals, etc.), and the categorisation of the municipalities is determined by the degree of network completion.

The length of the municipal road network in the Republic of Bulgaria at the end of 2017 was 19 485 km, with national average density of 0.18 km/km2.

The municipalities in the Yambol districts are among the three districts in Bulgaria with most poorly developed road network. Most of the municipalities in Yambol districts have a low density of the municipal road network.

Table 57: Length and structure of roads in Turkey as of 31.12.2018

Administrative unit	Province and state roads (km)	Highways (km)	Village roads (km)
Edirne province	676	51	1 872
Kırklareli province	537	70	2 573
Turkey	65 174	2 842	179 537

Source: TÜİK

The O-3 Motorway in Turkey connects the provinces of Edirne and Kırklareli with Istanbul.

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

- Railway network

There are 4 030 km of railway lines in operation on the territory of Bulgaria (2017), of which 436 km are in the cross-border area. The TEN-T network includes the following main lines of the national railway infrastructure passing through the CB region:

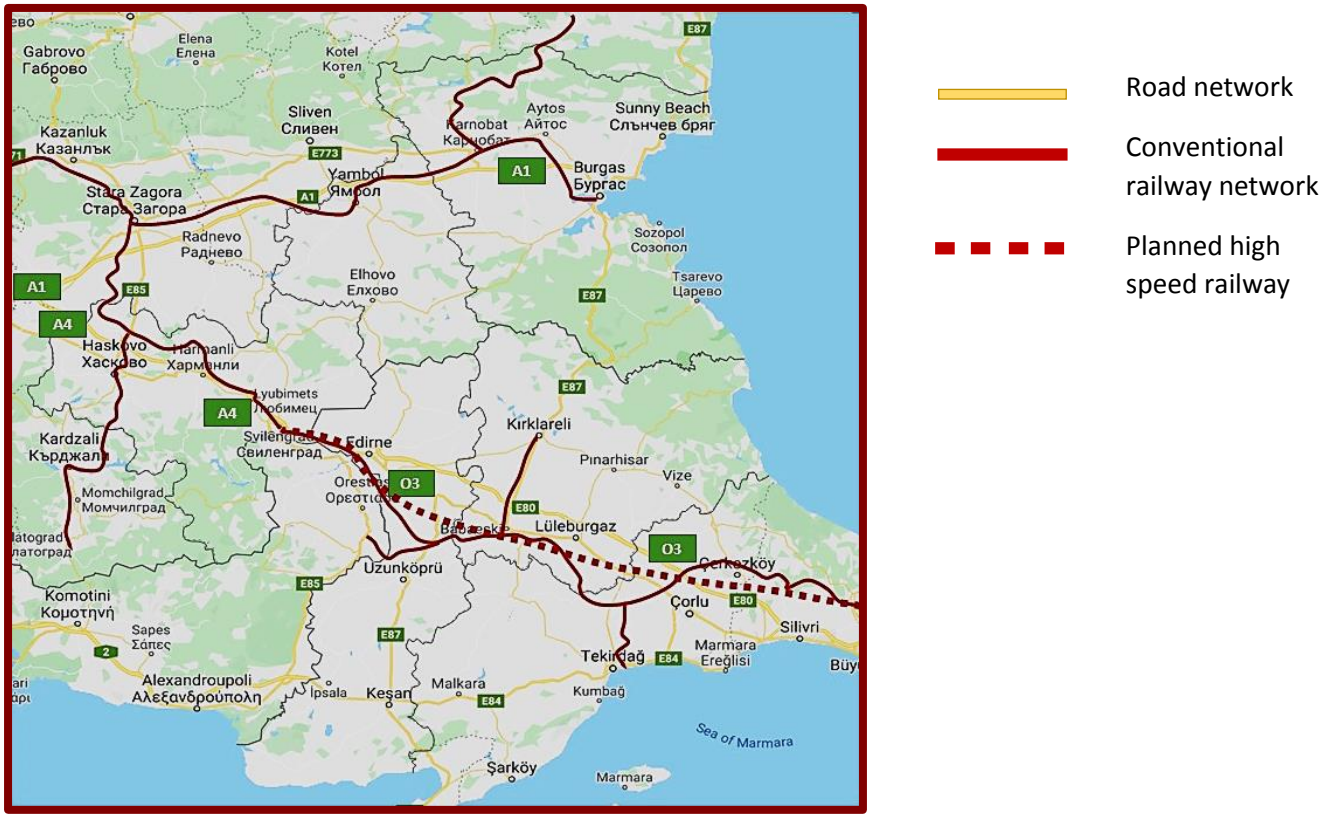
- railway line Kalotina West (Serbian border) — Sofia — Plovdiv — Dimitrovgrad — Svilengrad (Turkish border). This line forms part of the Orient/East-Mediterranean corridor of the core TEN-T network.
- railway line Sofia – Plovdiv — Filipovo — Skutare— Stara Zagora — Yambol – Zimnica — Karnobat – Aitos — Burgas also forms part of the Orient/East-Mediterranean corridor of the core TEN-T network with the Plovdiv — Burgas section.

Table 58*:* Length of railways lines by regions

Administrative unit	Railway (km)
Burgas district	178
Yambol district	52
Haskovo district	206
Bulgaria	**4 030**
Edirne province	96
Kırklareli province	110
Turkey	**10 315**

Source: NSI (31.12.2017) and TÜİK (31.12.2018)

Map 13: Map of Transport infrastructure



Planned big scale public investments in transportations in Turkey are focused on high speed train railways and highways. Even through important transportation investments are planned in the line from İstanbul to the border gates, Kırklareli is outside the railway and highway routes. The contract for the construction of the Çerkezköy-Kapıkule (Turkey-Bulgaria Border)

Section of Halkalı–Kapıkule Railway Line project (with EU funds) was signed on 11 June 2019. The Halkalı - Kapıkule connection is the fourth major railway project financed by the European Union in Turkey. The total project investment cost is estimated to be 1.1 billion EUR. Halkalı - Kapıkule Railway Line will connect Europe to Asia passing through İstanbul, Tekirdağ, Kırklareli and Edirne. The project is expected to be finalised in 4 years.

2.8.2 Eurovelo – European cycle route network

In addition to the TEN-T network in the CBC area passes one of the European cycle routes, namely EuroVelo 13 Iron Curtain Trail. It gives the possibility of visiting 20 countries starting in northern Finland passing near the Baltic Sea, Germany, Czech Republic, Slovakia-Bratislava, Romania and ending in Bulgaria at the small Black Sea town of Rezovo. Following this route for more than 9,950 km is a living history lesson but also provides a welcome reminder of the peace and reconciliation that have followed the fall of the 'Curtain'.

The Eurovelo routes have a touristic purpose, hence they do not link large cities but aim for places with important natural or cultural heritage. Unfortunately, none of the Eurovelo corridor segments passing through Turkey and Bulgaria are developed or at least signalised.

Map 14: Map of Eurovelo corridor

Source: https://en.eurovelo.com/ev13

Nevertheless, the projects implemented under previous periods of IPA Bulgaria-Turkey Cross Border Cooperation Programme created new cycling routes in the CBC region. Among those

the followings were connected to Eurovelo routes. “Active tourism in Strandzha and Sakar” project aimed to comprise a network of biking routes in Strandzha and Sakar mountains. The network includes a ten-day route starting from the most western point of the Bulgarian border at the town of Svilengrad through the Bulgarian part of Strandzha and Sakar, crossing the border at the town of Malko Tarnovo and enters the Turkish part of Strandzha. The route reaches the Black Sea at the village of Kıyıköy and from there they move to the west through the towns of Kırklareli, Edirne and Svilengrad.

