

THE ENI CROSS-BORDER COOPERATION PROGRAMME
POLAND-BELARUS-UKRAINE 2014-2020

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LIST OF ACRONYMS

AA	Audit Authority
AF	Application Form
BO	Branch Office
CCP	Control Contact Point
CBC	Cross-border Cooperation
ERDF	European Regional Development Fund
EC	European Commission
ENI	European Neighbourhood Instrument
EU	European Union
FAQ	Frequently Asked Questions
GoA	Group of Auditors
IB	Intermediate Body
IR	Commission Implementing Regulation (EU) No 897/2014 of 18 August 2014 laying down specific provisions for the implementation of cross-border cooperation programmes financed under Regulation (EU) No 232/2014 of the European Parliament and the Council establishing a European Neighbourhood Instrument
JMC	Joint Monitoring Committee
MA	Managing Authority
MS	Member State
NA	National Authority
NUTS	Nomenclature of Territorial Units for Statistics
OLAF	European Anti-Fraud Office
JOP	Joint Operational Programme
PMCS	Programme Management and Control System
RoP	Rules of procedures
SEA	Strategic Environmental Assessment
SME	Small and Medium-size Enterprise

1. INTRODUCTION

The ENI Cross-border Cooperation Programme Poland-Belarus-Ukraine 2014-2020 (Programme) operates under the framework of European Neighbourhood Instrument (ENI). It continues and expands the cooperation in the border areas of the three involved countries, which so far has been developed within the framework of the Neighbourhood Programme Poland-Belarus-Ukraine INTERREG IIIA / Tacis CBC 2004–2006 (Neighbourhood Programme) and ENPI Cross-border Cooperation Programme Poland-Belarus-Ukraine 2007-2013.

The Programme has been elaborated by the Joint Programming Committee (JPC), which consisted of representatives of central and regional authorities of the three countries. The programming process started in March 2013 when the first meeting of the JPC took place. In total seven meetings of the JPC were organized:

1. Warsaw, 6 March 2013
2. Lviv, 28-29 October 2013
3. Warsaw, 25 April 2014
4. Warsaw, 25 September 2014
5. Warsaw, 5 November 2014
6. Warsaw, 19-20 February 2015
7. Warsaw, 22 April 2015.

In addition to work of the JPC, three special Thematic Working Groups (TWG) were set up by Joint Programming Committee:

1. TWG on Large Infrastructure Projects, which met in Warsaw, 9 October 2014.
2. TWG on Strategic Objectives and Thematic Objectives, which met in Warsaw, 24 April 2014.
3. TWG on Technical Assistance (TA), which met in Warsaw, 26 March 2015.

On the 1st meeting of JPC its Rules of Procedures were adopted as well as the indicative plan and framework of the Committee's work. The 1st version of the socio-economic analysis for the new Programme was presented during the 2nd JPC meeting. The selection of the four Thematic Objectives (TOs) that Programme shall focus on were discussed during the 2nd TWG and approved during the 3rd JPC. On the same meeting the Programme area was also decided and nomination of the Managing Authority and Audit Authority. During their 4th meeting in the frame of JPC, representatives discussed the division of each TO into priorities. Then, the division of the Programme budget into four TOs as well as the construction of the LIP list to be included in the JOP were the crucial topics of the 5th JPC. Most of the fundamental decisions on the Programme institutional framework were taken during the 6th JPC meeting, during which also a list of the Programme indicators and details for implementation of the so called projects with small budgets were approved by representatives of three countries. The draft of the JOP for public consultation as well as the very organization of these consultation in all participating countries, together with the framework of the Technical Assistance budget for the new Programme, were approved on the 7th JPC.

The Programme has been drawn in a legal framework of the following documents:

- Commission Implementing Regulation (EU) No 897/2014 of 18 August 2014 laying down specific provisions for the implementation of cross-border cooperation programmes financed under Regulation (EU) No 232/2014 of the European Parliament and the Council establishing a European Neighbourhood Instrument;
- Regulation (EC) No 232/2014 of the European Parliament and of the Council of 11 March 2014 establishing a European Neighbourhood Instrument (ENI Regulation);

- Programming document for EU support to ENI Cross-Border Cooperation (2014-2020);
- Regulation (EU) No 236/2014 of the European Parliament and of the Council of 11 March 2014 laying down common rules and procedures for the implementation of the Union's instruments for financing external action;
- Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union.

Public consultations on the draft Programme document were organized in all Programme countries/regions. The draft Programme was posted on the websites of the MA and several meetings were organized in the regions covered by the Programme. The Programme was presented to local governments, social and economic partners, nongovernmental organizations, educational institutions and other potential beneficiaries as well as the national institutions responsible for sectoral policies. Suggestions from public consultations have been taken into account in the final draft of the Programme.

Strategic Environmental Assessment (SEA) was developed in dialogue between external environmental experts, the Managing Authority (MA), the JPC and the wider audience via public hearings and consultation events, arranged in all participating countries. In addition to the public hearings and consultations, the draft Joint Operational Programme (JOP) and the SEA were published on the website, which facilitated fluent accessibility to the draft documents from the whole Programme area. Feedback from public hearings and consultations, as well as comments received via internet have been taken into account and reflected in the final JOP.

In addition to the legal framework described above, separate financing agreements shall be signed between the Belarus and Ukraine and the European Commission after the JOP is adopted. These agreements set the basic joint principles for the implementation of the Programme.

The overall aim of the Programme is to support for cross-border development processes in the borderland of Poland, Belarus and Ukraine, in line with the objectives of ENI laid down in ENI Regulation.

As its both predecessors, the Programme is directed at Polish, Ukrainian and Belarusian border regions and all non-profit oriented institutions coming from these regions.

2. DESCRIPTION OF THE PROGRAMME AREA

The Programme is directed at Polish, Ukrainian and Belarusian border regions. It will be implemented on the area covering the NUTS3 units on Polish side (2008) and territorial units on the level of oblasts in Belarus and Ukraine.

The area of the Programme is divided into core and adjoining regions:

- **in Poland:**
 - core area subregions: Krośnieński and Przemyski (in Podkarpackie voivodeship), Białostocki, Łomżyński and Suwalski (in Podlaskie voivodeship), Białski and Chełmsko-zamojski sub-regions (in Lubelskie voivodeship), Ostrołęcko-siedlecki sub-region (in Mazowieckie voivodeship);
 - adjoining regions: Rzeszowski and Tarnobrzeski subregions (in Podkarpackie voivodeship); Puławski and Lubelski subregions (in Lubelskie voivodeship);
- **in Belarus:**
 - core area: Grodno and Brest oblasts;

- adjoining regions: Minsk Oblast (including the city of Minsk) and Gomel Oblast;
- **in Ukraine:**
 - core area: Lvivska, Volynska, Zakarpatska oblasts;
 - adjoining regions: Rivnenska, Ternopilska and Ivano-Frankivska oblasts.

In order to ensure the continuation of existing cooperation schemes applied in the frames of the ENPI CBC Programme Poland-Belarus-Ukraine 2007-2013, and with a view to contribute to the Programme's objectives, to bring substantial added value and achieve stronger CBC impact in the core eligible area, some territorial units adjoining to the Programme core regions were allowed to participate in ENI CBC Programme Poland-Belarus-Ukraine 2014-2020.

Despite the division of the area into core and adjoining regions, the institutions from both of these areas applying for the Programme funding will be treated equally. Core and adjoining regions will have equal opportunity to apply for the Programme financing.

The financing of the projects activities partially implemented outside of the Programme area will be also possible, provided that:

- the projects are necessary for achieving the Programme's objectives and they benefit the Programme area;
- the total amount allocated under the Programme to activities outside its area does not exceed 20 % of the Union contribution at Programme level.

The total area of territorial units consisting the Programme area amounts to 316.3 thousand km², comprising:

- Polish part of 75.2 thousand km² (including 17.9 thousand km² in adjoining regions);
- Belarusian part of 138.5 thousand km² (including 80.6 thousand km² in adjoining regions);
- Ukrainian part of 102.5 thousand km² (including 47.8 thousand km² in adjoining regions).

The length of the border between Poland and Belarus is 418 km, between Poland and Ukraine 535 km and between Belarus and Ukraine, the part of the border in the Programme area equals 205 km. The selected regions are coherent with the definition of the eligible regions in line with the *Programming document for EU support to ENI Cross-Border Cooperation (2014-2020)* (and NUTS3 division 2008). The map below presents the Programme area.



Map 1. Area of the Cross-border Cooperation Programme Poland - Belarus - Ukraine 2014-2020
(dark green – core area; light green – adjoining area)

The Programme area is inhabited by 20.9 million people (2013/2014), of which 6.2 million in the Polish part, 7.2 million in the Belarusian part and 7.5 million in the Ukrainian part.

The detailed information on the Programme regions in relation to their area, population and density is presented in the table below.

