

SFC2021 INTERREG Programme

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Last year	2027
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Eligible until	31-Dec-2029
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EC decision date	
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SI032 - Podravska
 SI033 - Koroška
 SI034 - Savinjska
 SI035 - Zasavska
 SI036 - Posavska
 SI037 - Jugovzhodna Slovenija
 SI038 - Primorsko-notranjska
 SI04 - Zahodna Slovenija
 SI041 - Osrednjeslovenska
 SI042 - Gorenjska
 SI043 - Goriška
 SI044 - Obalno-kraška
 BA002 - Municipalities
 RS1 - Србија - север
 RS11 - Београдски регион
 RS110 - Београдска област
 RS12 - Регион Војводине
 RS121 - Западнобачка област
 RS122 - Јужнобанатска област
 RS123 - Јужнобачка област
 RS124 - Севернобанатска област
 RS125 - Севернобачка област
 RS126 - Средњобанатска област
 RS127 - Сремска област
 RS2 - Србија - југ
 RS21 - Регион Шумадије и Западне Србије
 RS211 - Златиборска област
 RS212 - Колубарска област
 RS213 - Мачванска област
 RS214 - Моравичка област
 RS215 - Поморавска област
 RS216 - Расинска област
 RS217 - Рашка област
 RS218 - Шумадијска област
 RS22 - Регион Јужне и Источне Србије
 RS221 - Борска област
 RS222 - Браничевска област
 RS223 - Зајечарска област
 RS224 - Јабланичка област
 RS225 - Нишавска област
 RS226 - Пиротска област
 RS227 - Подунавска област
 RS228 - Пчињска област
 RS229 - Топличка област
 MK0 - Северна Македонија
 MK00 - Северна Македонија
 MK001 - Вардарски
 MK002 - Источен
 MK003 - Југозападен
 MK004 - Југоисточен
 MK005 - Пелагониски
 MK006 - Полошки
 MK007 - Североисточен
 MK008 - Скопски

EL3 - Αττική
 EL30 - Αττική
 EL301 - Βόρειος Τομέας Αθηνών
 EL302 - Δυτικός Τομέας Αθηνών
 EL303 - Κεντρικός Τομέας Αθηνών
 EL304 - Νότιος Τομέας Αθηνών
 EL305 - Ανατολική Αττική
 EL306 - Δυτική Αττική
 EL307 - Πειραιάς, Νήσοι
 EL4 - Νησιά Αιγαίου, Κρήτη
 EL41 - Βόρειο Αιγαίο
 EL411 - Λέσβος, Λήμνος
 EL412 - Ικαρία, Σάμος
 EL413 - Χίος
 EL42 - Νότιο Αιγαίο
 EL421 - Κάλυμνος, Κάρπαθος – Ηρωική Νήσος Κάσος, Κως, Ρόδος
 EL422 - Άνδρος, Θήρα, Κέα, Μήλος, Μύκονος, Νάξος, Πάρος, Σύρος, Τήνος
 EL43 - Κρήτη
 EL431 - Ηράκλειο
 EL432 - Λασιθί
 EL433 - Ρέθυμνο
 EL434 - Χανιά
 EL5 - Βόρεια Ελλάδα
 EL51 - Ανατολική Μακεδονία, Θράκη
 EL511 - Έβρος
 EL512 - Ξάνθη
 EL513 - Ροδόπη
 EL514 - Δράμα
 EL515 - Θάσος, Καβάλα
 EL52 - Κεντρική Μακεδονία
 EL521 - Ημαθία
 EL522 - Θεσσαλονίκη
 EL523 - Κιλκίς
 EL524 - Πέλλα
 EL525 - Πιερία
 EL526 - Σέρρες
 EL527 - Χαλκιδική
 EL53 - Δυτική Μακεδονία
 EL531 - Γρεβενά, Κοζάνη
 EL532 - Καστοριά
 EL533 - Φλώρινα
 EL54 - Ήπειρος
 EL541 - Άρτα, Πρέβεζα
 EL542 - Θεσπρωτία
 EL543 - Ιωάννινα
 EL6 - Κεντρική Ελλάδα
 EL61 - Θεσσαλία
 EL611 - Καρδίτσα, Τρίκαλα
 EL612 - Λάρισα
 EL613 - Μαγνησία, Σποράδες
 EL62 - Ιόνια Νησιά
 EL621 - Ζάκυνθος

EL622 - Κέρκυρα
EL623 - Ιθάκη, Κεφαλληνία
EL624 - Λευκάδα
EL63 - Δυτική Ελλάδα
EL631 - Αιτωλοακαρνανία
EL632 - Αχαΐα
EL633 - Ηλεία
EL64 - Στερεά Ελλάδα
EL641 - Βοιωτία
EL642 - Εύβοια
EL643 - Ευρυτανία
EL644 - Φθιώτιδα
EL645 - Φωκίδα
EL65 - Πελοπόννησος
EL651 - Αργολίδα, Αρκαδία
EL652 - Κορινθία
EL653 - Λακωνία, Μεσσηνία
AL0 - Shqipëria
AL01 - Veri
AL011 - Dibër
AL012 - Durrës
AL013 - Kukës
AL014 - Lezhë
AL015 - Shkodër
AL02 - Qender
AL021 - Elbasan
AL022 - Tiranë
AL03 - Jug
AL031 - Berat
AL032 - Fier
AL033 - Gjirokastër
AL034 - Korçë
AL035 - Vlorë
BA - Bosnia and Herzegovina
BA001 - Brčko District
ITC4 - Lombardia
ITC41 - Varese
ITC42 - Como
ITC43 - Lecco
ITC44 - Sondrio
ITC46 - Bergamo
ITC47 - Brescia
ITC48 - Pavia
ITC49 - Lodi
ITC4A - Cremona
ITC4B - Mantova
ITC4C - Milano
ITC4D - Monza e della Brianza
ITF1 - Abruzzo
ITF11 - L'Aquila
ITF12 - Teramo
ITF13 - Pescara
ITF14 - Chieti
ITF2 - Molise