2.8.3 Airports

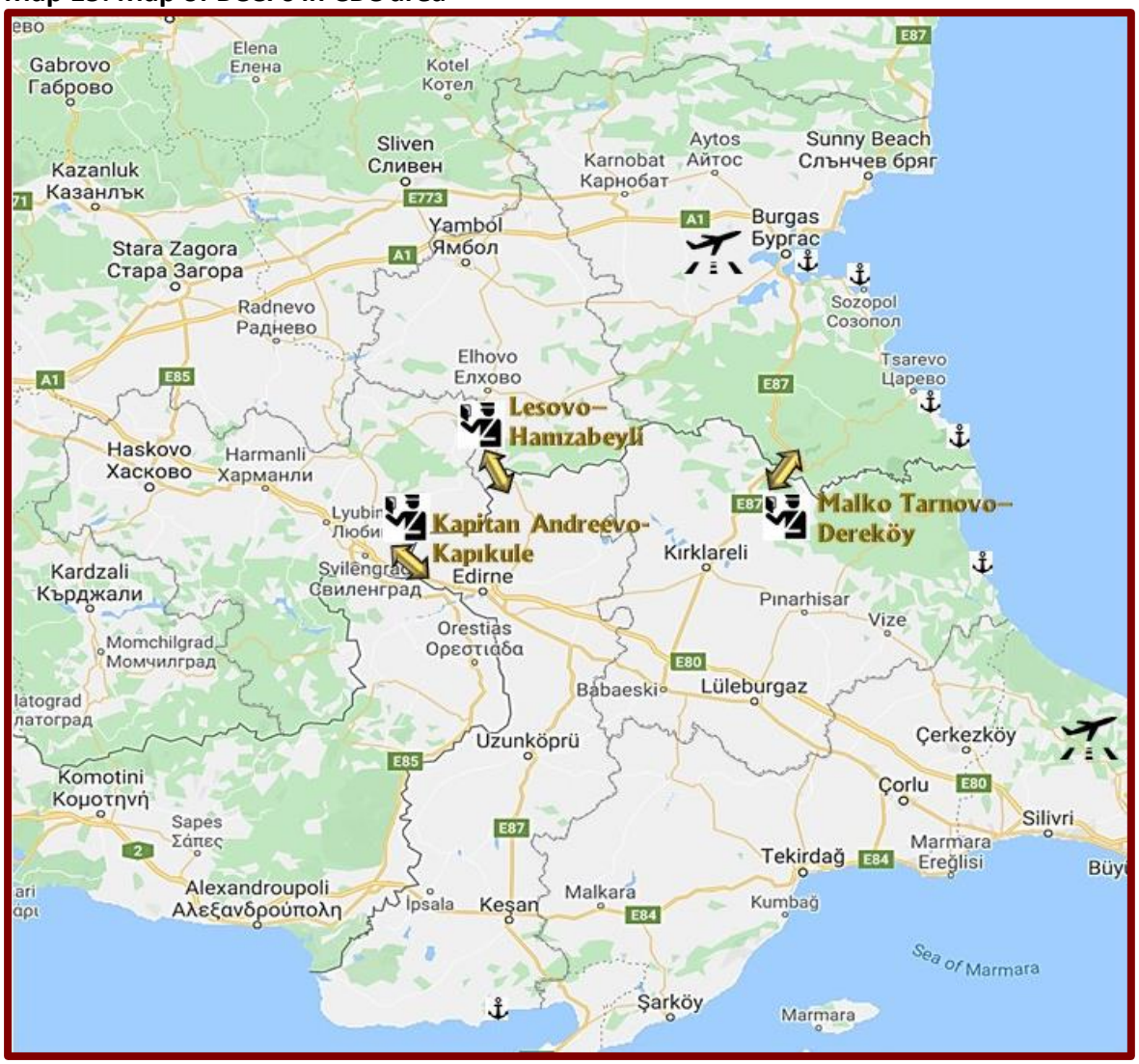
The only international civil airport in the cross-border area is the Burgas Airport, which is included in the comprehensive TEN-T network. The airport has two passenger terminals but only Terminal 2 operates. The annual capacity of Terminal 2 is 2 700 000 passengers. Burgas Airport has apronounced summer seasonality, with the main part of passenger service activities between June and September. During this period 92 % of the airport’s annual traffic is served. The airport also has freight handling, including specialized cargo, completing the intermodal transport functions of Burgas node as a part of the core TEN-T network.

In the Turkish part of the CB area there are no airports, the nearest airports are in Çorlu, Tekirdağ Province and in Istanbul. The first phase of the Istanbul Airport opened for service on October 2018; since April 6th 2019, the airport is operational with all units and at full capacity.

2.8.4 Border crossing check points

Three border crossings are in operation in the area: Kapitan Andreevo-Kapıkule, Lesovo–Hamzabeyli and Malko Tarnovo–Dereköy. The Kapitan Andreevo-Kapakule border checkpoint is among the largest and busiest in the world in terms of the number of passengers and the amount of cargo passing through it. Most of the trade between Turkey, Iran and Syria, on the one hand, and the countries of the European Union, on the other, passes through this border crossing point. The Lesovo–Hamzabeyli border crossing is operating since 2005. The checkpoint takes over part of the traffic from the main land connection between the two countries Kapitan Andreevo - Kapakule border checkpoint and creates more favorable conditions for servicing passengers and trucks. The Malko Tarnovo–Dereköy border crossing serves mainly for tourist traffic.

Map 15: Map of BCCPs in CBC area



2.8.5 Water transport

In the Bulgarian part of the programme area are situated several ports of different size and purpose:

Port of Burgas - for public transport of national importance. The port is the only seaport in Bulgaria included in the main TEN-T network, which has a connection with the Trakia Motorway and the railway line 8, forming one of the destinations of the main TEN-T network. The Bourgas-East and Burgas-East 2 port terminals are for general and bulk cargo, while the Bourgas-West port terminal also handles containers. The Rosenets terminal is a terminal for oil and petroleum products, while the Nessebar terminal for passenger services. The Bourgas-East port terminal also serves passengers.

In Burgas district there are several ports for public transport with regional importance:

Port Nesebar – it is part of Burgas port complex - a year-round passenger port that serves international and coastal passenger shipping.

Port Tsarevo - for passenger services only; lodging and mooring of yachts; suitable for water sports and entertainment activities;

Port Ahtopol - for passenger services; lodging and mooring of of fishing vessels;

Port Pomorie – for passenger services, lodging and mooring of fishing vessels and yachts; receiving and treating waste as a result of shipping activities.

In addition there are several operating marinas and fishing ports, the most significant ones being in Sozopol, Nessebar, Duni and Kiten.

In the provinces of Edirne and Kırklareli there are no harbours with national and international importance, only very small ones with local significance, used mainly for fishing – for example Kıyıköy Port at the Black Sea and Keşan Sazlıdere Port at the Aegean sea.

2.8.6 Telecommunications

Progress in information society development is considered crucial to meeting the needs of society and economy. Gradually, the information and communication technologies (ICTs) are becoming widely available to the public, both in terms of accessibility and cost, with access rates rising between 2007 and 2018. For ten years, the share of households with Internet access in the EU-28 has reached 85%, which is 30 percentage points higher than 2007.

In 2017 around 67% of households in Bulgaria have access to the Internet and 63% have a desktop computer, a laptop or tablet. Almost 67% of households have a fast and reliable broadband connection, which, in addition to a fixed wired connection, also includes an Internet connection through the network of the mobile operators. In the period 2013-2017, the relative share of households with Internet access increased by 13,6 percentage points and the use of broadband increased by 13,3 points.

Despite the positive trend in the recent years, the broadband coverage in Bulgaria is still under the EU28 average and there is an imbalance between the densely populated areas and sparsely populated ones. According to the NSI data[31], 71,5% of households in Bulgaria have broadband Internet access in 2018, respectively 75,7% for towns and 58% for villages.

The Turkish statistical data[32] show that in the period 2013-2018, the relative share of households with Internet access in Turkey increased by 34,7 percentage points, and the percentage of households with broadband access increased with 36% (from 46,5% to 82,5%). The broadband coverage in Turkey is under the EU28 average, but is a bit higher than in Bulgaria. According to the TÜİK the number of the broadband internet subscribers in year 2018 province of Edirne is 358 345 (87,1%), in province of Kırklareli is 295 762 (82%) and total for Turkey is 74 500 089 (90,9%).