POLISH REGIONS	AREA (km ²)	NUMBER OF INHABITANTS	DENSITY (persons/km ²)
Main regions			
białostocki	5 132	510 785	99,53
łomżyński	8 818	407 497	46,21
suwalski	6 237	276 683	44,36
ostrołęcko-siedlecki	12 090	754 786	62,43
białski	5 977	307 475	51,44
chełmsko-zamojski	9 291	643 525	69,26
krośnieński	5 538	485 911	87,74

przemyski	4 292	396 312	92,34
subtotal	57 375	3 782 974	65,93
Adjoining regions			
rzeszowski	3 552	627 206	176,58
tarnobrzeski	4 464	619 865	138,86
puławski	5 633	491 459	87,25
lubelski	4 221	713 691	169,08
subtotal	17 870	2 452 221	137,23
total	75 245	6 235 195	82,87
Lenght of the border with Belarus and Ukraine - 953 km			
	with Belarus - 418	With Ukraine - 535	

Source: Demographic Yearbook of Poland 2014, GUS.

BELARUSIAN REGIONS	AREA (km ²)	NUMBER OF INHABITANTS	DENSITY (persons/km ²)
Main regions			
Hrodno	25 118	1 053 600	41,95
Brest	32 791	1 390 500	42,40
subtotal	57 909	2 444 100	42,21
Adjoining regions			
Minsk	39 900	1 407 200	35,27
Minsk city	349	1 929 300	5530,62
Gomel	40 400	1 424 200	35,25
subtotal	80 649	4 760 700	137,23
Total	138 558	7 204 800	82,87

Source: Национальный статистический комитет Республики Беларусь: Demographic situation in January-September 2014, <http://belstat.gov.by> (Accessed 1.10.2014).

UKRAINIAN REGIONS	AREA (km ²)	NUMBER OF INHABITANTS	DENSITY (persons/km ²)
Main regions			
Volynska	20 100	1 041 300	51,81
Lvivska	21 833	2 538 100	116,25
Zakarpatska	12 777	1 259 260	98,56
subtotal	54 710	4 838 660	88,44

Adjoining regions			
Ivano-Frankivska	13 928	1 382 658	99,27
Rivnenska	20 047	1 161 143	57,92
Ternopil'ska	13 823	1 070 792	77,46
subtotal	47 798	3 614 593	75,62
total	102 508	8 453 253	82,46

Source: <http://www.ukrstat.gov.ua/> (Accessed 1.10.2014).

Table 1. The area, population and density of the eligible regions in the Programme.

3. PROGRAMME STRATEGY

3.1 DESCRIPTION OF THE PROGRAMME STRATEGY

The Programme Strategy which is described below was adopted following the socio-economic analysis carried out on order of the MA (point 3.2.1 below), in which the common national and regional priorities of the participating countries and their regions were identified. It is also based on the experience from the current programming period (point 3.2.3 below). The Programme Strategy takes also into account the opinions of the various stakeholders on the common needs and challenges the Programme area is facing. It finally reflects the decisions taken by JPC in order to focus on the thematic areas in which the participating countries can address common problems and deal with the joint assets,

The overall aim of the Programme is to support for cross-border development processes in the borderland of Poland, Belarus and Ukraine. The Programme Strategy responds to the national and regional strategies of socio-economic development which shall be implemented by the strategic objectives of the Programme. The Programming document 2014-2020 sets out three ENI CBC strategic objectives for CBC activities:

- A. Promote economic and social development in regions on both sides of common borders
- B. Address common challenges in environment, public health, safety and security
- C. Promotion of better conditions and modalities for ensuring the mobility of persons, goods and capital.

The Programme contributes to all of the above mentioned strategic objectives and to the identified regional needs by financing the implementation of non-commercial projects referring to the following four TOs and devoted to them priorities:

1. Promotion of local culture and preservation of historical heritage (TO3)
 - Priority 1.1 Promotion of local culture and history
 - Priority 1.2 Promotion and preservation of natural heritage
2. Improvement of accessibility to the regions, development of sustainable and climate-proof transport and communication networks and systems (TO7)
 - Priority 2.1 Improvement and development of transport services and infrastructure
 - Priority 2.2 Development of ICT infrastructure
3. Common challenges in the field of safety and security (TO8)
 - Priority 3.1 Support to the development of health protection and social services

Priority 3.2 Addressing common security challenges

4. Promotion of border management and border security, mobility and migration management (TO10)

Priority 4.1 Support to border efficiency and security

Priority 4.2 Improvement of border management operations, customs and visas procedures

3.1.1 PROMOTION OF LOCAL CULTURE AND PRESERVATION OF HISTORICAL HERITAGE (TO3)

TO3 aims at preserving and promoting the cultural and historical heritage of the cross border region's countries, strengthening of cultural links and cooperation, improving the region's image and attractiveness, and increasing the vitality of local communities. Presence of well-maintained cultural and natural heritage objects is closely linked to the development of cross border tourism. Therefore, tourism has been defined as a sector with the highest potential to become one of the main income generating sectors and a growing source of employment and investment, especially in coastal and rural areas. To better use the regional heritage and increase the number of incoming and local tourists various cultural and natural sites need improvement and the tourism infrastructure shall be further developed. Support under the two Priorities of TO3 will therefore focus on development of cross border cultural, historical and natural potentials, as well as at development of cross border tourism. Priorities will concentrate on improving the physical state of culture and heritage "objects" as well as on "soft" activities. The development of physical infrastructure shall be supported by strengthening contacts and networks among the stakeholders in culture and tourism sectors. In addition, tourism attractiveness and sectoral growth are strongly influenced by the diversity and quality of tourism services, the region's image and a proper seasonal spread of tourism activities. Therefore activities aiming at promotion and diversification of tourism products will also be covered by this TO.

Actions within TO3 shall also include financing projects with small budget (small projects). The minimum single grant value for such project shall not be smaller than 20 000 EUR and it cannot be higher than 60 000 EUR. More details on the small projects implementation is provided in the chapter dedicated to the implementation of the Programme.

Support under TO3 will contribute to Strategic Objective A "Promote economic and social development in regions on both sides of common borders" of ENI CBC.

Priority 1. Promotion of local culture and history

Proposed indicative actions within the priority:

- Joint initiatives and events regarding promotion and preservation of local culture and history;
- Joint projects to support, promote and preserve the traditional crafts and skills;
- Joint projects promoting tourism values;
- Joint projects concerning preparation and realization of investments in tourist infrastructure and services increasing the use of cultural heritage in the tourism (e.g. cycle routes, educational paths, etc.), including complementary tourist infrastructure to facilitate the use cultural heritage (e.g. bike racks, signage, infrastructure for people with special needs etc.);
- Joint creation of tourist products respecting the need to protect the cultural heritage;
- Stimulating cooperation between institutions in the field of historical and cultural heritage (exchange of best practices, joint trainings and other related capacities);
- Conservation, preservation and adaptation or development of cultural heritage for tourism purposes and social, cultural, educational and other community purposes;

- Joint training of staff and exchange of staff aiming at increase of capacities in the field of cultural and historical heritage management, development of joint tourism products and services, marketing of the heritage resources of Programme area and other related capacities.

Priority 2. Promotion and preservation of natural heritage

Proposed indicative actions within the priority:

- Joint initiatives and events regarding promotion and preservation of natural heritage;
- Joint creation of tourist products referring to promotion and protection of the natural heritage;
- Joint development of skills and cooperation between local and regional authorities in the field of natural resource management;
- Common development of cross-border strategies for preservation and use of natural sites, areas, and landscapes;
- Stimulating cooperation between institutions in the field of natural heritage protection (exchange of best practices, joint trainings);
- Joint investments in the environmental infrastructure particularly in waste and water management in order to preserve natural heritage;
- Conservation, preservation and adaptation or development of natural heritage for tourism purposes and social, cultural, educational and other community purposes;
- Joint training of staff and exchange of staff aiming to increase the capacities in the field of natural heritage management, development of joint tourism products and services, marketing of the heritage resources of Programme area and other related capacities;
- Construction, reconstruction or modernization of infrastructure increasing the use of natural heritage in the tourism (e.g. bike paths, nature trails, etc.), including complementary tourist infrastructure to facilitate the use natural heritage (e.g. bike racks, signage, infrastructure for people with special needs etc.).

The implementation of Large Infrastructure Projects (LIPs) related to the modernization of the historic architectural objects is also foreseen under TO3 (the list of all LIPs to be financed in the annex **no. ...**).

3.1.2 IMPROVEMENT OF ACCESSIBILITY TO THE REGIONS, DEVELOPMENT OF SUSTAINABLE AND CLIMATE-PROOF TRANSPORT AND COMMUNICATION NETWORKS AND SYSTEMS (TO7)

The region is characterized by the weak connectivity and insufficient communication networks and systems which hamper the cross-border contacts and impede transit traffic, and in consequence cripple the region's attractiveness for investors. Some support was provided to alleviate these deficiencies by the predecessor Poland-Belarus-Ukraine ENPI Programme 2007-2013, nevertheless the needs in this respect remain noticeable. Therefore, TO7 shall finance actions related to improvement of transport accessibility, development of environmental-friendly transport, construction and modernization of communication networks and systems and improvement of the informational and communication infrastructure on the Programme area.