ITF21 - Isernia
 ITF22 - Campobasso
 ITF4 - Puglia
 ITF43 - Taranto
 ITF44 - Brindisi
 ITF45 - Lecce
 ITF46 - Foggia
 ITF47 - Bari
 ITF48 - Barletta-Andria-Trani
 ITF5 - Basilicata
 ITF51 - Potenza
 ITF52 - Matera
 ITF6 - Calabria
 ITF61 - Cosenza
 ITF62 - Crotona
 ITF63 - Catanzaro
 ITF64 - Vibo Valentia
 ITF65 - Reggio di Calabria
 ITG1 - Sicilia
 ITG11 - Trapani
 ITG12 - Palermo
 ITG13 - Messina
 ITG14 - Agrigento
 ITG15 - Caltanissetta
 ITG16 - Enna
 ITG17 - Catania
 ITG18 - Ragusa
 ITG19 - Siracusa
 ITH - Nord-Est
 ITH1 - Provincia Autonoma di Bolzano/Bozen
 ITH10 - Bolzano-Bozen
 ITH2 - Provincia Autonoma di Trento
 ITH20 - Trento
 ITH3 - Veneto
 ITH31 - Verona
 ITH32 - Vicenza
 ITH33 - Belluno
 ITH34 - Treviso
 ITH35 - Venezia
 ITH36 - Padova
 ITH37 - Rovigo
 ITH4 - Friuli-Venezia Giulia
 ITH41 - Pordenone
 ITH42 - Udine
 ITH43 - Gorizia
 ITH44 - Trieste
 ITH5 - Emilia-Romagna
 ITH51 - Piacenza
 ITH52 - Parma
 ITH53 - Reggio nell'Emilia
 ITH54 - Modena
 ITH55 - Bologna
 ITH56 - Ferrara
 ITH57 - Ravenna

	ITH58 - Forlì-Cesena ITH59 - Rimini ITI2 - Umbria ITI21 - Perugia ITI22 - Terni ITI3 - Marche ITI31 - Pesaro e Urbino ITI32 - Ancona ITI33 - Macerata ITI34 - Ascoli Piceno ITI35 - Fermo ME0 - Црна Гора ME00 - Црна Гора ME000 - Црна Гора
Strand	Strand B: TN Transnational Cooperation Programme (ETC)

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

1.1. Programme area (not required for Interreg C programmes)

Reference: point (a) of Article 17(3), point (a) of Article 17(9)

The Adriatic-Ionian area covered by the (Interreg VI-B) IPA Adriatic-Ionian programme (hereinafter: IPA ADRION) involves four European Union Member States (Croatia, Greece, Italy and Slovenia), five IPA III beneficiaries (Albania, Bosnia and Herzegovina Montenegro, North Macedonia, Serbia), and a third country, San Marino (hereinafter: participating countries). All countries are included in the programme, except for Italy, as the programme area affects its Eastern regions from North to South (Friuli Venezia Giulia, Veneto, Lombardy, the two autonomous provinces of Trento and Bolzano, Emilia-Romagna, Marche, Umbria, Abruzzo, Molise, Puglia, Basilicata, Calabria and Sicilia). The programme area is inhabited by over 70 million people.

In 2014 the Adriatic-Ionian partner countries adopted a common strategy, the EU Strategy for the Adriatic-Ionian Region (EUSAIR), recently extended to North Macedonia and San Marino; as a consequence of that, the IPA-ADRION perimeter has been aligned accordingly.

The environmental variety that includes a mix of continental, Alpine and Mediterranean habitats offers a unique biodiversity in Europe. This is also paralleled by the presence of a rich historical and cultural heritage, as confirmed by the large number of UNESCO sites, thus the legacy of material and immaterial or intangible cultural heritage.

The Adriatic-Ionian area is threatened by the progressive degradation of its natural habitats due to human economic activities, the impacts of climate change and the scarce coordination with safeguard and preservation initiatives to face shared challenges. In particular, the rapidly developing mass and seasonal tourism industry contributes to generate negative consequences, mostly in relation to the overexploitation of natural resources, the endangerment of important ecological areas, as well as the pressure on cultural and natural heritage, existing infrastructure networks and services.

Throughout the years, the area has showed a dynamic and interconnected economy, cooperating and trading among themselves thanks to existing long-lasting complementarities and synergies. Moreover, the Adriatic and Ionian Seas have often represented one of the main drivers for commercial relations and growth by being a vector for trade and cultural exchange.

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

Reference: point (b) of Article 17(3), point (b) of Article 17(9)

The health crisis caused by the COVID-19 pandemic continues to affect programming, further inhibiting the picture of new scenarios.

The COVID-19 pandemic has had a strong impact on the Adriatic-Ionian region: economic and labour market consequences are likely to be more serious than those of the 2008–2009 global financial crisis, which led to recession in the period 2008–2013.

With the coronavirus rapid spread, governments introduced containment measures to protect their, often fragile, health systems. Lockdowns and partial confinement measures resulted in the closure of airports and borders, educational institutions, restaurants, and shops, bans on large gatherings, restrictions on domestic travel, and the imposition of curfews.

The containment regulations have been divided between “essential” services and productive sectors (such as agriculture and pharmaceutical production, utilities, transport, health, and some forms of retail), which have continued as “frontline work”, and “non-essential” services.

The majority of participating countries’ governmental measures focused on safeguarding the survival of companies in the short term. These temporary emergency measures have been mainly aimed at SMEs and micro enterprises; in some countries there was also support for mid-caps and larger enterprises (e.g. in Greece and Italy), such as access to finance, deferral of payments, direct subsidies.

Their debt to GDP ratio varies across the region (ranging from 210,1% in Greece to 38,9% in Bosnia and Herzegovina), whereas Greece and Italy are widely above EU-27 average of 92,97% in 2021, while Croatia and Slovenia and all IPA III beneficiaries are still comparatively lower than the EU average.

Despite wage subsidies and suspended business insolvencies, labour markets in the Adriatic-Ionian region are under enormous pressure. Unemployment rates are on the rise again. After years of decrease, the unemployment rate increased again in 2020 and 2021, in the Member States and IPA III beneficiaries.

The tourism industry is among the worst impacted sectors of the economy by the pandemic as it was severely affected by the health-crisis and the subsequent measures to contain it with a lasting impact for the next few years: the decline in international tourist arrivals during the period January-December 2020 was estimated up to -73%.

While at EU level, the youth unemployment rate increased from 15% to 17,1%, in July 2021 the youth unemployment rate in Greece was 30,4 %, 29,4% in Italy, 22,9% in Croatia; youth unemployment in IPA III beneficiaries was still among the highest in Europe (ca. 25%).

The pandemic has given a strong impulse to digital transformation by accelerating digital development in the Member States; this scenario is in complete contrast regarding IPA III beneficiaries, where containment measures and remote work highlighted digital infrastructure challenges, like lack of broadband access and insufficient digital skills. This also severely hit the education system: whereas Member States continued educational activities during lockdown through remote learning, this was not the case in the IPA III beneficiaries due to low levels of digital equipment and technological skills in educational institutions.

The pandemic has stressed the need for an all-inclusive approach to human health by also considering environmental health, especially in relation to air quality, water and sanitation, waste management and biodiversity preservation.

The data provided in the following pages relates the status of the Adriatic-Ionian area prior to the pandemic outbreak. Future developments were assessed from the best possible estimation based on current knowledge and background information.

The economic performance of the Adriatic-Ionian region in the last years has been characterised by a converging trend towards the EU average, although still ranking below.

The economic relations within the area are tight: the participating countries are in fact among the top five export partners.