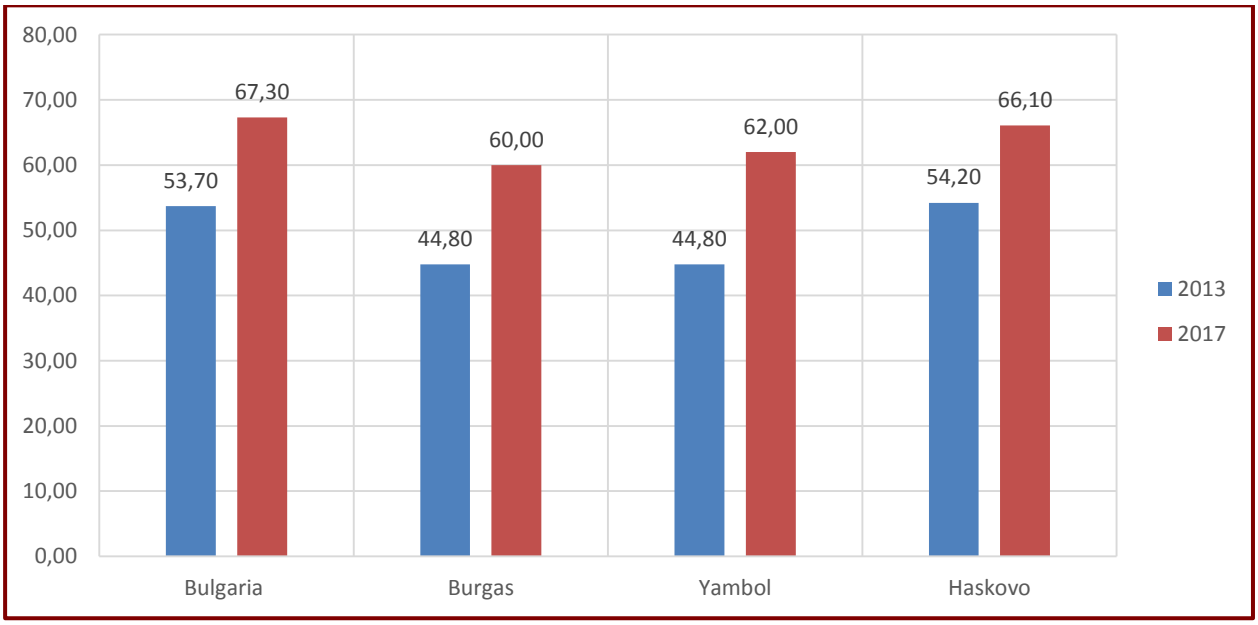
[31] https://ec.europa.eu/eurostat/databrowser/view/tin00073/default/table?lang=en
[32] http://www.turkstat.gov.tr/PreTablo.do?alt_id=1028

Table 59: Broadband Subscriber in Turkey

Administrative unit	Number of Broadband Subscriber						Broadband Subscriber in Regards to Population					
	2013	2014	2015	2016	2017	2018	2013	2014	2015	2016	2017	2018
Edirne	156 313	193 771	227 123	298 098	332 638	358 345	0,39	0,48	0,56	0,74	0,82	0,87
Kirklarali	142 532	173 313	187 382	259 614	278 940	295 762	0,42	0,50	0,54	0,74	0,78	0,82

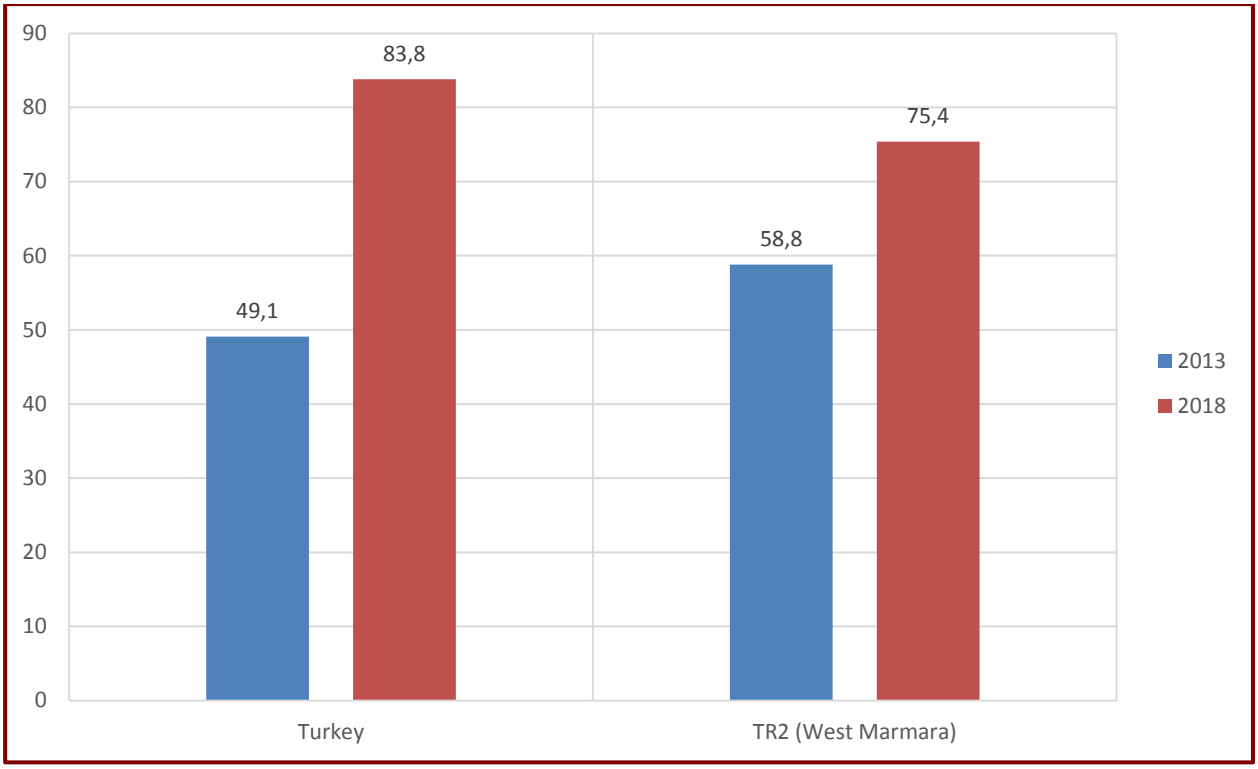
Source: TÜİK

Figure 29: Relative share of households with access to Internet in Bulgaria



Source: NSI, data processed by MA

Figure 30: Relative share of households with access to Internet in Turkey



Source: TÜİK, data processed by MA

*West Marmara Region includes Tekirdağ Subregion (Tekirdağ Province, Edirne Province and Kırklareli Province) and Balıkesir Subregion (Balıkesir Province and Çanakkale Province).

For the period 2013-2018 the relative share of households with internet access is constantly increasing for all eligible area. However the level of households with access to Internet in the cross-border area is still lower than the average for the respective country.

2.8.7 Water supply and sewage

Bulgaria and Turkey have a well-developed water supply system. At the end of 2017 the water supply systems provide water to 99,4% of the population of Bulgaria and 99% of the population of Turkey (year 2018). For Burgas and Yambol districts, the water supply system covers 100% of the population, while for Haskovo – 99,5% of population. Serious problem exists with water loss during transfer to final users – 57% average for Bulgaria in 2017.

For the Turkish part of the CBC area, the rate of municipal population served by water supply network in Edirne and Kırklareli provinces is 98%. The rate of population served by drinking water treatment plant at 2018 amounts 68% in Edirne and 27% in Kırklareli.

Compared to the water supply infrastructure, the completion of the sewage network in the settlements and completion of the municipal waste water treatment plants (WWTPs) in Bulgaria is lagging behind. In 2017, only 76% of the population is covered by sewage networks and less than **two**-thirds (63,4 %) is served with waste water treatment plants. For Turkey 91% of population is served by sewerage system and 79% by waste water treatment plants in 2018.

In the territory of Burgas district, quite a few settlements still do not have WWTP and wastewater is discharged into water bodies among which are the Black Sea settlements Aheloy, Sinemorets, Varvara and Ahtopol, as well as from the hinterland – Karnobat, Kameno, Malko Tarnovo etc.

Table 60: Population Connected to Sewerage System and to Wastewater Treatment Plants (2017 for Bulgaria, 2018 for Turkey)