Implementation of the TO7 will be complementary to the activities foreseen under TO3 through the improvement of the communication and informational accessibility within the tourism sector and access to the cultural and natural heritage sites. The activities planned under TO7 will be complementary also to these implemented under TO8, as far as access to the security/safety services as well as health services is concerned (eg. shortening of the reaction time of safety/security/health services).

The focus should be on development of local roads offering important cross-border effects and influence. Equally important is to integrate various transport modes and transport operators to make the passenger and cargo transit through the Programme area faster and more customer-oriented. All initiatives and efforts improving transport accessibility shall be based on environmentally friendly solutions.

Comparatively distanced and peripheral locations of many parts of the Programme area hinder the full usage of their potential. The activities carried out within the TO shall improve the connectivity and information flow between regions, concurrently contributing to the economic growth and enhancing socio-economic cohesion of the Programme area. Support under TO7 will contribute to Strategic Objective C “Promotion of better conditions and modalities for ensuring the mobility of persons, goods and capital” of ENI CBC.

Priority 1. Improvement and development of transport services and infrastructure

Proposed indicative actions within the priority:

- Joint investments in the quality and accessibility of the social and economic infrastructure, with a focus on transport, logistic systems, transport safety;
- Common development of multi-modal transport systems;
- Joint developing and improving the quality of existing communication links;
- Joint preparation of feasibility studies of transport systems;
- Joint initiatives on promotion of the sustainable passenger and freight transport;
- Common projects on improvement of the mobility of persons and goods;
- Joint actions aimed at supporting the sustainable development of cities and regions;
- Developing and improving environmentally friendly low-carbon transport systems (including reducing noise level).

Priority 2. Development of ICT infrastructure

Proposed indicative actions within the priority:

- Joint initiatives on development and improvement of the quality of existing ICT infrastructure;
- Joint projects on preparation of feasibility studies related to creation of broadband networks;
- Common creation of broadband networks.

The implementation of LIPs related to the building/modernization of the transport infrastructure having the cross-border importance is also foreseen under TO7. (the list of all LIPs to be financed in the annex **no. ...**).

3.1.3 COMMON CHALLENGES IN THE FIELD OF SAFETY AND SECURITY (TO8)

Peripheral border areas are characterised by a low quality of life of their residents, in a number of aspects ranging from difficult material conditions and worse access to the labour market, through the insufficient provision of social infrastructure to the poor access to the health services.

The implementation of the TO8 shall serve the improvement of the quality of life of the Programme area inhabitants through the facilitation of the access to health, the counteraction of the spread of diseases across the borders as well as the development of the social services and labour market, along with the unemployment minimization. Support under TO8 will contribute to Strategic Objective B “Address common challenges in environment, public health, safety and security” of ENI CBC.

Priority 1: Support to the development of health protection and social services

Proposed indicative actions within the priority:

- Joint initiatives on enhancing the access to health;
- Joint actions aimed at preventing the spread of human, animal and plant diseases across the borders;
- Joint initiatives to support the development of public health;
- Joint initiatives to support the development of social services;
- Joint projects on stimulating cooperation between institutions in the field of fighting with unemployment.

Priority 2: Addressing common security challenges

Proposed indicative actions within the priority:

- Joint initiatives to improve the safety of users of the transport network;
- Joint initiatives regarding preparatory actions in case of natural and environmental disasters and emergency situations;
- Joint initiatives on prevention of natural and man-made disasters;
- Joint projects in the field of prevention and fight against organized crime;
- Joint actions regarding law enforcement, police and customs cooperation (exchange of intelligence information);
- Improving qualifications of the staff taking rescue actions and developing the ability to participate effectively in a joint response to incurred risks;
- Development of joint prevention, monitoring, response and disaster recovery systems.

The implementation of LIPs is also foreseen under TO8 (the list of all LIPs to be financed in the annex no. ...).

3.1.4 PROMOTION OF BORDER MANAGEMENT AND BORDER SECURITY, MOBILITY AND MIGRATION MANAGEMENT (TO10)

Implementation of this objective shall serve the enhancement of the effectiveness of the border infrastructure and procedures as well as the improvement of the border safety. The increased throughput capacity of the border crossings and their safety improvement condition the achievement of other Programme's objectives.

The removal of the administrative, institutional and infrastructural obstacles in the movement of goods, services and people through the borders are the conditions of the full usage and enlargement of the socio-economic potential of the Programme area. Under the TO10 the activities supporting the transparency and effectiveness of the customs and border clearance procedures will be supported. The aim of these activities needs to be the acceleration of the procedures and their expected effect – the faster and safer border crossing.

The activities related to the prevention and combating of illegal migration and smuggling, fight against the organized crime, counteraction of the spread of human, animal and plant diseases across the borders as well as the counteraction and elimination of illegal trade of rare and endangered species will be financed under the TO10. Moreover, the actions devoted to the small border traffic as well as the border services will be supported under the objective. Support under TO10 will contribute to Strategic Objective C "Promotion of better conditions and modalities for ensuring the mobility of persons, goods and capital" of ENI CBC.

Priority 1: Support to border efficiency and security

Proposed indicative actions within the priority:

- Joint initiatives on adaptation and extension of the existing border crossings for pedestrian and bicycle traffic;
- Joint initiatives on improving border-crossing infrastructure;
- Joint creation of a coherent system of signs and visual identification of border crossings;
- Joint projects regarding equipment of existing border crossings allowing streamlining of their operation;
- Joint development and modernization of border crossings' supporting infrastructure.

Priority 2: Improvement of border management operations, customs and visas procedures

Proposed indicative actions within the priority:

- Common initiatives to create the possibility of an accelerated clearance of travelers who rarely cross the border;
- Joint initiatives for facilitating border crossing procedures and training of border and customs services' personnel;
- Joint initiatives to increase transparency and efficiency of customs and clearance procedures;
- Joint initiatives to support border management in the field of prevention and combating of illegal migration and trafficking, the fight against organized crime.

The implementation of LIPs related to the modernization of the border crossing infrastructure is also foreseen under TO10 (the list of all LIPs to be financed in the **annex no. ...**).

3.1.5 LARGE INFRASTRUCTURE PROJECTS

According to article 2 (p) of IR a Large Infrastructure Project (LIP) means *“project comprising a set of works, activities or services intended to fulfil an indivisible function of a precise nature pursuing clearly identified objectives of common interest for the purposes of implementing investments delivering a cross-border impact and benefits and where a budget share of at least EUR 2.5 million is allocated to acquisition of infrastructure”*.

Within the Programme, LIPs are selected only through a direct award procedure and this procedure applies only to the LIPs. It means that these projects are awarded:

- to bodies with a *de jure* or *de facto* monopoly;
- for actions with specific characteristics that require a particular type of body based on its technical competence, high degree of specialisation or administrative power.

For these purposes, *de jure* or *de facto* monopoly means that the beneficiary (which also may be a consortium):

- has exclusive competence in the field of activity and/or geographical area to which the grant relates pursuant to any applicable law; or
- is the only organisation operating or capable of operating in the field of activity and/or geographical area to which the grant relates by virtue of all considerations of fact and law.

The LIPs to be financed within the Programme were selected and agreed by JPC. List of LIPs is enclosed in **annex no.....** No other projects may be selected through direct award procedure.

More details on the Large Implementation Projects implementation is provided in the chapter dedicated to the implementation of the Programme.

3.1.6 OBJECTIVELY VERIFIABLE INDICATORS

Achievement of the Programme will be measured by way of objectively verifiable indicators. Taking into account provisions of the ENI CBC IR, Programme includes, in particular:

- ✓ The expected results for each priority, and the corresponding **result indicators**, with a baseline value and a target value;
- ✓ The **output indicators** for each priority, including the quantified target values, which are expected to contribute to the results.

Some of output indicators come from the ENI CBC ‘**Common Output Indicators**’ developed by EEAS with the support of Interact ENPI project in order to increase accountability and facilitate reporting progress at instrument level.