Tourism and industry are the main drivers of the Adriatic-Ionian gross added value, although their relevance is uneven at partner country level (industry is more relevant in e.g.: Slovenia (27%), Serbia (26%) and North Macedonia (21%); trade, transport and accommodation (tourism) are more relevant in Montenegro (30%), Greece (24%), North Macedonia (23%), Croatia (23%) and Italy (21%).

The territorial specificities affect the economic development: in the 2012-2017 timeframe the coastal areas had, in average, a higher GDP per capita than the internal ones, even if the latter included most of the capital cities and richest areas, like the Northern part of Italy. At partner country level, income disparities are still significant: as an example, in the reference period 2007-2013 only Italy could boast an average GDP higher than EU average, and its average GDP was 7 times higher than the Albanian one.

According to the European Innovation Scoreboard, **the Adriatic-Ionian area is considered to be a moderate innovator**. Alongside the strongest performing areas (the triangle represented by Milan, Bologna and Venice in Italy, the “S” shape development axis in Greece from Patras to Alexandroupolis, and the capital cities of the rest of IPA III beneficiaries), a central role is played by its maritime dimension.

Croatia, Greece, Italy, Slovenia, and Serbia are moderate innovators, whereas North Macedonia is considered as a modest one; not enough data is available for Albania, Montenegro and Bosnia and Herzegovina. Overall, the investment of the area in the R&D sector is below the target of 3% of GDP expected by EU member states in 2020.

Digital connectivity has not expressed its full potential yet: compared to EU average, according to which 89% of households have access to internet and 78,4% benefit from broadband, the Adriatic-Ionian average is slightly below (86% and 77,4% respectively). IPA III beneficiaries have significantly improved their offer from 2013 onward; Bosnia and Herzegovina ranges last, with a household internet connectivity up to 69% . Relevant urban-rural gaps in terms of Internet access are present in many participating countries, particularly in Greece.

The uptake of digital solutions both by the public and private sectors is one of the main drivers of the digital transition: Slovenia and Greece are the best performers with regard to the use of internet for public authorities interaction, whereas Italy, Montenegro and Bosnia and Herzegovina are the weakest. SMEs, disregarding whether active in the manufacturing or wholesale and retail trade, suffer from weak digital transformation.

Overall, investments in R&D are higher in the private sector than in the public one: Serbia and Slovenia have the highest percentage of enterprises providing training to develop or upgrade ICT skills (29% and 28% respectively), whereas North Macedonia (14,1%), followed by Greece (15%), report the weakest performance levels in the region. Regarding the R&D personnel out of the total number of employees, the highest intensity is recorded in Zahodna (Slovenia) (2,4%), and Emilia-Romagna (Italy) (2,2%); while on the opposite end stand North Macedonia (0,25%) and Montenegro (0,27%).

The low investment in R&D is further aggravated by a low level of cooperation (links and synergies) between research centres, high education institutions, public administrations, and private companies.

In this respect, the IPA ADRION programme can support and strengthen the collaboration among stakeholders in relation to the quadruple helix ties by increasing knowledge sharing and learning processes in the area.

According to the **Smart Specialization Strategies (S3)** platform set in place by the EC Joint Research Centre, all Adriatic-Ionian participating countries, except Bosnia and Herzegovina, have started their S3 process; the identified priorities are ICT systems and technologies, agri-food and safe nutrition; energy and sustainable environment, disaster prevention, health and quality of life, sustainable tourism and creative economy, smart mobility, innovative production, technologies and advanced materials.

2014-2020 ADRION has supported the birth of the first transnational S3 on blue growth as well as the implementation of pilots in aquaculture, agri-food and sustainable food production and processing, sustainable tourism and creative industries, smart mobility.

IPA-ADRION can also support the exchange of experience and competitiveness in key productive sectors by encouraging the creation and/or further support to transnational clusters. Moreover, through its holistic approach, cooperation seeds can effectively strengthen the creation of transnational S3s.

The Adriatic-Ionian area is renowned all over the world for its natural and cultural beauty. In pre-pandemic times, the tourism sector represented an important share of the Adriatic-Ionian GDP. In some participating countries, the share of employed personnel in the tourism industry was significantly higher than the EU average (9,4%): as in the case of Greece (23,9%), Croatia (12,2%), and Italy (10,3%). By way of example, in 2017, 4 out of the 5 regions with the highest tourism intensity in the EU were in the Adriatic-Ionian region: Notio Aigaio and Ionia Nisia (GR), the Province of Bozen (IT), and Jadranska Hrvatska (HR). Growth in the sector occurred both in regions with already high tourism intensity and in newly emerging inland areas e.g.: Bosnia and Herzegovina, North Macedonia, and Serbia.

The most popular tourist areas are characterised by high density and seasonal tourism, whereas emerging locations mainly concern urban and cultural-natural tourism. Adriatic-Ionian participating countries are experiencing an emerging travel trend identified as ‘experiential tourism’ mainly supported by sustainable gastronomic tourism linked to the (re)discovery and safeguard of cultural heritage and the promotion and preservation of kilometre 0 production.

Tourist attraction also relies on the international recognition of 72 World heritage sites by UNESCO (64 cultural and mixed cultural-natural sites, and 8 natural ones), representing about 15% of the those present in the European continent, of 44 elements inscribed in the UNESCO list of humanity’s Intangible Heritage, and 29 out of the 38 Cultural Routes certified by the Council of Europe.

The protection and sustainable use of natural and historical sites, including: accessibility, visibility, and legal-administrative aspects for their protection and management, greatly vary from one partner country to another.

As a tourist hot spot, the Adriatic-Ionian area is albeit penalized by its fragile locations, inadequate infrastructural services unprepared to welcome seasonal mass tourism, lack of accessibility, new needs linked to e.g.: societal changes and trends (elderly people, wellness, slow tourism, sport tourism), biodiversity risks and consequences deriving from climate change, consequences of COVID-19, opportunities offered by digitalization.

Environment and biodiversity. The economic growth potential must necessarily go hand in hand with environmental safeguard and protection. The area is characterized by 3.027 Natura 2000 sites (the EU network of protected areas aiming to ensure the long-term survival of the most valuable and threatened species and habitats listed under both the Birds Directive - 2009/147/EC - and the Habitats Directive - 92/43/EEC -) and 1.388 natural protected areas in IPA III beneficiaries, according to the Emerald Network of Areas of Special Conservation Interest (ASCIs) set up by the Bern Convention.

The share of protected areas is significantly higher among Member States than among IPA III beneficiaries, also highlighting a different approach in designation and management of the areas to be protected.

According to the policy commitments set by the Convention on Biological Diversity, signed by all IPA ADRION participating countries, at least 10% of their coastal and marine areas deserved to be designated as marine protected area by 2020. By the end of 2016 (last available data), they affected 3%

of the Ionian sea and 5,8 % of the Adriatic Sea. The Aegean-Levantine Sea has the lowest marine protected area coverage in Europe (2,6 %). The European Environmental Agency EEA (2018b) highlights that 70% of the sites in the Adriatic sea, almost 50% of those in the Ionian and 40% in the Aegean Levantine sea are too small (less than 5 km²) to sustain ecosystem resilience.