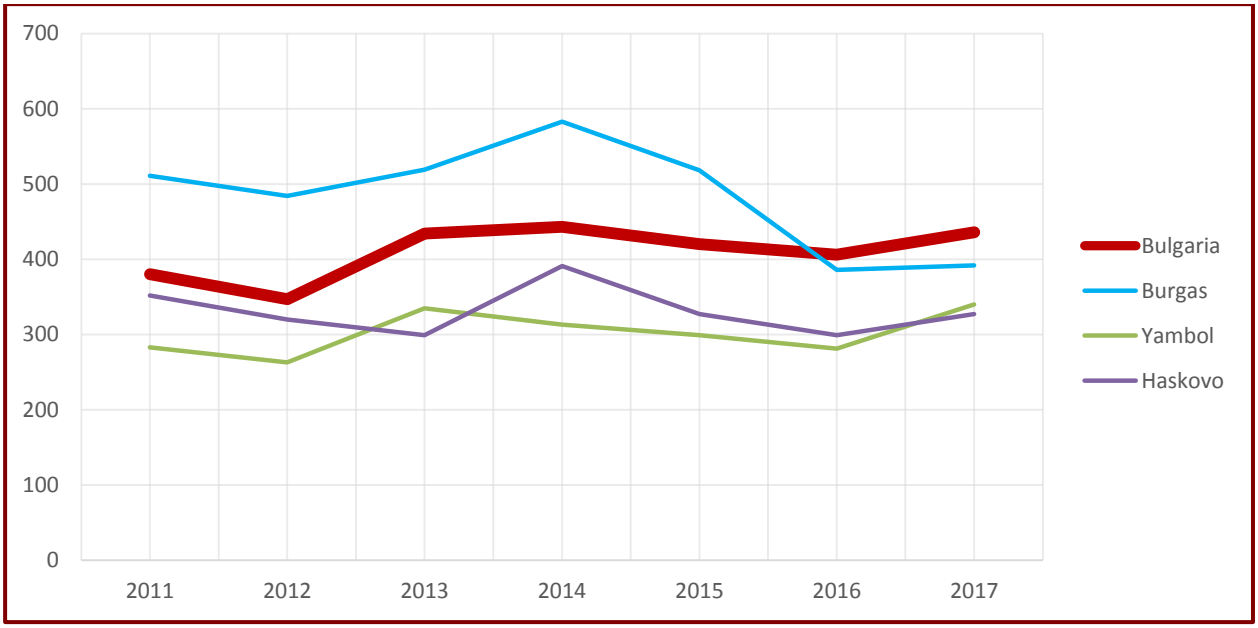
Administrative unit	Population Connected to Sewerage System (%)	Population Connected to Wastewater Treatment Plants (%)
Burgas district	79,6	65,7
Yambol district	71,6	4,7
Haskovo district	72,6	54,2
Bulgaria	76,0	63,4
Edirne province	98,0	28,6
Kırklareli province	98,0	87,6
Turkey	91,0	79,0

Source: NSI and TÜİK, data processed by MA

2.8.8 Waste management

The household waste collected per person in 2017 in districts Burgas, Yambol and Haskovo are lower than the average in Bulgaria. The collected household waste per person of the population served is increasing in the period 2011-2017 in Bulgaria. There is a gradual increase in all regions for the period 2011-2017 in the indicator share of the population served by organised waste collection systems.

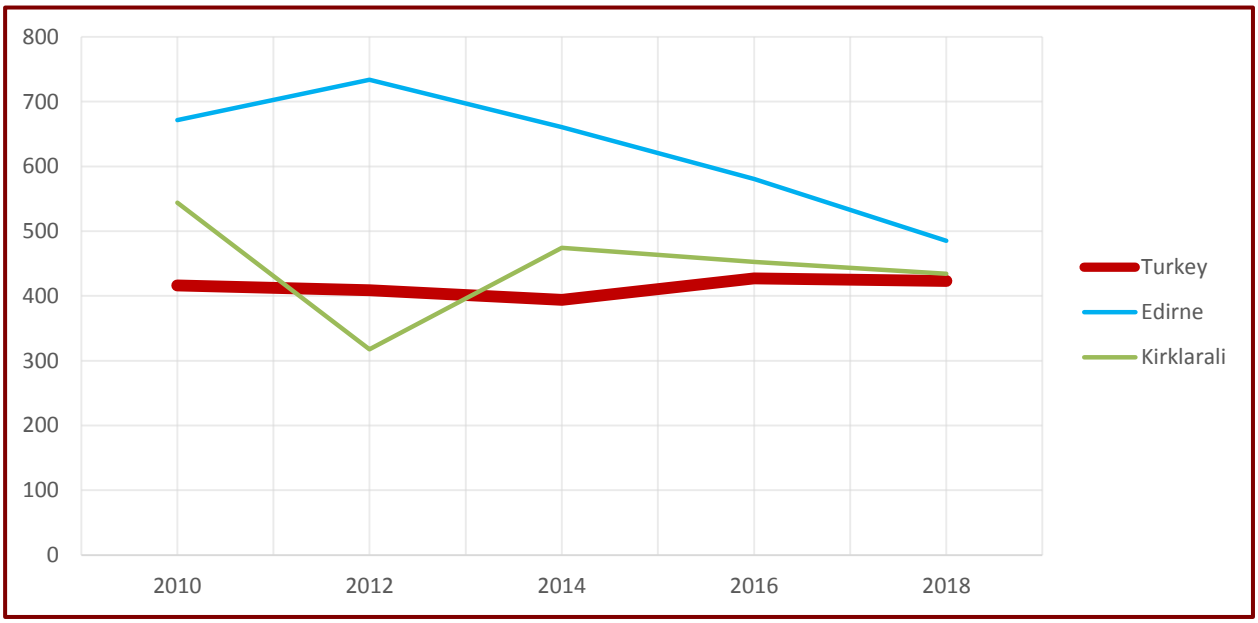
Figure 31: Collected household waste per person of the population served in Bulgaria (kg/person/year)



Source: NSI, data processed by MA

The average amount of municipal waste per capita in Edirne and Kırklareli are higher than average of Turkey. In Edirne, the average amount of waste per capita is gradually decreasing in 2012-2018 period. The rate of population benefited from waste services for 2018 is 93% in Turkey, 77% in Edirne and 81%in Kırklareli.

Figure 32: Municipal waste per person in Turkey (kg/person/year)



Source: TÜİK, data processed by MA

For the period 2011-2017, the household waste shipped for disposal decreases in all regions of Bulgaria, for the same period household waste shipped for pre-treatment increased in all regions, which is a favourable trend. The largest share is the increase in the South East Region, part of which is Burgas and Yambol. Household waste shipped for recycling for the period 2013-2017 in all regions is declining. Similar is the situation at the level of districts. The number of landfills and occupied areas have decreased in all regions in the recent years. There is a tendency for better implementation of the basic principles of waste management by reducing their volume, reuse and recycling.

According to the recycling rate survey of household wastes carried out by Regional Environmental Center in 2016, 3% of Edirne and Kırklareli household wastes are recycled, Ankara with the highest rate in Turkey is 53%.

There are 11 waste treatment plants in Edirne and 25 waste treatment plants in Kırklareli. In both provinces, Licensed Packaging Waste Collection and Recycling Plants are the mostly available, Non-Hazardous Waste Recycling Facility is among the facilities in Kırklareli province.

2.8.9 Renewable energy sources

In line with the commitments made to implement the European Energy 2020 Strategy, Bulgaria has already exceeded the national targets set for increasing the usability of renewable energy sources (RES). Construction of different types of power plants from renewable sources went through its “peak” in the middle of the 2007-2013 period, when the capacity built was

almost 50 %, and in the period 2013-2018 - just over 2 %, which is due to the changed state policy in this regard.

Water, wind and solar energy are used in the country for production of alternative electricity, depending on the specific natural conditions of each region.

Haskovo district is ranked on the fifth place in the country by power from renewable energy due to the large hydropower plants and many new solar power plants.

Table 61: Built capacities (in MW) by type and by district in Bulgaria up to 30.06.2018

Administrative unit	Hydropower plants	Photovoltaic power plants	Wind Power Plants	Biomass Power Plants	Total number	Total power
Burgas district	1,9	85,6	16,2	-	180	103,8
Yambol district	-	109,0	10,6	2,2	149	121,9
Haskovo district	121,0	99,6	-	-	147	220,6
Bulgaria	2 362,4	1 052,8	700,2	64,2	2 337	4 179,7

Source: SEDA, processed by NCRD

The installed capacity of Edirne power plant is 167.69 MW. Edirne which has a total of 6 electric power plants, produces approximately 411 GW of electricity annually.

All electricity production in Edirne is carried out with renewable energy sources. With an installed capacity of 167.20 MW wind power and 0.49 MW solar power plant throughout the province, 393 GWh of electricity is generated annually on average. Edirne which has an annual energy consumption of 1.350 GWh, meets 29% of the required energy with wind and solar energy through renewable energy facilities established for provincial borders.

There are 4 under construction power plants in Edirne, 3 wind and 1 solar. The total installed power of the four power plants under construction is 16.41 MW and will belong to the 14.41 MW wind power plant and 2.00 MW for the solar power plant.

The installed capacity of Kırklareli power plant is 1.765 MW. Kırklareli has a total of 17 electric power plants, generating approximately 1.478 GW of electricity annually. Kırklareli produces 8% of its energy from renewable energy sources and 92% from fossil fuels.

Diversified sources of obtaining hydro, thermal and alternative power foster the possibility to develop new energy capacities in the CBC area. The development of power plants using renewable sources may contribute to reaching the target to increase the power weight from renewable sources.