THEMATIC OBJECTIVE	PRIORITY	OUTPUT INDICATOR	TARGET VALUE	RESULT INDICATOR	BASELINE VALUE / TARGET VALUE
TO 3 – Promotion of local culture and preservation of historical heritage	Promotion of local culture and history	- Number of improved cultural and historical sites as direct consequence of programme support (ENI/CBC 7) - Number of cross-border cultural events organized using ENI support (ENI/CBC 8)	•	Increased number of visitors of the historical heritage and cultural sites	•
	Promotion and preservation of natural heritage	- Number of cross-border events organized using programme support” - Number of promoted and/or preserved natural sites as direct consequence of programme support	•	Increased number of visitors of the natural heritage sites	•
TO 7 – Improvement of accessibility to the regions, development of sustainable and climate-proof transport and communication networks and systems	Improvement and development of transport services and infrastructure	- Total length of newly built roads (ENI/CBC 26) - Total length of reconstructed or upgraded roads (ENI/CBC 27) - Number of districts benefitting from modernized/created transport services and infrastructure	•	Decrease of travel/transportation time in the regions	•
	Development of ICT infrastructure	Number of partnerships established in order to develop the ICT	•	Increase in usage of ICT	•
TO 8 – Common challenges in the field of safety and security	Support to the development of health protection and social services	- Population covered by improved health services as direct consequence of the support (ENI/CBC 30) - Population benefiting from the newly created or improved social services	•	Enhanced access to health care and social services	•
	Addressing common security challenges	- Population benefiting from fire protection measures services as direct consequence of the support - Number of security institutions cooperating across the borders.	•	Reduction of waiting time for safety and security services response	•

TO 10 – Promotion of border management and border security, mobility and migration management	Support to border efficiency and security	Number of border crossing points with increased throughput capacity (ENI/CBC 35)	•	Acceleration of passengers and cars border clearance	•
	Improvement of border management operations, customs and visas procedures	Increased throughput capacity of persons on land border crossing points (ENI/CBC 38)	•	Increased efficiency of border clearance	•

3.2 JUSTIFICATION FOR THE PROGRAMME STRATEGY

The aim of the analysis is to diagnose the current condition of the economic, social and natural capitals in the border regions concerned. The data used were derived primarily from the national offices for statistics.

3.2.1 SOCIOECONOMIC AND ENVIRONMENT ANALYSIS¹

Population and the settlement structure

Save for its Belarusian part, the core eligible area of the Poland-Belarus-Ukraine Programme is relatively densely populated and has a population of 12.4 million. In 2013, the population on the Polish side of the border totalled 3.783 million (34.2%), on the Belarusian – 2.444 million (22.1%), and on the Ukrainian – 4.839 million (43.7%), which corresponds to the population density at a level of 65.9 residents/km² in Poland, 42.2 residents/km² in Belarus and 88.4 residents/km² in Ukraine.

The major cities on the Polish core area side are: Białystok (295 000), Suwałki (69 000), Łomża (63 000), Ostrołęka (54 000), Siedlce (77 000), Biała Podlaska (58 000), Chełm (65 000), Zamość (65 000), Przemyśl (63 000) and Krosno (47 000). Altogether, these main urban centres represent 22,6% of the border region's population. The cities which play a key role in the Ukrainian settlement network are Lviv (757 000), and, though to a lesser extent, Lutsk (213 000) and Uzhhorod (116 000). The most notable smaller cities include: Mukachevo (82 000), Drohobych (80 000), Chervonohrad (70 000) and Stryi (62 000). The main cities on the Belarusian include Brest (311 000) and Grodno (314 000), whilst the remaining cities play a rather insignificant role, with the exception of Baranovichy (168 000), Pinsk (130 000) and Lida (98 000). It should be noted that a sizeable part of the population still live in rural areas, and the rate of urbanisation remains much lower than in Western European countries.

Economic capital

The eligible area of the Programme strongly varied in terms of affluence expressed as regional income per capita, which in 2012 was ca. EUR 9265 on the Polish side, ca. EUR 3294 on the Belarusian side and ca. EUR 1921 on the Ukrainian side of the border. These differences first and foremost expressed wide disparities observable between these three countries. In parallel, the border areas in all these countries were among the least developed regions, and in 2012 reached 68.67% of the national average on the Polish side (save for Mazowieckie Voivodship, which is the most developed in Poland and whose regional income per capita constitutes 165% of the national

¹ Sources of information for the analysis: <http://ukrstat.org/>, <http://www.belstat.gov.by>, <http://stat.gov.pl/>. Amounts set in national currency were converted into EUR by using exchange rates of the competent national bank at the beginning of the next year – 1st January.

average), 67.06% on the Belarusian side and 63.25% on the Ukrainian side. It should also be noted that in the period 2010-2012 the situation of the border regions was rather stable; their rate of growth did not differ significantly from the overall national figures. In addition real statistic data for Ukrainian regions at the moment of programme development (2014-2015) may be much worse due to the economic and political crisis in Ukraine, which started in 2014 and whose impact is acutely visible in the Ukrainian part of the eligible area.

The low development level can first and foremost be attributed to unfavourable economic structure, with a persisting high share of traditional labour-intensive sectors in gross value added (GVA), which ranged from 8.2% on the Polish side to 14.9% on the Belarusian side, as compared to the UE average of approximately 2.0%. The main difference between the individual components of the eligible area was the considerable industrialisation on the Belarusian side, with its 45% share of industry and construction in the regional income, as compared to approx. 28% and 21% in Poland and Ukraine, respectively, i.e. 5pp and 8pp less than the (respective) national averages. The structural changes in this regard were progressing rather slowly in the recent years. In the Polish part of the eligible area, they were manifested by the diminishing significance of agriculture and a growing share of industry, whilst in the Ukrainian part the significance of agriculture and industry was diminishing relatively fast, a process which was accompanied by an increasing role of the service sector.

The use of workforce was not very efficient in the eligible area, and was manifested by excessive employment in the unproductive agriculture sector. This was particularly true for the Polish part of the eligible area, where the share of employment in the primary sector surpassed 40%, as compared to over 21% in Ukraine and approx. 15% in Belarus. Relatively high unemployment was another problem, especially in the Polish part of the eligible area, which in 2012 ranged from 11.7% in the Lublin subregion to 17.4% in the Krosno subregion. Furthermore, since 2008 unemployment on the Polish side showed an upward trend. On the Ukrainian side of the border, the unemployment rate was considerably lower, oscillating between 7.7% and 9.6% and showing a great deal of stability in the recent years (with the exception of the Zakarpatska oblast, where it grew considerably). In contrast, according to the national statistics, unemployment did not pose a problem in the Belarusian part of the eligible area as it remained under 1% of the population able to work.

The eligible area did not attract any considerable volumes of foreign capital. It should also be noted that the countries participating in the Programme were not equally attractive for inward capital: in the period 2008-2012, Poland recorded an influx of USD 52 billion, as compared to Ukraine's USD 35 billion and Belarus' USD 10 billion. Nevertheless, the differences in the per capita values of invested capital were not significant, and amounted, respectively, to USD 1400, USD 800 and USD 1100. The share of the Polish part of the eligible area in the number of registered companies with foreign shareholdings was only 3.7%, but it increased noticeably in the recent years, from 3.4% in 2009. Nonetheless, there are only 5.3 entities with foreign shareholdings per 10 000 population, as compared to the national average of 19.5. Similarly, the Belarusian part of the eligible area attracted a mere 2.8% of all FDIs in 2012. In case of Ukraine, in total 4.41% of all FDI of Ukraine in 2012 were attracted by Ukrainian eligible regions.

To date, tourism has not been a sector of significance in the eligible area, with the exception of a few local systems. Domestic tourists made up the bulk of overall tourist traffic, with a rather insignificant role of foreign tourists, who accounted for 16% of tourists using accommodation facilities. Moreover, in 2012 the number of tourists with overnight stays per 100 residents was 33 on the Polish side (with a total of 60 000 beds), as compared to the national average of 55. In Ukraine, the number of tourists using accommodation facilities was comparable, and, depending on the oblast, ranged between 10 and 20 tourists per 100 residents. In Belarus, foreign tourism mainly had the form of organised tours, but the scale of this activity was rather limited.

The potential for endogenous development of the eligible area varied from country to country, which was due, amongst others, to different penetration rates of SMEs, including businesses run by individuals, in the respective border regions. In the Polish part of the eligible area, the number of business entities registered in the REGON system was approximately 395 000, which corresponds to 77 businesses per 1000 residents, as compared to 109 000 businesses in Ukraine, i.e. 23 businesses per 1000 residents, and to only 19 000 in Belarus, i.e. 8 businesses per 1000 residents. The degree of innovativeness of the regional economy in the Polish part of the eligible area was similar to that of the national economy, which was manifested inter alia by a similar percentage of those employed in the R&D sector. This can be explained by the improved situation in the Podkarpackie voivodship. Even so, while in the Polish part of the eligible area this percentage was 0.5%, it reached 0.2% in Ukraine and a meagre 0.1% in Belarus. This means that the border regions in the two eastern countries clearly lagged behind the country's core areas, notably the capital city regions.