IPA ADRION coastal participating countries have also signed the UN Barcelona Convention, whose goals are to assess, prevent, reduce marine pollution, and protect the environment through the harmonization of monitoring protocols, data, and information sharing.

The Quality Status Report published in 2017 by the Mediterranean Action Plan set in place by the Barcelona Convention identified higher levels of contaminants in the Adriatic-Ionian biota than in the other sub-Mediterranean basins. Worrying percentages of mercury in the coastal sediments were detected both in the Adriatic Sea and in the Aegean Sea basins, due to the industrial exploitation of mines in those areas (<https://www.medqsr.org/>).

Marine resources (e.g.: European hake, common sole, deep-water shrimp, red mullet) suffer from overexploitation and the consequences of pollution.

The aquaculture sector has expanded in terms of production and sales over the last decade. It affects marine, shellfish and freshwater products. Italy and Greece account for 25% of the EU total aquaculture production. Overall, fisheries and aquaculture sectors contribute to 17% of marine litter found on the seafloor (Vlachogianni, Anastasopoulou, Fortibuoni, Ronchi and Zeri 2017).

Finally, maritime areas suffer from the intensive maritime transport activities: ships and port emissions, underwater noise, contamination by hazardous substances and the introduction of invasive alien species through ballast water discharges (Med-Iamer 2020). Offshore infrastructure for oil and gas extraction can entail further risks of spills and accidents.

Soil consumption due to coastal erosion is a worrying trend in the Adriatic-Ionian area, mainly caused by the tourism sector. Economic exploitation combined with the sea level rise due to the effects of climate change will radically change the Adriatic-Ionian coasts by 2050 (Vousdoukas 2020).

Although **Forest land** (i.e.: land with a Tree canopy cover over 10% in an area larger than 0,5 hectares) accounts for over at least 34,7% of the surface (FAO, Eurostat data, 2015) and is in line with the EU-28 average (36%), deforestation practices and forest degradation determined by natural harshness like wildfires (Greece) and storms (Alps) are a matter of concern affecting not only human and wild life, but also the economy (tourism, agriculture).

Horizontal implementation of **circular economy**, although present in most of the participating countries, is unevenly developed and can be considered, overall, at its first implementation steps.

With the exception of Italy and Slovenia, the recycling rate in the area is below the EU average; some countries like Bosnia and Herzegovina, North Macedonia and Serbia have a recycling rate tending to zero. As an example, in 2017 circular economy generated over BNEUR 18 added value in Italy against over ca. 2 BNEUR in the remaining Adriatic-Ionian participating countries.

As a consequence of the above, “secondary” raw materials (i.e.: recyclable waste becoming a by-product used to manufacture new products, like plastic, paper and cardboard, precious metal, iron and steel, copper, aluminium, and nickel) are mainly exported by the area. Overall, landfilling is still the dominant way to dispose of collected waste in the area.

Circular economy and, more in general, economy supporting Green Deal goals can help to pave the way from low carbon to post-carbon economy, as well as to sustainable, integrated approaches in agriculture, forestry, tourism, energy and overall production.

Most of the Adriatic-Ionian participating countries have heavily invested in **hydropower**: if this represents an advantage in **decarbonising** on one side, it also makes the area more vulnerable to erratic rainfall due to climate change on the other.

Coal still accounts for over half of the gross electricity production in Bosnia and Herzegovina, Serbia, North Macedonia, and Montenegro. North Macedonia announced a shift towards a low-carbon economy by approving a national strategy that makes it the first country in the peninsula to consider a coal phase-out before 2030.

Additionally, the Adriatic-Ionian region is an area with the highest concentration of oil and gas activities in the whole Mediterranean. Most extraction activities occur in Italian waters, but in the recent past years Greece, Albania, Montenegro, and Croatia have held various rounds of calls for offshore and onshore block concessions.

Diversification of the energy sector will help the Adriatic-Ionian participating countries develop untapped low-cost indigenous resources and realize the benefits of regional cooperation by the creation of organised electricity markets.

Air quality is poor in many areas of the Adriatic-Ionian region: although data collection on emissions and pollution is not homogeneous due to the uneven presence of pollution monitoring stations in the area and unshared, non-standardized methods for CO₂ calculation. The lowest air quality is recorded in Bosnia and Herzegovina, North Macedonia, Serbia, and in intense industrialized areas, like the Po valley (Italy). Pollution caused by domestic heating of solid fuels is present in low-income countries; outdoor pollution due to high traffic and industrial activities is present in low-to-middle income participating countries.

The Adriatic-Ionian participating countries have different approaches to **water management**. Besides an overall high consumption, partially due to low water prices and low collection rates, water supply systems are affected by water shortages, especially in the coastal areas and during the summer season, and insufficient coverage of the rural areas. The quality of drinking water is in line with WHO and EU standards.

Although the population connected to at least secondary wastewater treatment (% of national resident population) increased in the decade 2007-2017, the current state of play cannot be considered satisfactory.

Discharge of communal and industrial wastewater into natural recipients is, in some cases, still characterised by almost no treatment other than the primary one, and low level of residential connection to sewerage mainly affects remote areas.

Climate change further exacerbates and intensifies the frequency and severity of some **natural disasters**, such as floods, wildfires, storms, and droughts, resulting in biodiversity and economic damages. Large parts of the Adriatic-Ionian area are identified as ‘hotspots’ (EEA, 2018).

In the latest 50 years, average temperatures have risen sharply across the region, albeit not homogeneously. The Adriatic regions are more exposed than the Ionian ones, and only Greece seems to be less affected (<https://www.ecmwf.int/en/research/projects/uerra>).

Shared transnational mitigating measures, including the use of innovative and technological solutions and the adoption of holistic approaches, can act as leverage for further actions at local level aimed at ensuring responsible, sustainable, and lasting exploitation of the ecosystem as a growth driving force.

The Adriatic Ionian area is one of the main European gateways towards the continent. The Adriatic Sea basin accounts for 352 registered **ports**. Commercial activities are concentrated in the Northern Adriatic, whereas the Southern ports are dominated by Roll On - Roll Off (Ro-Ro) transport.

Short Sea Shipping (SSS) concerning the transport of goods affected over 750 million tonnes transported from the main Adriatic-Ionian ports to other ones in the Mediterranean in 2018, with an increase of 6%

in one decade (Eurostat). That year Italy was the major SSS country in the region, accounting for over 70% of the total tonnage.

In the same reference year, almost 200 million travellers used maritime transport means, i.e.: 40% of the total registered in the EU. Maritime tourism experienced a significant increase mainly thanks to cruise tourism (+7% from 2017 to 2018) until the insurgence of Covid-19.

Ports are being renovated, starting from the use of energy sustainability to the use of green procurement, environmental performance, and effective multimodal links.