Table 62: Type of Power Plants in Edirne and Kırklareli (2017)

Type	Edirne province		Kırklareli province	
	MW	%	MW	%
Solar	0,49	0,3	0	0
Wind	167,20	99,7	116,20	6,6
Geothermal	0	0	0	0
Bio-gas	0	0	22,27	1,3
HES	0	0	0	0
Natural gas	0	0	1621,21	91,8
Coal	0	0	0	0
Others	0	0	5,40	0,3

Source: Enerji Atlası

2.9 Cultural, historical and natural heritage

The cultural heritage is an important mean for the joint development of the area and illustrates a main asset of the co-operation area. The culture in the area is rich, unique as well as diverse and could easily be utilized as a driving engine for regional development, regeneration and prosperity. Culture is among the most important factors in the cross-border cooperation framework, since it provides a clear view of common features and provides a common identity for the region. It is a prerequisite for an attractive tourism product and could furthermore be easily utilized as a driving engine for regional development and prosperity.

2.9.1 Cultural Activities and Institutions

Professional institutes of culture are well developed both in Bulgaria and in Turkey. Traditional cultural organizations such as libraries, cinemas, museums, theatres, galleries, community and cultural centres, etc. have a long-lasting presence.

Table 63: Number of Cultural Institutions in Bulgaria (year 2017)

Administrative unit	Cinemas		Museums		Theatres		Libraries*	
	Number	Visits (thousand)	Number	Visits (thousand)	Number	Visits (thousand)	Number	Readers (thousand)
Burgas district	5	352,2	12	230	3	140,3	2	6
Yambol district	1	16,8	5	34	2	53,0	1	3
Haskovo district	2	24,0	7	48	4	60,0	2	5
Bulgaria	68	5 506,1	191	5 109	74	2 221, 7	47	248

*with collections of more than 200 thousand items

Source: NSI

Community centres are a traditional public institution in Bulgaria with a 150-year old tradition,

which serve educational and enlightenment functions, provide a venue for local talent groups and enjoy the reputation of a robust cultural institution with a specific mission to preserve and develop traditional national values. According to the latest survey conducted in 2017 there are 3 321 community centres in Bulgaria (663 in towns and 2 658 in villages). In the modern era, having preserved their social legitimacy and flexibility and owing to their geographical coverage that spans the entire territory of Bulgaria, community houses continue to meet the present-day needs of Bulgarian society as centres for cultural, information and social activities.

During the period 2012-2017 the number of community houses increased by 241 (7,8 %) — a trend that has seen new community houses emerge in both towns and villages. The number of community houses per 100 000 does not show significant disparities at regional and district level owing to their relatively even dispersal across Bulgaria, including in smaller agglomerations. In the eligible are the biggest number of Community centres is in Burgas district – 168, in Haskovo districts these centers are 133 and in Yambol district – 85.

Table 64: Number of Cultural Institutions in Turkey (year 2018)

Administrative unit	Cinemas		Museums	Theatres		Libraries	
	Number	Visits	Number	Number	Visits	Number	Readers
Edirne province	24	302 171	9	9	27 594	11	229 002
Kırklareli province	18	237 489	3	3	39 750	12	198 603
Turkey	2 858	64 772 380	200	736	7 841 353	1162	28 242 986

Source: TÜİK, data processing by MA

Number of cinemas and number of theatres per 100 000 in the eligible area are higher than Turkey's average.

2.9.2 Cultural Heritage

The cultural heritage include intangible and tangible immovable and movable heritage as an aggregate of cultural values imbued with historical memory and national identity and having scientific or cultural importance. Intangible cultural heritage includes: the spoken tradition and languages, customs, rites, celebrations, rituals, beliefs, music, songs, dances, culinary and enology traditions, traditional crafts, traditional medicine, traditional games and sports, cultural value carriers and important elements in the preservation of historical memory. The CBC area has a very rich culture and history. Inhabited by the Thracians in antiquity, the area is famous with a large concentration of ruins of Thracian sanctuaries and sacrificial altars, dolmens and other archaeological objects.

The UNESCO List of World Cultural Heritage[33] includes 7 cultural and 3 natural sites in Bulgaria.

[33] https://whc.unesco.org/en/statesparties/bg

One of them is located in the CBC are – Ancient City of Nessebar (Burgas district). Situated on a rocky peninsula on the Black Sea, the more than 3,000-year-old site of Nessebar was originally a Thracian settlement. At the beginning of the 6th century BC, the city became a Greek colony including an acropolis, a temple of Apollo, an agora and a wall from the Thracian fortifications. Among other monuments, the Stara Mitropolia Basilica and the fortress date from the Middle Ages, when this was one of the most important Byzantine towns on the west coast of the Black Sea. Wooden houses built in the 19th century are typical of the Black Sea architecture of the period.

The Turkish sites included in the UNESCO List of World Cultural Heritage[34] are in total of 18 (16 cultural and 2 natural and cultural sites). One of cultural sites is situated in the CBC area – Selimiye Mosque and its Social Complex (Edirne). The square Mosque with its single great dome and four slender minarets, dominates the skyline of the former Ottoman capital of Edirne. Sinan, the most famous of Ottoman architects in the 16th century, considered the complex, which includes madrasas (Islamic schools), a covered market, clock house, outer courtyard and library, to be his best work. The interior decoration using İznik tiles from the peak period of their production testifies to an art form that remains unsurpassed in this material.

The Bulgarian Immovable cultural heritage (ICH) register contains 1 583 immovable cultural heritage items with national importance. There are 46 reservations categorised as ICH ensembles with national importance and 1 ICH reservation with world importance. Depending on their type, they belong to the following categories: archaeological (27); archaeological and architectural (6), Architectural (11), historical (2) and parks and landscaped gardens (1).

Table 65: Immovable cultural assets with national importance in the Bulgarian CBC eligible area

Title	Type	Town/village	Municipality	District
Ancient city of Nesebar	archaeological and cultural	Nesebar	Nesebar	Burgas
Kabile, an ancient Thracian city	archaeological	Kabile village	Yambol	Yambol
Roman town of Deultum	archaeological	Debelt village	Sredets	Burgas
Sv. Ivan and Sv. Petar islands	archaeological	Sozopol	Sozopol	Burgas
Ancient city of Apolonia	archaeological and cultural	Sozopol	Sozopol	Burgas
Brashlyan village	architectural	Brashlyan village	Malko Tarnovo	Burgas

Source: NSI, data processing by the National Cultural Heritage Institute (NINKN) NTsTR

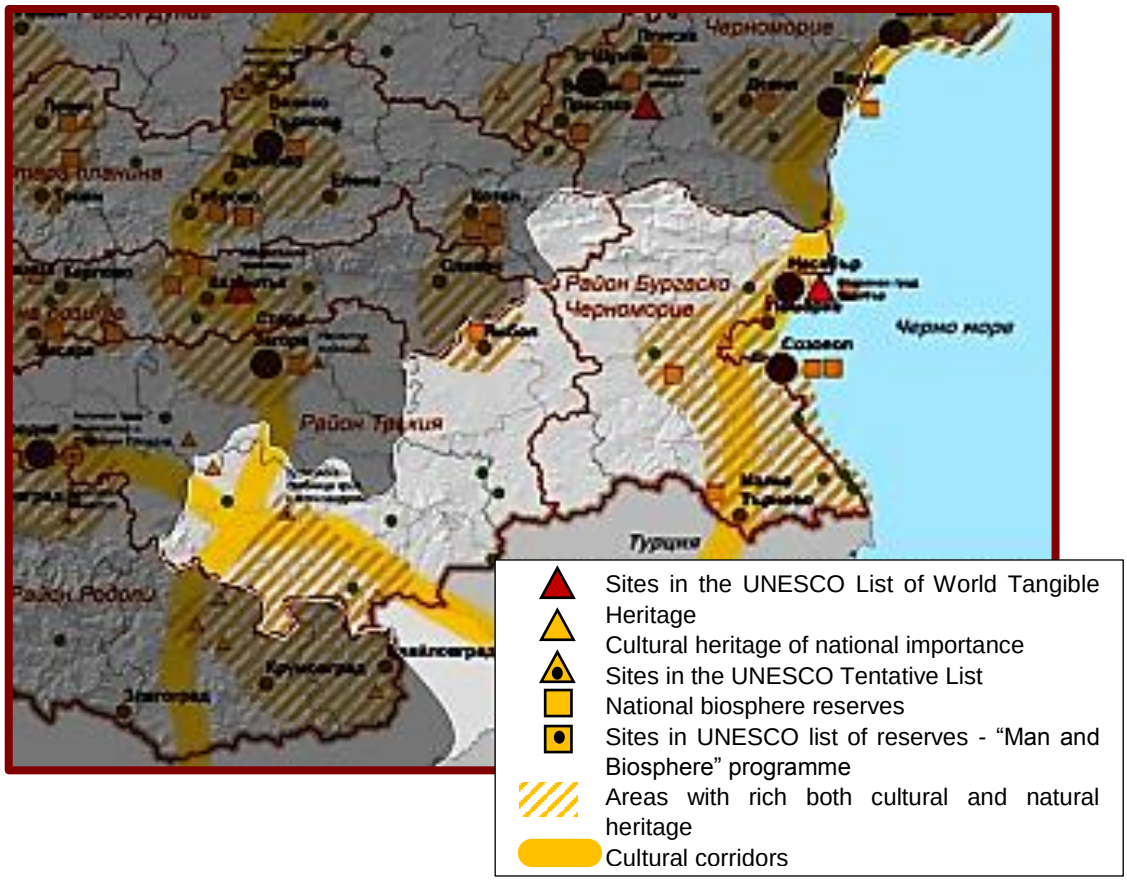
Bulgaria registers various elements in UNESCO's representative list of the intangible cultural heritage of humanity on a regular basis and 5 of them have been approved by 2019. Among