The transport infrastructure is of special significance for the development of the border areas, also because of the need to service the transit traffic across the border. A number of major European transport corridors run through the eligible area. These include: No. 2 Berlin-Moscow (E30 road and E20 railway route); No. 3 Dresden-Kiev (E40 road and E30 railway route), as well as Road No. 17 Warsaw-Lviv; Road No. 12 Lublin-Kiev, Road No. 19 Białystok-Grodno, the Warsaw-Kiev and Warsaw-Lviv railway routes, and the LHS railway line No. 65 (wide-gauge track). It should be noted that, in the recent years, a number of investments were made in connection with these corridors, aimed to improve their quality and increase capacity. It should also be noted that the eligible area has a relatively high density of the road network, albeit with strong differences across the countries concerned. The road density in the Polish part of the eligible area is nearly two times as high as in the Belarusian and Ukrainian parts. Importantly, some of the existing road infrastructure still remains rundown and neglected, particularly in the Ukrainian part of the region concerned. The same can be said for the rail network, which in addition is losing in competition with the road transport, owing to long travel times and a low quality of the supporting infrastructure.

There are fourteen border crossings at the Polish-Ukrainian border handling regular passenger traffic, including six rail border crossings, and twelve such border crossings at the Polish-Belarusian border, including five rail border ones. The main streams of passenger traffic, however, are concentrated around several border crossings only. At the Polish-Ukrainian border, these were: Dorohusk, Hrebenne, Korczowa and Medyka (representing 77% of crossings), and at the Polish-Belarusian border: Terespol, Kuźnica Białostocka and Bobrowniki (representing 72% of crossings). The significance of rail border crossings except Terespol (ca. 650 000 crossings) for passenger traffic was only marginal, with the number of crossings ranging from 250 000 in Kuźnica Białostocka to 100 000 citizens per year in Dorohusk and Przemyśl. The most dynamic border traffic, at a level of 20 million crossings at the Ukrainian border, was recorded in the years 2006 and 2007. It fell to 11.6 million in 2009, to increase again up to 16.5 million in 2013. In the case of Polish-Belarusian border, the greatest volume of traffic, 13 million crossings, was recorded in 2000, and the subsequent years saw its gradual fall, down to a level of 7.2 million crossings in 2013. Nonetheless, the capacity of border crossings for all types of traffic is still insufficient, which leads to periodic bottlenecks, resulting in longer waiting times to cross the border.

Human and social capital

In the Polish part of the cross-border region, the number of the population in the recent years was constant, as opposed to that in the Belarusian and Ukrainian parts. In the period 2004-2012, the number of the population on the Belarusian side of the border decreased by over 5%, and on the Ukrainian side it fell by 1.4%. In the latter case, the fall in the number of the population resulted both from natural decrease (in the Ukrainian part, the decrease in 2004-2012 was -0.5%, and as much as -2.4% in the Belarusian part) and from emigration (in the period at hand, 22 000 residents emigrated

from the Belarusian part of the cross-border region, and over 28 000 – from the Ukrainian part). Migration was also a serious problem in the Polish part, but it was compensated by natural increase. In terms of the demographic structure, the relatively most favourable situation could be observed in the Polish part of the cross-border region, and the least favourable - in the Belarusian part. At the beginning of 2013, the share of the working-age population was, respectively, 63.9% in the Polish part, 46.44% in the Ukrainian part, and 79.05% in the Belarusian part. The year before, the highest share of the pre-working age population in the total number of the population was recorded on the Polish side of the border (19.3%), lower on the Ukrainian side (18.3%), and the lowest – on the Belarusian side (17.2%). In consequence, in the Belarusian and Ukrainian parts of the eligible area, there is a high share of the post-working age population, 21.2% in the Ukrainian part and 23.2% in the Belarusian part of the eligible area. By comparison, the situation in the Polish part of the cross-border region can be viewed as rather favourable, with 17.2% of the population in post-working age. Nonetheless, in a broader perspective, it should be concluded that even on the Polish side of the border the problem of population ageing is very acute and likely to worsen in the coming years.²

In the Polish and Ukrainian parts of the cross-border region, access to higher education is at a relatively good level (mainly thanks to the existence of academic institutions in Lviv, Lublin, Rzeszów and Przemyśl). In 2013/2014, there were nearly 52 students per 1000 population on the Polish side of the border, and nearly 36 on the Ukrainian side. Visibly lower values were noted in the Belarusian part of the cross-border region, with 25 students per 1000 population. However, the national statistics for Belarus are significantly better, and comparable with the results from Poland and Ukraine, which probably means that the residents of the Belarusian part of the cross-border region relatively frequently choose universities located outside of this area (most often in Minsk).

The level of human capital, measured by the share of the population with higher education, is relatively low in the Polish-Belarusian-Ukrainian cross-border region. On the Polish side of the border, only 13.7% (2011) of the population had higher education. In the Belarusian part of the eligible area, the respective value was similar, at a level of 13.8% (2009). Both in Poland and Belarus, the situation in the cross-border region was worse in that regard than the respective national average. For Ukraine, there are no statistics showing the educational attainment of the population at the regional level.

The development of social capital, measured by the number of registered NGOs, is markedly varied in the Polish-Belarusian-Ukrainian cross-border region. The highest share of NGOs in relation to the demographic potential was noted in the Polish part of the eligible area: in 2012, there were slightly over 30 NGOs per 10 000 population. In contrast, there were nearly twice as few NGOs on the Ukrainian side of the border (16.4 per 10 000 population). Both on the Polish and Ukrainian sides of the border, the third (non-governmental) sector developed dynamically in the recent years (in 2004-2012, the increase in the Polish part of the eligible area was 48%, and it reached nearly 80% in the Ukrainian part). The situation in that respect in the Belarusian part of the eligible area is completely different. Any thorough evaluation of the condition and significance of the third sector on the Belarusian side of the border is not possible due to the lack of relevant official statistics and analyses. However, on the basis of the number and structure of the beneficiaries of the CBC programmes implemented so far it can be concluded, that the NGO sector in Belarus is at a very low level of development.

In terms of public safety, the situation in the cross-border region was the most favourable on the Ukrainian side of the border (6.6 registered crimes per 1000 population in 2011) and somewhat less favourable on the Belarusian side (10.9). The highest number of crimes and offenses was registered

² Miszczuk Andrzej, Smętkowski Maciej, Płoszaj Adam, Celińska-Janowicz Dorota *Aktualne problemy demograficzne regionu Polski wschodniej. Raporty i Analizy EUROREG 5/2010*, s. 65.

in the Polish part of the eligible area (22). In 2004-2011, in the Polish and Belarusian parts of the cross-border region, the crime rate fell noticeably, but in the Ukrainian part the situation in that regard did not improve. It should be stressed, however, that these data show only crimes registered by competent authorities and that the actual scale of such phenomena is probably greater. In addition to that, the differences in the statistical data across countries may be due to the dissimilarities in the regulations of law and methodologies.

Natural capital

The area in question has outstanding environmental assets, associated mainly with the well preserved mountain, wetland and primeval forest ecosystems. Many national parks can be found here – eight on the Polish side of the border (of a total of 23 in the country), eight on the Ukrainian side (of 40) and two on the Belarusian side (of 4). The share of the area protected in this way ranges from 2.4% in the Polish part of the eligible area and 3% in the Belarusian part to 3.9% in the Ukrainian part, and is significantly higher than the respective national averages. Importance of some of these areas surpass the national scale, as demonstrated by their being inscribed on The Ramsar List of Wetlands of International Importance (4 areas in the Polish part and 4 in the Ukrainian part) and on the UNESCO Biosphere Reserve List (5 areas). In the latter case, cross-border cooperation is of cardinal importance. In 2012, the West Polesie Biosphere Reserve (Poleski NP, Szacki NP and the Nadbużańskie Polesie Reserve) was accorded the status of a transboundary Polish-Ukrainian-Belarusian reserve; in 1998, a similar status was granted to the Polish-Slovakian-Ukrainian East Carpathians Biosphere Reserve. Two more biosphere reserves protecting the Białowieża Forest/Belovezhskaya Pushcha are situated near the border, and were inscribed separately in the Polish and Belarusian UNESCO list. This area is also a natural habitat for many rare animal species such as the European bison, bear, wolf, lynx and elk.

The afforestation rate for the area in question is approximately 33% (as compared, on average, to 29.3% in Poland, 36% in Belarus and 15.6% in Ukraine), a considerable area is also occupied by lowland wetlands. Some of these ecosystems have been preserved on a scale unprecedented in Europe, particularly the Białowieża Forest/Belovezhskaya Pushcha, the Biebrza Wetlands and Polesie/Polesia. High-quality soils, found e.g. in the Lublin Upland and the Volhynia-Podolia Upland, are yet another important natural asset of the region in question. Nearly one-fourth of Poland's soils from the 1st and 2nd valuation class are found in the Lubelskie voivodship.