Rail transport is unevenly present in the region, and, in many cases, the system's poor development goes hand in hand with its weak reliability. With the exception of Italy, where the volume of passengers has grown, rail passengers halved in Croatia and decreased by more than 20% in Greece and Slovenia due to high prices and sub-optimal services in the last few years. As an example, the average distance covered by train, spending 1% of the average monthly salary, widely varies: the mileage covered in Slovenia and Italy is almost double than the one in Croatia and Greece (EDJ Net 2020). As far as IPA III beneficiaries are concerned, and in particular Albania, the state of the railway system is the weakest, with an overall performance reduction in terms of speed, volumes of goods and number of passengers.

As a result of the above, **road transport** is the main transportation means in the area.

Regarding **airports**, their presence depends on each participating country's geographical dimension and consequent passenger volume: in small countries, like Slovenia and North Macedonia, airports are mainly located in the capital cities. Greece and Italy have opted for a "polycentric approach", offering a widespread service.

Geographical constraints and the current transport state require the enhancing of **multimodal transport** for both passengers and goods. Only a few major ports in the ADRIAN region seem to contrast the negative trend (the port of Trieste in Italy, the port of Bar in Montenegro, the port of Durres in Albania, and - in the future - also the port of Piraeus in Greece).

The "connectivity agenda" has become a key chapter of the enlargement process: topics like transport and energy infrastructure aimed at improving the links with the EU were relaunched along the Berlin process, a diplomatic initiative born in 2014 to renovate the region's integration process.

The Adriatic-Ionian area is engaged in the implementation of the "Motorways of the Sea" concept introduced in 2001 by the EC as an alternative to overstretched land transport and aimed at making full use of maritime and inland waterway resources in the logistics chain. The Motorways of the Sea of South-East Europe connects the Adriatic to the Ionian Sea and to the Eastern Mediterranean.

Within the framework of the Trans-European Transport network (TEN-T), several initiatives contributed to the integration of the IPA III beneficiaries in the European mobility space: this is the case of the railway system in Serbia and North Macedonia to the Orient/East-Med Corridor, and of the road system in Bosnia and Herzegovina to the Mediterranean Corridor.

Finally, the newly constituted Chinese Belt and Road Initiative, officially launched in 2013, aims to connect the major Eurasian economies to South-East Europe. Infrastructural investments are mainly concentrated in Serbia and Greece and aimed at linking the port of Piraeus to Serbia, Montenegro, Bosnia and Herzegovina, and North Macedonia.

Societal challenges. The demographic trends show an ageing population: the median age has increased by 20% since 2000 in every country except for Albania, where its rise has been of 35%.

The Adriatic-Ionian area is also heavily characterised both by consistent emigration flows associated with immigration of young generations.

Participating countries are also destination countries for migrants coming from the Middle East, Central and Eastern Asia and Central/North Africa. In addition to the Central Mediterranean route with Sicily as destination, the Balkan route from Turkey to Croatia, and crossing Greece, North Macedonia, Serbia, and Bosnia and Herzegovina is the other main path to enter the EU.

The Adriatic-Ionian region faces several challenges in the social realm, as well as acute internal differences in terms of economic prosperity. Whereas 21,9% of the population was at risk of poverty or social exclusion in EU in 2018, the percentage was of 41,1% in North Macedonia, 31,8% in Greece, 34,3% in Serbia, 27,3 in Italy, 24,8% in Croatia and 16,2% in Slovenia. As a result of that, the inequality rate, calculated on social spending, progressive taxation policies and labour rights, grew accordingly.

Unemployment is subject to great variations, from 4,5% of Trentino Alto Adige (IT) to 27% of Dytiki Makedonia (GR). Long-term unemployment is one of the major concerns in the area, especially in Montenegro, North Macedonia, and Greece. In 2018, the percentage of young people aged 15-24 neither in employment nor in education and training (NEET) was higher than EU average with the exception of Slovenia; the highest peaks were recorded in Albania and North Macedonia.

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Adriatic-Ionian governance and multinational initiatives

The Adriatic-Ionian participating countries are part of several multinational institutions and initiatives.

Within the EU regional policy, **macro-regional strategies** (MRS) significantly gained importance over the latest years. MRS are not funding instruments, but integrated functional frameworks which require strengthened cooperation to face common challenges and improve cohesion. The Communication on the EU Strategy for the Adriatic and Ionian region (EUSAIR), accompanied by an Action Plan was adopted by the Commission on 17 June 2014 and further endorsed by the European Council on the same year. EUSAIR incorporates the maritime strategy for the Adriatic and Ionian Seas adopted on 30 November 2012. The initial participating countries, i.e.: Croatia, Greece, Italy, Slovenia, Albania, Bosnia and Herzegovina, Montenegro, and Serbia were followed by North Macedonia on 2 April 2020. Additionally, on 14 February 2022, the Commission adopted the Addendum to the aforementioned Communication, completing San Marino path to become the tenth EUSAIR participating country.

EUSAIR Action Plan identifies four pillars of intervention:

Pillar 1 – Blue Growth, with a focus on:

Blue technologies

Fisheries and aquaculture

Maritime and marine governance and services

Pillar 2 - Connecting the region with a focus on:

Maritime transport

Intermodal connections to the hinterland

Energy networks

Pillar 3 - Environmental quality, with a focus on:

The marine environment

Transnational terrestrial habitats and biodiversity

Pillar 4: Sustainable Tourism, with a focus on:

Diversified tourism offer (products and services)

Sustainable and responsible tourism management (innovation and quality).

The Adriatic-Ionian participating countries are also members of several additional institutions aimed at strengthening cooperation and facilitating the good relations within the area.

The **Adriatic and Ionian Initiative** involves Italy, Albania, Bosnia and Herzegovina, Croatia, Greece, Slovenia, Serbia, Montenegro, North Macedonia, and San Marino and aims at strengthening regional cooperation, promoting political and economic stability, thus creating a solid base for the process of European integration. Given the increased interdependence of States and following the need to provide shared solutions to problems affecting the entire region, cooperation has gradually included institutional networks such as the **Forum of the Adriatic Ionian Chambers of Commerce**, the **Adriatic Ionian Forum of Cities and Towns**, and the **Adriatic Ionian network of universities**.

The **Central European Initiative** is a regional intergovernmental forum involving 17 Member States in Central, Eastern and South-Eastern Europe. It is committed to supporting European integration and sustainable development through cooperation between and among its Member States and with the European Union, international and regional organisations as well as with other public and private non-governmental organisations. While acting as a platform for political dialogue, it has developed a strong operational, result-oriented approach to regional cooperation, by combining multilateral diplomacy and funds, programme and project management, both as donor and recipient.

The **Regional Cooperation Council** involves 46 among countries and donors, it aims at developing and maintaining a political climate of dialogue, reconciliation and cooperation and encouraging the European integration of the region with a focus on removing obstacles to mobility and interconnectivity, improving competitiveness and governance, the functioning of the rule of law and security in the region.