[34] https://whc.unesco.org/en/statesparties/tr

them is the Nestinarstvo, messages from the past: the Panagyr of Saints Constantine and Helena in the village of Bulgari (Burgas district). Nestinarstvo is a traditional barefoot fire-walking ritual with ecstatic dance performed in some villages in Southern Bulgaria. In the 20th century the ritual became commercialized and is performed for tourists in the seaside resorts of the Bulgarian Black Sea Coast. The rituals survive in more authentic form in six Bulgarian villages in the Strandzha Mountains: Bulgari, Gramatikovo, Slivarovo, Kondolovo, Kosti, and Brodilovo.

Another intangible cultural heritage in UNESCO's representative list is Cultural practices associated with 1 March. The name of the holiday celebrated in the whole country means "Grandma March" in Bulgarian and the wearing of Martenitsi is a Bulgarian tradition related to welcoming the spring, which according to Bulgarian folklore begins in March.

Map 16: Map of Cultural corridors and heritage in Bulgaria



For Turkey the register elements in UNESCO's representative list of the intangible cultural heritage of humanity are 18 and among them is the Kırkpınar festival in Edirne. Kırkpınar is a Turkish oil wrestling (Turkish: yağlı güreş) tournament. It is held annually, usually in late June, near Edirne since 1360 and is one of the oldest wrestling festivals in the world. Edirne province also hosts 2 tentative list of UNESCO World Heritage Sites in Turkey, which are Sultan Bayezid II Complex: A Center of Medical Treatment and Uzunköprü Bridge.

Another intangible cultural heritage in UNESCO's representative list is the famous Turkish coffee – a method of brewing very finely ground coffee. The beans must be ground to a very fine powder, which is left in the coffee when served. Turkish coffee is boiled in a special pot

called cezve is traditionally served in a special type of small porcelain cup called a “kahve fincanı.”

Among the 16 heritages of Turkey in the Representative List of the Intangible Cultural Heritage of Humanity, is Hıdrellez which is celebrated in Edirne and Kırklareli. The Spring Celebration ‘Hıdrellez’ takes place annually on 6 May, which is recognized as Spring Day, or the awakening of nature. To mark this occasion, various ceremonies and rituals connected with nature are performed, guaranteeing the wellbeing, fertility and prosperity of the family and community and protecting livestock and crops for the upcoming year.

Paper marbling is also included in the UNESCO’s list of intangible cultural heritage. This is a method of aqueous surface design, which can produce patterns similar to smooth marble or other kinds of stone. The patterns are the result of colour floated on either plain water and then carefully transferred to an absorbent surface, such as paper or fabric.

Map 17: Cultural and historic heritage in Turkey CBC area

The *Cultural Corridor* Diagonal road (connecting South East Europe to Asia) passes through the territory of the cross-border region. This cultural corridor is one of the most ancient arteries, of trans-continental, even of world importance. Starting from Central Europe into Slovenia, passing successively through Croatia, Bosnia and Herzegovina, Serbia, Montenegro, Bulgaria and Turkey, continuing to the Far East. Its numerous branches are on one hand geographically determined (passing the valleys of big rivers, the lowlands between the mountain chains, the convenient passages), striving to the Bosporus strait.

One of the branches, Via Pontica, is a main cultural road, spreading over the west and south coasts of the Black sea. It winds along the water of the water basin from the picturesque delta of the Danube reaching the foothills of Caucasus, crossing Romania, Bulgaria and Turkey. Along the axis of Via Pontica there are traces of prehistoric settlements – Yaylata, the rock

sanctuaries and dolmens of Strandzha, Asagi Pirnar Kırklareli, ancient towns – Histria; Medieval fortresses – Kaliakra, Pliska, Preslav. The meeting of various civilizations determined also the foundation of distinctive historical town, scattered along the cultural corridor – Odessos (Varna), Messembria (Nessebar), Apollonia Pontica (Sozopol), Byzantion (Istanbul), Safranbolu, Trapezunt (Trabzon).

In Turkey, the areas to be protected have been identified in order to be able to preserve the immovable cultural heritage with its surroundings. The relevant areas are divided into sub-categories as urban site, archaeological site and historical site according to the characteristics of the values they carry. The archaeological site is divided into sub-categories such as 1st Degree, 2nd Degree and 3rd Degree archaeological sites, in order to classify them according to the importance and identify the measures to be taken separately. In the areas designated as first degree archaeological sites, only archaeological research and excavation or scientific interventions for the purpose of conservation are allowed; no new constructions are allowed.

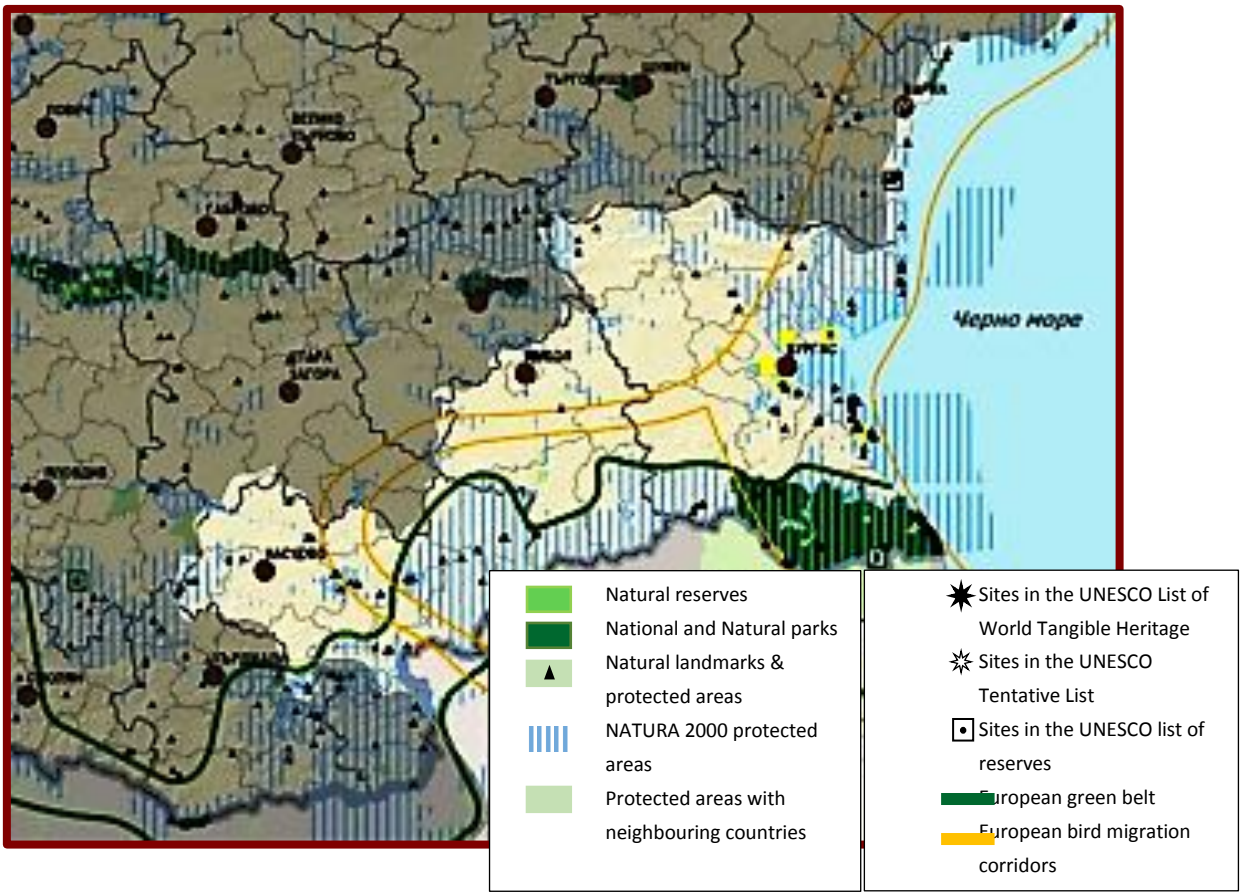
Table 66: Protected areas in Turkish part of CBC area