The major cross-border ecosystems include the Białowieża Forest/Belovezhskaya Pushcha, East Carpathians, Polesie/Polesia and the Bug River. The East Carpathians and Polesie/Polesia are protected by cross-border biosphere reserves, but some of the species which are under protection on the Polish side of the border do not enjoy such status on the other side of the border (e.g. wolf, elk, beaver). In the case of the Carpathians, the most serious threats include the growing human pressure caused by the increasing volume of tourist traffic and development of infrastructure, and illegal logging (in the Ukrainian part). In case of the Białowieża Forest/Belovezhskaya Pushcha, there is also a problem of dissimilar protection status of migrating animals. Due to the unique nature of the Forest, some opinions are also voiced that the Forest is not sufficiently well protected. On the Polish side of the border, only 16% of the Forest's area is covered by the Białowieża NP; on the Belarusian side, the entire Pushcha is protected as a national park, but with a lower protection regime than in Poland's national parks. The Bug River is Poland's border along a distance of 363 kilometres, and its drainage basin covers an area of 39 400 km² (19 400 km² in Poland, 10 800 km² in Ukraine and 9200 km² in Belarus). Water quality in the river is moderate along its central section, and poor along its lower section, due to an insufficient degree of municipal waste treatment and run-off from the farmland. Flood threat is another issue; this problem is the most acute during the thawing period and in those places where the river valley is relatively narrow.

There are various environmental hazards in the area concerned, linked predominantly to water and air pollution and characteristics of energy sector. Water pollution is associated with a relatively poorly developed water management infrastructure. The share of the population served by sewerage system is 67% in the Belarusian part of the eligible area (and 73% for the whole of Belarus) and 60% in the Polish part (with 66% for the whole of Poland); there are no detailed statistics for Ukraine. Both in case of Ukraine and Belarus the insufficient quality and overload of sewage treatment plants remains an important challenge. The level of development of the water management infrastructure remains less advanced than is the case in the remaining parts of the respective countries, but the situation is improving relatively fast. For instance, in the period 2007-2011, 3700 km of new sewage network was put into operation in the Polish part of the eligible area, which represented 12% of such investments nationally. Currently, the capital expenditure on environmental protection projects totalled EUR 55 per capita in the Polish part of the eligible area, as compared to EUR 17 on the Belarusian side. These values represented, respectively, 72% and 164% of the average national values. The positive result in the Belarusian part of the eligible area can be viewed as a consequence of a consistent increase in the expenditure made, starting from a level of 24% in 2005.

Air pollutants emission per capita is the highest in the Ukrainian part of the eligible area, at 31 kg, as compared to 27 kg in the Belarusian part and 14 kg in the Polish part. These values indicate a higher level of industrialisation in the Ukrainian and Belarusian parts of the eligible area. In the border belt, the major industrial centres which are significant sources of pollution are mainly found in the Lviv-Volhynia Coal Basin and in Grodno (nitrogen fertilizer plant), and in Poland (on a smaller scale) – in the vicinity of Chełm (cement industry). Planned investments in the energy sector can potentially exert a negative impact on the natural environment: Belarus' first nuclear power plant is being built in the north-eastern part of the Grodno oblast, while gas from unconventional sources is planned to be extracted in Poland's Roztocze.

The character of the energy sector is of cardinal importance for the natural environment. In the Polish part of the eligible area, coal-fired power plants prevail, although none of the three border voivodships is self-sufficient in terms of energy provision. In case of the Podlaskie voivodship, only 30% of the demand is satisfied by power generated locally. At the same time, renewable power sources are best developed there, mainly wind power plants. Renewable energy sources are also significant in the Podkarpackie voivodship (hydro-plants). Gas-fired power plant in Belaażyorsk (over 1000 MW) is the main energy source in the Belarusian part of the eligible area. Renewable energy is only in a nascent state; in 2011, the country's first wind farm (1.5 MW) was put to operation in the Grodno oblast, and in 2012, a 17 MW hydro-plant was launched. One 600 MW hard coal-fired plant operates in the Ukrainian part of the eligible area. Renewable energy is not well developed, with the only significant source of this type being a 27 MW hydro-plant in the Zakarpatska oblast.

Culture

Joint cultural heritage is one of the crucial strengths of the region. Culture has been one of the most popular fields of cooperation in 2007-2013 edition of the Programme, especially among the local communities initiatives. Regional culture and heritage has been, generally, conceptualised in a forward-looking way namely by tangible and intangible cultural heritage. Numerous monuments, including some of global significance, and many forms of intangible culture provide development advantages not only for tourism but also for local communities living in the area. Cultural infrastructure is abundant (theatres, operas, cinemas, libraries, local cultural centres), but requires money for essential upgrading.

Cultural events were and are also the form of maintaining national or regional identity.

Cultural heritage is also one of the crucial factors boosting the tourism industry in the region. Culture is therefore seen as one of the key elements to tackle the regions problems on outmigration.

3.2.2 SWOT ANALYSIS

Based on the completed diagnosis and the analysis of cross-border interactions discussed in the first part of the Report, strengths and opportunities, possibilities and limitations relating to cross-border cooperation can be identified, as well as opportunities and threats which might arise in the external environment, viz. (weights in brackets – 100 in each category, representing the relative significance of the given issue):

STRENGTHS:

- Development of regular trade exchange that is replacing trading in open-air marketplaces (45);
- Well-developed socio-cultural cooperation, largely reflecting the potential of the border regions in this sphere (25);
- Interest in developing institutional cooperation, expressed by partners on both sides of the border (15);
- Numerous cross-border ecosystems with significant environmental assets (15).

WEAKNESSES:

- Border regime associated with the external border of the European Union, with various dysfunctions that occur at border crossings and which considerably hamper cross-border interactions (35);
- Differences in the legislative and institutional systems, which hinders the development of cross-border cooperation (25);
- Underdevelopment of technical infrastructure (transport and border crossings), which poses a barrier to the development of cross-border interactions (15);
- Noticeable cultural barriers (including negative stereotypes), which obstruct the development of cross-border cooperation (10);
- Cross-border environmental pollution, particularly in the drainage basin of the Bug River (10);
- Wide disparities in the level of economic development, which does not facilitate the development of cross-border cooperation (5).

POSSIBILITIES:

- Existence of large cities in the eligible area, which opens up possibilities for endogenous development based on stimulating entrepreneurship and innovation (30);
- Existence of higher education institutions, which opens up possibilities for the development of academic and research cooperation and student exchange (25);
- Potential for the development of tourism, also inbound tourism, in selected local systems (20);
- Potential for the development of logistics functions associated with the transit location (20);
- Improved quality of human capital, providing the basis for socio-economic development and cross-border cooperation (5).

LIMITATIONS:

- Low competitiveness of the border regions caused by an unfavourable economic structure and ineffective use of the labour resources (35);
- Low attractiveness of the border regions for inward capital (20);
- Poorly developed transport infrastructure, including inefficient use of the potential of rail transport (20);

- Lack of a local border traffic (LBT) agreement with Belarus (15);
- Population ageing, particularly on the Belarusian and Ukrainian sides of the border (10).

OPPORTUNITIES:

- Development of trade exchange between the European Union, Belarus and Ukraine (80);
- Alignment of the legislative and institutional systems of Poland and the neighbouring countries (20).

THREATS:

- Little progress in the processes of integration with the European Union in the neighbouring countries (40);
- Metropolisation processes leading to diminished significance of peripheral areas (30);
- Unfavourable geopolitical situation (30).

3.2.3 LESSONS LEARNT

The ENI CBC Programme Poland-Belarus-Ukraine 2014-2020 builds on experience of cooperation between Polish, Belarusian and Ukrainian local, regional and national governments in the eligible area that started to develop actively in the 1990s. Cross-border co-operation from the very outset has concentrated on the common problems of the neighbouring regions and aimed at making the regions more competitive and attractive.

Within Neighbourhood Programme Poland - Belarus - Ukraine INTERREG III A / Tacis CBC 2004-2006 158 projects were implemented with the total value of ERDF and Tacis of 44 million EUR. The ENPI Cross-Border Cooperation Programme Poland-Belarus-Ukraine 2007-2013 with the budget of 186 million EUR for cross-border support resulted in 117 projects.

Although a lot has been done, the main conclusions from the analysis of the Polish-Belarusian-Ukrainian border region remain similar to those presented in previous years. Programme should still focus on the increase in the economic development in its area, on improvement in tourist, transport, border and environmental protection infrastructure, on social awareness increase of population.

Regardless of the fact that the ENPI CBC Programme Poland-Belarus-Ukraine 2007-2013 has not been finished at the stage of preparation of the ENI CBC Programme Poland-Belarus-Ukraine 2014-2020, some key issues for the successful Programme implementation have already been identified and will be taken into account for the new period:

- Close involvement of and cooperation between the national/regional authorities is essential at every stage of Programme implementation process;
- The full structure of all Programme bodies (especially of the Intermediate Body and both Branch Offices) should be set up as soon as possible in order to support the potential applicants with development of projects at an early stage;
- Although all official Programme documents are in English, manuals, instructions etc. should be prepared and be available in national languages before contracting process;
- Electronically submitted version of the Application Form should be allowed in order to streamline the application procedure and to more efficiently organize projects evaluation process;
- Capacity building measures should be provided not only to beneficiaries but also to Programme bodies involved in project management and control. Trainings shall be conducted in national languages and organized in all the Programme regions;
- Umbrella structure for micro-projects turned out to be too complicated and had several weakness which shall be improved;

- The delay in launching the Programme shortened its implementation period which limited the projects possibilities to prolong their implementation in case of delays and to use savings.