The **Transport Community** is an international organisation composed of the EU and the Western Balkans. Its key objective is to extend the EU transport market rules, principles, and policies to the Western Balkans through a legally binding framework. It operates in the fields of road, rail, inland waterway, and maritime transport.

At Mediterranean level, the political forum **Union for the Mediterranean** born in 1995 encourages the implementation of development policies, also including countries beyond the EU borders according to a Mediterranean perspective.

ADRION 2014-2020 lessons learned

ADRION Programme originated during the programming period 2014-2020 to support the implementation of the macro-regional strategy EUSAIR constituted in 2014.

ADRION has funded 82 projects cooperating in the framework of innovation, environment, safeguard of natural and cultural heritage, transport topics, as well as supporting the EUSAIR governance.

The Programme raised high interest among potential beneficiaries in all the selected thematic priority axes: as an example, in the first call for proposals the request of financial resources was ca 10 times higher than the one allocated.

There are several lessons that deserve to be analysed: ADRION's holistic and horizontal approach to some topics like innovation and environment proved to be effective and therefore was confirmed in 2021-2027.

Transfer of experience, capacity building and strengthening of cooperation ties through the creation of networks, joint action plans, and joint strategies are the main outcomes of the funded projects: in addition to boosting the beneficiaries' know-how, they have positively contributed to the enlargement process by setting in place common approaches and the achievement of shared goals, reaching beyond the *acquis Communautaire* topics. Moreover, the implementation of pilot actions has further strengthened the implementation of shared solutions as well as the funds' leverage.

To effectively contribute to further spread the sense of partnership and ownership, ADRION has ensured that beneficiaries are evenly located in the Programme area. In the 2014-2020 programme, the majority of partners were public authorities (national, regional, local), higher education/research centres, sectoral agencies and business support organisations.

Successful experiences of capitalization to maximise the impact of projects in the Adriatic-Ionian area should be repeated and enhanced also through the setting in place of thematic clusters.

Programme implementation has also highlighted the need to further support the beneficiaries of the area through actions aimed at enhancing skills to improve project performance indicators.

Thanks to the alignment of ADRION 2014-2020 to EUSAIR Action Plan and its yearly Declarations, granted projects have effectively supported the macro-region implementation and contributed to facilitate, thematic-wise, a direct dialogue with the macro-regional stakeholders. Moreover, ADRION has been the most visible funding source of EUSAIR governance structure.

Support to EUSAIR macro-regional strategy

The European Council's conclusions on the implementation of EU macro-regional strategies (3 December 2020) are quoted as follows: *“emphasises the urgency to further embed the priorities of the MRS in relevant EU funding programmes 2021-2027”* and *“calls on the Commission and the participating countries/regions to jointly assess, by 2022, the outcomes of the embedding process in the relevant national/regional EU funding programmes 2021-2027 and reflect the results of this assessment in the next report on the implementation of the MRS”* (the so-called embedding process). Additionally, the Council calls *“on participating countries/regions and the Commission to strengthen synergies between the relevant MRS and the EU enlargement process in the Western Balkans region”*, as well as to *“to continue adapting their MRS activities to the context of the COVID-19 pandemic as appropriate”*.

EUSAIR key stakeholders have committed themselves to identify macro-regional topics (“flagships”) to implement through national and regional ESI and IPAIII funding programmes.

IPA ADRION primarily supports the implementation of the MRS EUSAIR: its alignment with the macro-regional “flagships” was in line with the selection of the Policy Objectives, their Specific Objectives and proposed indicative actions. Additionally, through the Interreg Specific Objective ISO1, IPA ADRION shall further continue supporting the EUSAIR governance and implementation.

At least 80% of the IPA ADRION budget, in accordance with art. 15.3 of Interreg Regulation, shall be devoted to the flagships' implementation.

Moreover, through ISO 1 IPA ADRION shall further continue supporting the EUSAIR governance and cohesion and encourage coordination mechanisms for the implementation of projects and actions at local, regional, national, cross-border, transnational level arising from flagships as well as for the exchange of good practices and outcomes.

IPA ADRION contribution to EU Policies

The effectiveness of transnational cooperation is also necessarily linked to the synergies created at different layers, primarily through the funding of projects whose outcomes can be transferred to other ones, either managed at national/regional, or at cross-border/transnational/European/international level. Coordination and cooperation with these institutions shall create opportunities and preferred paths to create leverage effects.

The selected topics and indicative actions are also in synergy with the recent developments of EU policy and interventions: in addition to the support to the 2021-2027 framework strategies addressing environment, digital transformation, enlargement, research and innovation, youth (e.g.: reference to the European Green Deal, *Europe fit for the digital age*, the Just Transition Fund, European Social Fund, the NextGenerationEU and the Western Balkans Agenda 2020 Communication on the EU Enlargement policy), IPA ADRION also contributes to the implementation of EU sectoral strategies and policies, namely:

a) marine and maritime policies (e.g.: EU Communication on Sustainable Blue Economy, EU maritime spatial planning, integrated coastal zone management);

- b) innovation policies (with a focus on smart specialization strategies, EU digital agenda, and social investment package);
- c) environmental policies aimed at reducing impacts on climate change (e.g.: the EU strategy on adaptation to climate change; the EU climate law, the EU Action Plan Towards a Zero Pollution for Air, Water and Soil; EU Mission Adaptation to Climate Change);
- d) nature and its resources safeguard (e.g.: the EU Biodiversity Strategy for 2030; the Rural Action Plan 2040, the EU Forest strategy 2030, the Farm to Fork Strategy for a fair, healthy and environmentally friendly food system, the Recommendation on the implementation of Integrated Coastal Zone Management in Europe, the Circular Economy Action Plan; EU Soil Strategy 2030; EU Mission Restore our Ocean and Waters by 2030, EU Mission A Soil Deal for Europe) Invasive Alien Species Directive);
- e) sustainable transport policies (e.g.: the EU Action Plan on Urban Mobility, the EU Sustainable and Smart Mobility Strategy; EU Mission 100 Climate Neutral and Smart Cities);
- f) synergies and enhancement of the EU civil protection mechanism (e.g.: rescEU and the European Union's Programme on Civil Protection Cooperation with the Candidate Countries and Potential Candidates);
- g) Contribution of the Next Generation EU and Green Deal through the promotion of the New European Bauhaus which calls for "*a collective effort to imagine and build a future that is sustainable, inclusive and beautiful for our minds and for our souls*" through inclusive and accessible spaces, solutions and enriching experiences.

In relation to the above, granted projects will also ensure synergies with programmes supporting the aforementioned policies, e.g.: the Digital Europe Programme, the Connecting Europe Facility, Horizon Europe, Life, the Interregional Innovation Investments – I3, etc. as well as with initiatives supported by other EU institutions.

Additionally, and in relation to the above, IPA ADRION is also consistent with the relevant multiannual strategy documents of those countries supported by IPA III.