Protected Areas		Edirne			Kırklareli		
		Numbers	Title	Place	Numbers	Title	Place
Urban Protected Areas		**2**	Kaleiçi district and its neighbours including the Selimiye Mosque, Karaağaç district	Edirne, Kıyıköy	**2**	Kıyıköy Ancient City, Yayla District	Kırklareli City Center and Kıyıköy
Archelogical Protected Areas	1st degree	**247**	Dolmens,Tell (Artificial mounts), Castles, Cave, Necropols, Prehistoric Settlement, Ancient Road	Edirne and its districts	**448**	Tells (Artificial mounts), Castles, Caves, Necropols, Ironfoundries, Prehistoric Settlement, Rock tomb	Kırklareli and its districs
	2nd degree		Necropols, Cult area			castle ruin and chapel	
	3rd degree		Ainos Ancient City, necropols, roman period sarcophagus			Kıyıköy Ancient City	
Historical Protected Areas		**1**	Sarayiçi District,Kırkpınar Area and Tavuk Forest	Edirne	**2**	Alpullu Sugar Factory and its settlement, Kepirtepe Village Institute	Alpullu, Lülebur gaz

2.9.3 Natural heritage

Strandzha / Yıldız is a mountain massif in Southeastern Bulgaria and the European part of Turkey. It is situated between the plains of Thrace to the West, the lowlands near Burgas to the North, and the Black Sea to the East. Its highest peak is Mahya Dağı (1,031 m) in Turkey, while the highest point on Bulgarian territory is Golyamo Gradishte (710 m). The total area of the mountain is approximately 10,000 km^2. The climate of the area is considerably influenced by the Black Sea and is predominantly humid continental in the mountains and humid subtropical at the coast. Major rivers in the area are Veleka (147 km) and the border river Rezovska (12 km).

Map 18: National ecological network in Bulgaria and its transboundary links



The Strandzha / Yıldız mountain has a rich and diverse flora and fauna, unique within Europe. Plants that were once widespread on the European continent during the Tertiary period are now only preserved in Strandja/ Yıldız mountain.

Strandzha Natural Park, established in 1995 in the Bulgarian part, is the largest protected area in Bulgaria, embracing 1,161 km^2. 50% of Bulgaria's flora can be observed there - the area has 121 habitat types, more than 600 species of invertebrates, as well as over 400 species of vertebrates, 41 species of freshwater fish, 10 species of amphibians, over 20 species of reptile, more than 130 species of breeding birds, and over 60 species of mammals. The mountain is reach with karst terrain, with steep limestone cliffs, many mineral springs and complex cave systems.

The İğneada Floodplain Forests National Park, established in 2007, is a national park located within Kırklareli Province. It covers an area of 3,155 ha (7,800 acres) and is located at İğneada town on the Turkish-Bulgarian border at 25 km far from Demirköy, district of Kırklareli Province. The national park is a rare ecosystem, which consists of marsh, swamp, lakes and coastal sand dunes. The Strandzha mountain range is situated in the south and west. There are five lakes with aquatic plant. The most important lakes are Mert Lake, Hamam Lake, Erikli Lake and Saka Lake. Mert Lake (about 12 km far away from the Bulgarian border) has the highest diversity of fish between those lakes. The national park is also habitat for swamp and non-evergreen mixed wood.

The Lake Gala National Park, established in 2005, is located within Edirne Province. The national park covers an area consisting of Lake Pamuklu and Lake Küçük Gala and is an ecosystem of 3,090 ha (7,600 acres) wetland, lake and 3,000 ha (7,400 acres) forest. It is a habitat for various plant and animal species.

3. SWOT ANALYSIS

Field	Strengths	Weaknesses
Geography	• Strategic geographical location between Europe, the Middle East and Asia; • Favourable natural, geo-morphologic and climatic conditions.	• Peripheral location of the border regions within the two states, remote from the administrative centres of the countries. • Crossroad of migration flows; • Long distance from major centers on Turkish territory.
Economy	• Constant economic growth in Bulgaria and Turkey in recent years; • Good resources for economic diversification (agricultural land, tourism, water, traditions). • General positive trend of the main economic development indicators; • Increased economic activity of SMEs; • Availability of natural landmarks, cultural and historical heritages which attract tourist; • Availability of active border gates and potential daily visits from neighbour countries; • High rate of the accommodation establishments, beds and revenues in the tourism sector in Bulgaria part of the CBC region.	• Interregional differences in terms of GDP per capita across the NUTS 3 districts/provinces of the of the eligible area; • Turkey CBC GDP per capita being lower than Turkey's average; • Knowledge – intensive sectors are weakly developed, showing a decline in competitiveness; • Low development of SMEs, predominance of microenterprises, increasing vulnerability; • Seasonal nature of tourism sector in the CBC area; • Limited maturity of the innovation and entrepreneurship; • Brain drain and population outmigration in Bulgaria

Infrastructure	• One of the core TEN-T network corridors - Orient/East-Mediterranean corridor passes through the CBC territory; • Relative high share of motorways and first-class roads in the CBC area; • Existence of three, well-functioning Border-crossing Check Points (BCCP); • One of the two biggest harbours of Bulgaria with national and international significance is situated in the CBC area; • One airport with national and international significance is situated in the Bulgarian CBC area, while in close proximity to the Turkish CBC area is located the new Istanbul airport; • Well-developed water supply system; • Relatively high share of population connected to Sewerage System; • Closeness to Tekirdağ harbour in terms of intermodality transportation.	• Low quality and density of the secondary and municipal road network in the Bulgarian part of the CBC area; • Weak connections of small cities to main routes; • Low density of the railroad network; • No significant ports on Turkish territory of the Programme area; • Lack of BCCP in the eastern part of the CBC area; • The level of households with access to Internet in the cross-border area is still lower than the average for the respective country; • Broadband coverage in rural areas is still below the average of both countries; • Insufficiently developed network of waste water treatment plants; • Insufficient capacity and low rates of waste recycling.

Environment	• Rich biological diversity – a high and diversified number of protected areas; • Well-developed National Ecological Network in the CBC region; • Protected areas (national and nature parks, reserves) with well-preserved unique bio-diversity and unique eco-systems; • Relatively good ecological status of waters and marine bodies; • Comparatively low risk of floods, forest fires and landslides in the hinterland; • The long distance from major centers on Turkish territory determines the better state of the environment.	• High degree of vulnerability to climate changes; • Relatively high levels of PM10 and PM2.5 in the urban areas; • Outdated infrastructure related to risk prevention; • Low level of development of eco-friendly tourism; • Relatively high risk of earthquakes in the mainland and landslides in the coastal area.
Social Development and Labour market	• Positive trend of the employment rate; • Decrease of unemployment rate in the active population in Bulgaria; • Level of unemployment of Turkish CBC area – below the national average, • Better ration of hospital beds/population in the Turkish CBC area that the national average; • Access of population to all levels of education; • High share of population with primary and secondary education; • A relatively well developed network of sports facilities.	• Slightly increasing unemployment rate for the territory of Turkey; • In all districts and provinces (with the exception of Edirne) the number of inhabitants per physician / dentist / doctor is above than the countries' average; • Well educated people are migrating to more developed urban areas; • Rural Bulgarian areas are facing a massive depopulation; • Migration of skilled labour force; • Low share of population with higher/university education, especially in the Bulgarian CBC region; • Social development indices for the CBC area in Turkey is lower than Turkey's and TR21's average.

Cultural and historical heritage	• Rich, unique and diverse historical and cultural heritage and traditions; • There are tangible and intangible cultural heritage elements / sites registered UNESCO's representative list situated in the CBC area; • The Cultural Corridor Diagonal road (connecting South East Europe to Asia) passes through the territory of the cross-border region; • Rich natural heritage with unique flora and fauna.	• The differences between the administrative systems in the two countries are an obstacle for joint measures concerning preservation of natural and cultural heritage; • • Low level of popularisation of the rich cultural and natural heritage.