Nevertheless, it should be stressed the main lesson learnt from the programmes of the previous financial perspectives, both from the programming period which is now coming to an end, and from the period 2004-2006 clearly demonstrate that joint cross-border initiatives play an important role in building good neighbourly relations between the residents of the border areas, provide opportunities for acquainting the neighbours living on the other side of the border and help enhance mutual understanding. The cross-border cooperation programmes are useful in addressing common challenges and solving common problems of trans-border character, i.e. in the field of the environment, transport, etc. In addition, the projects can help establish lasting contacts and lay the foundation for collaboration as part of larger-scale initiatives, also those funded from other sources than CBC programmes.

3.2.4 COHERENCE WITH OTHER PROGRAMMES, STRATEGIES AND POLICIES

The Programme is intended to continue cooperation in the border region of Poland, Belarus and Ukraine which was earlier developed under the Cross-border Cooperation Programme Poland – Belarus – Ukraine 2007-2013.

The Programme thematic objectives comply with the *Programming document of the for the EU support to ENI Cross-Border Cooperation (2014-2020)*. It should be pointed out that the Programme puts emphasis on enhancing integration in the cross-border region while striving to support the cultural, historical and natural heritage preservation, improve transport accessibility of the regions, address the common challenges in the field of safety and security and promote the border management.

The Programme TOs and priorities are complementary to the wider development priorities of the three countries which territories fall into the Programme area. The Programme is fully compliant with the following national strategies:

- *National Development Strategy 2020* (Poland);
- *Long Term Development Strategy. Poland 2030 – the Third Wave of Modernity* (Poland);
- *National Regional Development Strategy 2010-2020: Regions, Cities, Rural Areas* (Poland);
- *National Spatial Development Concept 2030* (Poland);
- *Sustainable Development Strategy “Ukraine-2020”* (Ukraine);
- *National Regional Development Strategy for the period up to 2020* (Ukraine);
- *National Strategy for Sustainable Socio-Economic Development of the Republic of Belarus for the period up to 2030* (Belarus).

The National Development Strategy 2020 was adopted by the Council of Ministers of the Republic of Poland on 25 September 2012. This is the main strategic document in the medium-term perspective, based on a sustainable development scenario. It defines strategic tasks for Poland, crucial for expediting the development process in the next few years. This document defines three strategic areas (effective and efficient state, competitive economy, social and territorial cohesion) on which the main operations should be focused. The Programme fits into the abovementioned strategic area, especially focusing with its intervention on competitive economy and territorial cohesion.

The Long Term Development Strategy. Poland 2030 – the Third Wave of Modernity, accepted by the Council of Ministers on 5 February 2013, was developed in years 2011-2012 as an answer to

financial crisis. Its main goal is aimed to improve the quality of life of Polish thanks to stable, high economic growth. The main goal of the Strategy should be reached thanks to three strategic areas: competitive and innovative economy, balancing of development potential of Polish regions, effectiveness and efficiency of the state. The Programme places emphasis especially on balancing of development potential of Polish regions while striving to improve transport accessibility and regional development.

The National Strategy of Regional Development 2010-2020: Regions, Cities, Rural Areas - document adopted by the Polish Council of Ministers on 13 July 2010. The document strengthens the role and importance of regional policy in the implementation of the most important development activities related to the spatial aspects of development. It will ensure greater consideration of specific needs and potentials of individual areas of Poland under public policies.

National Spatial Development Concept 2030 approved by the Council of Ministers on 13 December 2011. The document combines spatial development with socio-economic development and formulates demands in order to restore spatial order and to improve spatial development in Poland. It sets out a spatial policy of Poland within the next twenty years. The document addresses current and future challenges faced by Poland, such as economic, demographic, climatic and those related to infrastructure. NSDC 2030 makes an assumption that the richness of Polish regions – urban and rural areas – is based on the use of their internal territorial assets such as natural and cultural heritage, economic potential and scientific innovation. NSDC 2030 offers measures aiming at reshaping Polish spatial development system in order to facilitate the development of each region and the country as a whole.

The Strategy for Sustainable Development “Ukraine-2020” was approved by the President of Ukraine on 12 January 2015. It determines goals and indicators of their achievement, as well as directions and priorities of state development. The purpose of reforms is to achieve the European standards of life and decent place in the world for Ukraine.

The National Regional Development Strategy for the period up to 2020 was adopted by the Cabinet of Ministers of Ukraine on 6 August 2014. The Strategy presents the range of challenges that are currently affecting regional development of Ukraine. The main objective of the regional policy is defined as creation of conditions for increasing competitiveness of the regions, promotion of the balanced and sustainable development, introduction of advanced technologies, as well as facilitation of high productivity and employment of the population.

The National Strategy for Sustainable Socio-Economic Development of the Republic of Belarus for the period up to 2030 was adopted by the Presidium of the Council of Ministers of the Republic of Belarus on 10 February 2015. The strategic goal of sustainable development of the Republic of Belarus is to ensure high living standards of the population and conditions for the harmonious development of the individual on the basis of the transition to high-performance economy based on knowledge and innovation, while maintaining a favourable environment for future generations.

The Programme has been prepared and will be implemented in collaboration with the regions from the Programme area which hereby ensures conformity with the regional development goals and strategies, mainly with:

- *Podlaskie Voivodeship Development Strategy 2020 (Poland)*
- *Strategy of Development of the Mazowieckie Voivodeship till 2030 – Innovative Mazowsze (Poland)*
- *Development Strategy for the Lubelskie Voivodeship 2014-2020 (with a 2030 perspective) (Poland)*

- *Cross Border Cooperation Strategy of the Lubelskie Voivodeship, Lviv, Volyn and Brest Oblasts for 2014-2020 (Poland)*
- *Region Development Strategy – Podkarpackie 2020 (Poland)*
- *Strategy for Lviv Oblast Development until 2015 (Ukraine);*
- *The Strategy for Volyn Oblast Development until 2020 (Ukraine);*
- *Strategy for Regional Development of Zakarpattya Oblast until 2020 (Ukraine);*
- *Strategy for Rivne Oblast Development until 2020 (Ukraine);*
- *Strategy for Ivano-Frankivsk Oblast Development until 2020 (Ukraine);*
- *Strategy for Ternopil Oblast Development until 2015 (Ukraine);*
- *Programme of Socio-Economic Development of Brest region for 2011-2015 (Belarus);*
- *Programme of Socio-Economic Development of Grodno region for 2011-2015 (Belarus);*
- *Programme of Socio-Economic Development of Gomel region for 2011-2015 (Belarus);*
- *Programme of Socio-Economic Development of Minsk region for 2011-2015 (Belarus);*

Podlaskie Voivodeship Development Strategy 2020 adopted by the Regional Council of Podlaskie Voivodeship in 2006 and revised in September 2013. The Podlaskie Voivodeship is entitled as the “Gateway to the East”. The revised document puts stronger focus of public intervention on strengthening the region’s competitiveness and unblocking the growth processes by a fuller use of competitive advantages and development potential (concentrating attention on endogenous territorial features instead of exogenous investments and transfers, and opportunities for development are emphasised rather than barriers); a departure from the short-term model of top-down subsidy distribution to a model of long-term, decentralised development policies geared towards supporting all regions, regardless of how wealthy they are, by methods including mobilisation of local resources and funds in such a way that particular competitive advantages can be exploited without excessive reliance on domestic transfers and subsidies as well as a departure from diffused intervention towards more selective (concentrated) investments.

Strategy of Development of the Mazowieckie Voivodeship till 2030 – Innovative Mazowsze adopted by Sejmik of Mazowieckie Voivodeship on 28th October 2013 - is an expression of appropriate solutions for the region, and thus an indication of actions that could in the best way prepare the economy and society of the region to the needs and challenges of the future. The document is a response to the challenges that the region has to meet in order to improve the quality of life, reduce social exclusion and unemployment, to pursue a policy of territorial cohesion and policy of smart and sustainable development. The primary objective of the Strategy is territorial cohesion, defined as reduction of disparities in Mazowieckie development and growing importance of the Warsaw Metropolitan Area in Europe, which in turn will improve the quality of life of residents.

Development Strategy for the Lubelskie Voivodeship 2014-2020 (with a 2030 perspective) approved by the Regional Council on 24 June 2013. The 7 Strategic Intervention Areas (OSIs) are identified in the document. The Programme is consistent with the 3rd Strategic Intervention Area called “Border Areas”. The activities of this specific priority area aim to:

- develop logistics, border infrastructure, border services and social infrastructure;
- improve the safety;
- support human resources and enterprises;
- open new and develop existing border crossings and create seasonal border crossings.