Identified indicative actions will also contribute to the implementation of international agreements like the safeguard of sites included in the list of the World Heritage Convention, the Convention for the Safeguarding of the Intangible Cultural Heritage, the Barcelona Convention promoted by the United Nations Environment Programme (UNEP).

The Programme will also consider the participation in coordinated projects undertaken at Mediterranean level in specific strategic cooperation areas. In particular, with regard to synergies and complementarities with other ETC programmes operating in the area, IPA ADRION has started technical negotiations with the managing authorities of the transnational programmes EUROMED and NEXT MED: as a preliminary phase, a minimum standard common cooperation has been defined on topics / themes that will benefit from common actions.

The modalities are to be defined according to the implementation schedule of the different Programmes while the coordination level (multilateral or bilateral) could be established according to:

- a) The themes of potential cooperation (specific objectives);
- b) Potential shared activities (e.g. joint restitution events by targeted theme or based on the possible degree of integration, calls for proposals capitalizing from other projects financed by the different programmes etc....);
- c) Timetables and deadlines for the implementation of the objectives of each Programme;
- d) The set of common management rules within each Programme in order to facilitate, as much as possible, a simplified communication to users and to the participating countries;
- e) Other modalities that could arise during the implementation phase of the programmes, through any integration processes not yet envisaged or debated.

Synergies and complementarities shall take place throughout the entire programme implementation.

IPA ADRION vision and mission

The IPA ADRION Programme must address several inputs and goals. Its population (in metropolitan, polycentric cities and sparsely populated areas) must deal with different geographical (island, mountainous, maritime) development specificities. The pandemic crisis has further increased social and economic disparities, driven by imbalanced access to markets, lack of qualified labour, different quality of governance and public services. Moreover, the consequences of climate change and unruly economic exploitation of natural resources are putting at risk future economic development and quality of life.

The macro-region EUSAIR – for which IPA ADRION is the frontrunner in supporting its governance – has as overall objective: *“the promotion of sustainable economic and social prosperity in the region through growth and jobs creation, and by improving its attractiveness, competitiveness and connectivity, while preserving the environment and ensuring healthy and balanced marine and coastal ecosystems”*. The inclusion of North Macedonia both in the macro-region and in IPA ADRION programme area can represent the political momentum for setting in place future measures supporting the EU enlargement policy in the Western Balkans and boosting regional cooperation and good neighbourly relations.

Territory wise, North Macedonia will further strengthen connections between the sea basin and the hinterland. Centrality of the enlargement process in all future actions is confirmed by the presence of 5 IPA III beneficiaries and by 4 EU Member States. Additionally, the entry of a third country, San Marino, closes the territorial gap on the Western side of the Adriatic Sea basin.

In relation to the above, the mission of IPA ADRION is manifold, as it intends to:

- a) contribute to injecting **dynamism in the enlargement process** regarding some key negotiation chapters, like cohesion, inclusive growth, green agenda, and sustainable connectivity through the engagement of experienced beneficiaries and stakeholders;
- b) support **strengthened cohesion** in the Adriatic-Ionian area through the implementation of MRS EUSAIR both at governance level and through the granting of projects that are transnational expression of the identified flagship;
- c) support **EUSAIR governance, administrative capacity building**, and encourage the exploitation of synergies and cooperation effectiveness;
- d) **enhance the impact of granted projects** through the strengthening of capitalization and clustering activities and encourage the building of quadruple helix networks.

Granted transnational projects – thanks to the involvement of several actors from different Adriatic-Ionian participating countries – can be considered as forerunners and leverage for further actions to be implemented at transnational, cross-border, national, regional, and local level.

Environmental-sustainability, innovative and resilient approaches, also with regard to the Covid-19 pandemic crisis, are the crosscutting elements of future granted projects.

The administrative set-up of the new programme will reduce the bureaucratic burden through simplification and harmonization. Experimental approaches will be explored to broaden the interest in the programme and its cooperation topics by actors and stakeholders under-represented in the 2014-2020 programming period.

The IPA ADRION 2021-2027 outcomes are likely to produce medium to long –term effects. Sowing the seeds of long-term cooperation, rooting networks and promoting capacity building are to be considered as cornerstones.

Horizontal principles

In accordance with art. 9 of CPR and art. 22.2 of Interreg Regulation, IPA ADRION will abide by the fundamental rights in compliance with the Charter of Fundamental Rights of the European Union.

Additionally, ensuring equality between men and women, gender mainstreaming and non-discrimination as a guideline for all granted projects throughout the whole project cycle and programme implementation. Specific criteria in the selection of projects and further checks in the course of their monitoring will also be provided. Similarly, specific analysis will be devoted to these topics throughout the programme's evaluation.

Sustainable development

According to Article 9(4) CPR, and Recital 5 of the Interreg Regulation, selected Specific Objectives and types of actions will contribute to the implementation of the following UN Sustainable Development Goals: No 3 – Ensure healthy lives and promote well-being for all, at all ages, No 4 - Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all; No 8 - Promote constant, inclusive and sustainable economic growth, full and productive employment and decent work for all; No 11 - Make cities and human settlements inclusive, safe, resilient and sustainable; No 12 - Ensure sustainable consumption and production patterns, No 13 - Take urgent action to combat climate change and its impacts; No 14 - Conserve and sustainably use the oceans, seas and marine resources for sustainable development; No 15 - Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss; No 17 - Strengthen the means of implementation and revitalize the global partnership for sustainable development.

The SEA Screening Procedure and the “Do no significant harm (DNSH)” Principle Assessment have reported that IPA ADRION is not expected to produce significant negative effects on the environment. The assessment performed according to the criteria listed in annex II of SEA directive (Directive 2001/42/EC) has shown that:

1. IPA ADRION's premises are such that they will not generate negative impacts on the environment. Although affecting a broad area, the programme will not interfere with or influence other plans or programmes, as it represents a tool for the implementation of specific environmental and sustainable policies. IPA ADRION does not envisage support to infrastructures, as the provisions are mostly dedicated to transboundary coordination, promotion of sustainable planning, management and organization measures, data collection and sharing, and, in general, immaterial actions.

2. The analysis of possible effects and their consequences has shown that the programme will have a positive impact, contributing to the main objectives of environmental protection and sustainability. Cumulative effects are also expected to be positive, since the different priorities of the programme will act in synergy toward the implementation of sustainable policies in different sectors.

Overall, the environmental screening has shown that the IPA ADRION programme will contribute positively to environmental objectives especially in the field of climate change and effective use of resources, which are the pillars of the European Green Deal.

The outcomes of the environmental screening procedure conclude that there is no need for a Strategic Environmental Assessment.