Field	Opportunities	Threats
Geography	• Existing natural potential for development and diversification of different forms of tourism; • The geographical specificity is an important competitive advantage.	• The overall development of rural areas lagging behind, due to their peripheral and isolated location; • Security and humanitarian concerns due to irregular migration.
Economy	• Transition to circular economy, reduction in the resource and energy dependency as well as reduction and recovery of waste; • Regional potential for diversification and promotion of alternative tourism facilities - cultural and wine tourism; • Diversification of the available tourist products and services; • Increasing the share of SMEs in employment and production; • SMEs development and direct support could lead to further economic development of the co-operation area; • Establishing a strong cohesion between business, science and education through contemporary hubs promoting start-up innovation export-oriented companies with a high added value products; • Orientation towards high-technology manufacturing activities in the primary and secondary sectors of the economy; • Applying innovative aproaches (digitization, innovative industries); • Expected qualified labour flow to the region due to	• Economic disparities, mainly between urban and rural areas; • Increasing pressure of the global competition; • Low technological level of the economy; • Vulnerability to national and world wide financial and economic crisis; • Vulnerability of micro and small enterprises, as well as and tourism sector to the negative consequences of world-wide pandemic situations; • Problems associated with crime and security may influence negatively the tourism sector; • Weak awareness on energy efficiency.

	developing tourism, service and industry sectors; • Increasing investment opportunities in the cross-border area due to improved migrant management practices.	
Infrastructure	• Planned big scale public investments in transportations in Turkey focused on high speed train railways and highways; • Construction of new, replacement and/or reconstruction and modernisation of the water supply networks and facilities; • Completion of the construction and/or reconstruction and modernisation of the sewerage systems and WWTP.	• Deterioration of the environment because of delayed waste-water recovery and treatment; • Landfilling of municipal waste is still the most common method for treatment of municipal waste in both countries; • Kırklareli has disadvantages for being out of main transportation routes; • Current insufficient capacity of the hotels of the Turkish part of CBC area; • Insufficient capacity of the urban infrastructure.
Environment	• Cross-border cooperation for sustainable use and management of natural resources of mutual interest; • Existing rich biodiversity as a precondition for diversification of tourism sector, development of eco-tourism; • Increase in the national financial resources to invest in environmental protection and construction of infrastructure for environmental services; • Involving the population into the environmental protection efforts; • Direct support of SMEs dealing in the sphere of green and blue economy; • Implementation of innovative technology solutions, including in the energy sector; • Potential for renewable energy sources power in the region;	• Existence of areas with significant potential for flood risk; • Unsystematic use of natural resources; • Deterioration of bio-diversity; • Ongoing resistance of the local communities to the construction of regional landfills and waste recovery installations in Bulgaria; • Inefficiency in water resources management and flood protection interventions; • Mass tourism as major danger for landscapes, natural habitats and ecological corridors.

	• Utilisation of the territories with "clean" environment to pursue recreation activities and organic farming; • Possibilities for better public awareness in terms of environment protection measures.	
Social Development and Labour market	• Actions supporting migration management and other measures enhancing the security of the region; • Ensuring equal access to health services; • Creating prerequisites for successful fulfilment of young people's potential; • Attracting young teachers to the educational system; • Maintenance and utilisation of sport halls and facilities; • Cross-border initiatives and exchange of know-how between institutions; • Development of labour skills and opportunities; • Possibilities qualified labour flow to the region due to developing tourism, service and industry sectors; • Cooperation among educational institutions and businesses across the border.	• Poor employment opportunities in the rural areas and smaller settlements lead to concentration of business activities and employment opportunities mainly in the bigger towns; • Insufficient provision of healthcare service in BG; • Vulnerability of healthcare systems to the negative consequences of world-wide pandemic situations; • Increased demand to extension healthcare due to higher share of older population in Bulgaria; • The number of refugees accepted by both countries has grown during the recent years (especially on Turkish side) which has a potential to burden the social and health system; •
Cultural and historical heritage	• The cultural and historical heritage, both movable and immovable, presents an important potential for cross border development from the social, economic and environmental aspect; • Organising of joint cultural activities; • Possibilities for development of cultural and historical corridors; • Direct support of SMEs and diversification of tourism sector.	• Insufficient financial support for cultural activities, the institutions, and cultural and historical heritage; • The lack of restoring archaeological sites prevents an efficient usage of the region's cultural and tourism potential; • Low integration of the cultural and historical heritage in the tourism product development.

4. CONCLUSIONS

Given the above territorial and SWOT analyses conclusions can be drawn on the most relevant spheres and ways of intervention which will contribute most in tackling the needs and opportunities of the cross border region. In general both, strategic and competitive approaches for project selection, are appropriate to be applied depending on the concrete objectives to be addressed.

Taking into account the economic development of the border area as well as the significant unfavourable economic and social effects of COVID-19 health crisis, the CBC programme is considered as most suitable in supporting local businesses in peripheral and border regions for overcoming the negative consequences of the pandemic. Given the fact that most affected from the crisis are the micro and small enterprises typically having insufficient capital and poor development potentials, a direct support to SMEs is more appropriate than the usual indirect support from the current and previous programming periods. The most suitable way for providing the above support is through a competitive approach – open calls or other financing tools which provide a possibility for simplified procedures and absorption of funds (such as Small Project Fund).

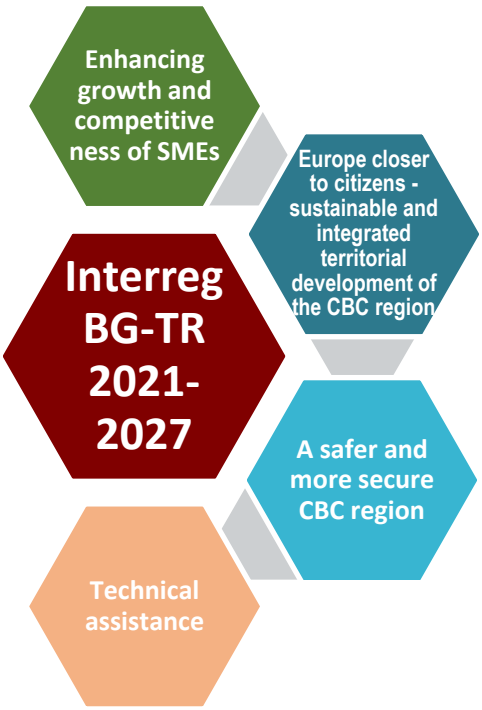
For avoiding uncoordinated, dot-like investments a more integrated territorial approach is desirable based on the needs and competitive advantages of the region. For the last two programming periods the limited resources of the programme were directed to scattered sectoral investments based on open calls where coordination with the local territorial needs is not sufficient. For the future programme high attention shall be given to the specificities of the territory and an integrated approach to address the local needs and priorities. Such an approach will support the regional economies through dedicated measures which will exploit the full potential of the region. Smart integrated investments for fostering the territorial development and in particular local economy would bring high added value and ensure the leverage effect of the funds. . Based to art. 3 (1) of the draft Interreg regulation for the programing period 2021-2027 the overarching principle of the cross-border cooperation programmes is to promote integrated regional development. In that respect PO5 “A Europe closer to citizens” is deemed most relevant for the thematic concentration of the future programme based on a common territorial development strategy.

Taking into account the geographic location of the cross-border region and its strategic position as a gateway to Europe the Bulgaria-Turkey INTERREG programme is suitable to provide support for joint actions in the fields of INTERREG specific objective 2 “A safer and more secure Europe”. Since the continuing social and political instability in the Middle East and Southern Asia may trigger intensive migrants flow on the EU external borders and the countries sharing borders with the EU at any time, there are continuous needs for improving institutional and technical capacity for adequate response to security and humanitarian challenges. As Frontex states out in its Risk Assessment report for 2020 , any perceived or actual deficiency in the migration management in the transit regions (like Turkey and Bulgaria) can result in much higher pressure towards the EU. The specific measures INTERREG specific objective 2 “A safer and more secure Europe” require a more strategic approach involving the responsible bodies in both countries. The efforts shall be focused on raising institutional and operational capacity of the police and other relevant public authorities in the cross-border area, improving their effectiveness and skills on migration management.

Having in mind that 2021 – 2027 Multiannual Financial Framework and Cohesion Policy Legal

Framework are still subject of negotiations, the final decision of the Joint Programming Working Group on the thematic concentration of the INTERREG Bulgaria - Turkey programme will be taken on one hand on the basis of the above conclusions and the agreements reached in the trialogues.

Considering the requirements regarding the thematic concentration and following the analysis of the strategic framework related to the next programming period and of the region's characteristics, needs and challenges that may be solved via cross-border cooperation the following scenario is proposed as a basis for the development of the BG-TR Programme strategy.



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