Cross Border Cooperation Strategy of the Lubelskie Voivodeship, Lviv, Volyn and Brest Oblasts for 2014-2020 approved by the Regional Council on 30 April 2014. The general goal of the strategy is the increase of the socio-economic competitiveness of the cross border area by effective use of endogenous potentials and mitigating the limitations of the functioning of the external EU border.

Region Development Strategy – Podkarpackie 2020, adopted by Sejmik of Podkarpackie Voivodeship on 26th August 2013. It is the main strategic document determining directions and priorities of the regional development. Its main objective is efficient use of internal and external resources for intelligent and sustainable socio-economic development as the way to improve the quality of life of the inhabitants of the region. The following Strategic action areas of the Strategy are compliant with the Programme TOs:

- Competitive and innovative economy;
- Social and human capital;
- Settlement network;
- Environment and power industry.

The Strategy for Lviv Oblast Development until 2015 was adopted by the Lviv Oblast Council on 13 March 2007. The document is a strategic plan for development, which sets goals, tasks and priorities for development of Lviv Oblast for the indicated period. The main goal of the Strategy is to create opportunities for local residents, organisations and enterprises that would enable them to realise their interests, create well-paid jobs, make a profit and contribute to the regional budget.

The Strategy for Volyn Oblast Development until 2020 is the main planning document for regional development in long-term perspective. It is adopted by the Volyn Oblast Council on March 20, 2015. The Strategy sets goals and objectives of regional policy, and also tools for solving social problems and increasing the economic potential of the territories which will result in comprehensive improvement of social standards and quality of life. The following Strategy priority action areas are in compliance with the Programme TOs:

- Transport and infrastructure;
- Development of human capital;
- Support to projects in a field of culture;
- Promoting access to quality health services and providing healthy population;
- Facilitating tourism.

The Strategy for Regional Development of Zakarpattya Oblast until 2020 was adopted by the Zakarpattya Oblast Council on 6 March 2015. The document presents the strategic plan of regional development setting goals, tasks and priorities for development of Zakarpattya Oblast for the indicated period basing on national priorities.

The Strategy for Rivne Oblast Development until 2020 was adopted by the Rivne Oblast Council on 18 December 2014. The document describes strategic aims, priorities and courses of development of the region. Its main objective is to improve the living standards of Rivne region residents by implementing structural economic change, assuring sustainable economic growth and high quality of life.

The Strategy for Ivano-Frankivsk Oblast Development until 2020 was adopted by the Ivano-Frankivsk Oblast Council on 17 October 2014. It determines the region's objectives and suggests how to reach them as well as the long-term prospects taking into consideration the needs of future generations. The issue of constant development takes a very important place in the Strategy being focused on economical and social unity of the Ivano-Frankivsk region.

The Strategy for Ternopil Oblast Development until 2015 was adopted by the Ternopil Oblast Council on 27 May 2008. The Strategy aims at transforming Ternopil into a region with a competitive economy, a high level of human resource development, productive employment, effective system of social and housing services, clean environment and highly developed tourist and recreation area.

The Programme of Socio-Economic Development of Brest region for 2011-2015 was adopted by the Brest Oblast Council of Deputies on 16 September 2011. It describes main regional development policy objectives such as increase of real income and improvement of standard of life of the population, increase of healthcare standard, culture and quality of education, improvement of economy structure on the basis of priority development of resource-saving and high-tech production.

The Programme of Socio-Economic Development of Grodno region for 2011-2015 was adopted by the Grodno Oblast Council of Deputies on 28 June 2011. It presents main regional objectives such as creation of conditions for development of human potential on the basis of real income growth and improvement of life standard of the population, increase of healthcare standard, culture and quality of education, creation of advantageous conditions for the implementation of business initiative of market participants.

The Programme of Socio-Economic Development of Gomel region for 2011-2015 was adopted by the Gomel Oblast Council of Deputies on 26 July 2011. It describes main regional objectives such as creation of conditions for development of human potential on the basis of real income growth and improvement of life standard of the population, increase of healthcare standard, culture and quality of education, modernization of organizational and economic mechanisms and institutions, increase of agricultural sector performance, further development of social village infrastructure.

The Programme of Socio-Economic Development of Minsk region for 2011-2015 was adopted by the Minsk Oblast Council of Deputies on 10 June 2011. It describes main regional objectives such as creation of preferable living, working conditions, providing harmonious combination of personal interests, interest of the society and the State, increase of competitiveness of the real sector of economy, development of human potential, increase of wellbeing, strengthen the health of the population, creation of conditions for the development of competitive, dynamic and high-tech economy, providing sustainable economic development of Minsk region.

As the Programme budget is limited and not sufficient to address all common challenges and problems of the Programme area, the Programme shall focus on the most crucial ones by the means of selected Thematic Objectives, relevant to meet the goals provided for in the ENI regulation and addressing the common problems of the cross-border area, characteristic for the Programme area and deemed important for the countries participating in the Programme. It shall also contribute to solving those problems in compliance with other programmes and strategies implemented in the Programme area.

3.3 RISKS

The Programme prepared an analysis of potential risks. The risks and their cause were described and their impact identified. After that the relevance of each risk factor was assessed. The risks have been evaluated according to their probability and impact with a scale (high, medium, low).

Description and cause of the identified risk	Impact of the identified risk	Relevance assessment of the identified risk	Proposed mitigating measures
Joint principles of Programme implementation cannot be agreed by partner countries due to different visions of CBC cooperation	Programme cannot be started or is started with heavy delay. Programme funds are not spent.	Low	Joint decisions of partners on the Programme goals and its implementation mechanisms. Regular meetings of the representatives of partner countries

Inconsistent programme management and control system is installed as result of creation of new Programme bodies required by ENI	The projects expenditures are verified erroneously. There is a risk of ineligible expenditure, including fraud.	Low	Entrusting of new functions to the bodies with experience in CBC/ EU funds management. Capacity building measures / trainings provided to programme bodies on ENI requirements. Defining responsibilities and obligations between the partner countries.
No agreement on selection of projects can be reached due to disregard to the selection criteria and results of project evaluation.	Selection of projects of poor quality and/or with poor CBC effect. Delay in start of projects implementation. Attainment of Programme goal is at risk.	Low	Selection of projects with respect to the selection criteria. Ranking list prepared by assessors as the basis for project selection.
Small amount of projects apply for funds due to complicated Programme requirements and low interest of stakeholders	Selection of project of poor quality. High number of projects are rejected due to formal criteria. The scope of beneficiaries is mainly limited to beneficiaries of the previous programme.	Medium	Conducting information campaigns and trainings for stakeholders Simplified and beneficiary-friendly procedures for applying for Programme funds put in place.
Slow and poor implementation of contracted projects due to the complicated and overblown procedures.	Projects do not receive funds in line with their action plans. Projects loose financial liquidity and stop implementation. Projects do not reach their objectives.	Medium	Preparation of simple and transparent procedures and documents for reporting and requesting for funds. Conducting capacity building / trainings for beneficiaries and Programme bodies.

Based on documented cases and update of risk management and risk management measures the monitoring and evaluation will be performed and reported to the JMC annually in connection with the draw-up of the annual report.

3.4 MAINSTREAMING OF CROSS-CUTTING ISSUES

Environmental sustainability is an important cross-cutting issue in the Programme implementation. It shall be reflected at all stages of the programme implementation, starting from the evaluation of applications and selection process, through project implementation phase. Projects with a direct negative environmental impact shall not be financed within the Programme.

Strategic Environmental Assessment was prepared simultaneously with the preparation of the Programme document in order to ensure that environmental impacts are assessed and considered during preparation of the Programme.

Respecting the human rights need to be ensured within the whole programme implementation and all activities financed within the programme need to reflect this important cross-cutting issue. Gender equality for men and women is a human basic right. The Programme needs to promote the same rights, opportunities and obligations in all fields of the society. The Programme should promote elimination of horizontal and vertical segregation of women and men on the labour market, reduction disparities between urban and rural areas in the field of access to kindergartens and promote women from rural areas to become more independent, promote their access to health services, education, employment and social services. It shall be reflected at all stages of the programme implementation. Projects with a direct negative impact on equality between men and women shall not be financed within Programme.

The Regulation (EU) No 897/2014 states that each programme should precise ways of mainstreaming such important cross-cutting issue as HIV/AIDS. The Programme within its whole duration needs to focus on rising awareness of society in the field of healthy. The Programme is able to reach that objective inter alia by economical development of the its eligible area. More economically advanced society has more tendency to care about its health. This element shall be reflected at all stages of the Programme implementation. Projects with negative impact in the abovementioned issues shall not be financed within the Programme.

Other important element which should be reflected during the Programme preparation and implementation period is democracy. In order to share the idea of democracy the public hearings of the draft Programme documents were organised in all three countries. The Programme at all its stages will promote the idea of active participation, transparency, partnership and responsibility of various stakeholders.