Furthermore, IPA ADRION's indicative types of actions are assessed in compliance with the: *Do No Significant Harm Principle* (DNSH) in accordance with art. 9.4 of CPR and the Commission Notice (C/2021/1054), “*Technical guidance on the application of “do no significant harm” under the Recovery and Resilience Facility Regulation*”- 2021/C 58/01: the analysis has been performed at Specific Objective level of aggregation considering their indicative actions. The outcomes of the analysis report that IPA ADRION does not cause significant damage to the environment and is compliant with art. 9 of CPR and art 17 of the Taxonomy Regulation.

Specific guidance established by the Managing authority with regard to project assessment and monitoring must be previously approved by the Monitoring Committee according to art. 30 of Interreg Regulation.

Support to climate, environmental and biodiversity objectives

In accordance with the identified joint challenges based on the territorial analysis, IPA ADRION shall devote most of its resources to Policy Objective 2 (a greener, low carbon transitioning towards a net zero carbon economy and resilient Europe) through the selection of four out of its eight Specific Objectives and the allocation of more than 50% of its EU budget.

In relation to the above, and according to Article 6 and Annex 1 of CPR, and Recital 5 Interreg Regulation, IPA ADRION EU budget will contribute, respectively, with 30% and with 46% to climate change and environmental objectives. Additionally, it will contribute to addressing the biodiversity objective set in recital 11 of CPR with 18% of its EU budget.

E-Cohesion

Programme monitoring is supported, in accordance with art. 69.8 of CPR and 32.1 of Interreg Regulation by means of electronic data exchange (JEMS), aimed at ensuring that all exchanges are carried out between beneficiaries and all programme authorities. Data exchange is also used to share information with potential and financial beneficiaries during the entire project cycle. The electronic data exchange is fully functional.

Public procurement

In the course of the Programme's implementation, the Managing Authority will promote strategic use of public procurement to support Policy Objectives (including professionalization efforts to address capacity gaps). Beneficiaries should be encouraged to use more quality-related and lifecycle cost criteria.

When feasible, environmental (e.g. green public procurement criteria) and social considerations as well as innovation incentives should be included in public procurement procedures.

Data accessibility

Projects should make available datasets resulting from the actions as open data under the conditions defined in the Open Data Directive (Directive (EU) 2019/1024 of 20 June 2019), where relevant. In addition, online contents should be made accessible to all, including persons with disabilities as foreseen in the EU Web Accessibility Directive (Directive (EU) 2016/2102 of 26 October 2016).

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

Reference: point (c) of Article 17(3)

Table 1

Selected policy objective or selected Interreg specific objective	Selected specific objective	Priority	Justification for selection
1. A more competitive and smarter Europe by promoting innovative and smart economic transformation and regional ICT connectivity	RSO1.1. Developing and enhancing research and innovation capacities and the uptake of advanced technologies	1. Supporting a smarter Adriatic Ionian region	Justification for the selection of PO1 The Adriatic-Ionian region does not stand out for its innovation and R&D capacities: the majority of its territories are in fact lagging in terms of innovation performance. To strengthen competitiveness, the territories of the area must manage the transition to a greener, blue and digitalized economy, without forgetting the lessons learned during the pandemic crisis and the overall goals of the Territorial Agenda 2030. Justification for the selection of SO 1 i) Smart specialization strategies and cluster potentials are still embryonic; the productive tissue suffers from a still low level of digitalisation both in the private and public sector. Leading sectors related to blue and green economy could strongly benefit from transnational cooperation, in particular thanks to the programme's support in strengthening close ties to build quadruple helix partnerships. Moreover, transnational support to innovation will have a cross-cutting approach and help the lagging behind areas to benefit from new experiences and new chances to design and implement new solutions, as well as to highlight the strong points of the area. This SO shall contribute to: a) Strengthening the cooperation and consolidate research and business communities' networks aimed at boosting the existing know-how

Selected policy objective or selected Interreg specific objective	Selected specific objective	Priority	Justification for selection
			and defining the basis for better competition inside and outside the programme area. b) Fostering the level of cooperation among research centres, higher education sector, public authorities, and private companies to allow technology transfer and capacity building in the area. c) Enhancing the degree of collaboration and the level of uptake of digital solutions. Form of support: grants are the most suitable form of support in relation to the envisaged types of actions.
1. A more competitive and smarter Europe by promoting innovative and smart economic transformation and regional ICT connectivity	RSO1.4. Developing skills for smart specialisation, industrial transition and entrepreneurship	1. Supporting a smarter Adriatic Ionian region	Justification for the selection of PO1 (see above) Justification for the selection of SO 1iv) Skill development is essential for growth and ensuring the necessary shift to a more digitalized economy. In particular, the demand for the implementation of smart specialization and industrial transition requires knowledge and new ways on how to do business. The Adriatic-Ionian region suffers from high inequality levels, particularly between urban and rural areas. Transnational cooperation will contribute to sharing experience and practices with regard to the skills necessary for the design and implementation of transnational smart specialization strategies, clusters and new forms of e-services. Form of support: grants are the most suitable form of support in relation to the envisaged types of actions.
2. A greener, low-carbon transitioning towards a net zero carbon economy and resilient Europe by promoting clean and fair energy transition, green and blue investment, the circular economy, climate change	RSO2.4. Promoting climate change adaptation and disaster risk prevention, resilience taking into account eco-system based approaches	2. Supporting a greener and climate resilient Adriatic-Ionian region	Justification for the selection of PO2 The Adriatic-Ionian region is a unique area of biodiversity hosting the highest number of UNESCO sites. Natural and cultural heritage are its world-renowned hallmark, despite the growing menace of

Selected policy objective or selected Interreg specific objective	Selected specific objective	Priority	Justification for selection
mitigation and adaptation risk prevention and management, and sustainable urban mobility			climate change – the area is a hotspot. The same area is unfortunately also known for its unruly productive activities and heavy pollution. Its fragile environmental context is also subject to natural disasters (e.g.: earthquakes) and man-made disasters also linked to heavy sea traffic (e.g.: oil spills, air, soil and sea pollution). In line with the EU Green Deal, the Adriatic-Ionian region must respond to the challenges of environmental degradation and climate change through an effective protection and restoring of biodiversity, as well as pollution reduction. Justification for the selection of SO 2 iv) Adverse extreme weather events due to climate change are quickly increasing in the Adriatic-Ionian area. Long heat waves, drought, wildfires and heavy rainfall are all events threatening the area's biodiversity, production activities and health. The area needs to set in place urgent transnational resilient nature-based measures as well as an improved risk preparedness and management. Transnational cooperation is the added value that will indeed contribute to addressing the need for increasing the region's resilience to climate change, identifying and implementing related adaptation policies, as well as increasing risk awareness, preparedness and risk forecasting with regard to natural and man-made disasters. Form of support: grants are the most suitable form of support in relation to the envisaged types of actions.
2. A greener, low-carbon transitioning towards a net zero carbon economy and resilient Europe by promoting clean and fair	RSO2.6. Promoting the transition to a circular and resource efficient economy	2. Supporting a greener and climate resilient	Justification for the selection of PO2 (see above) Justification for the selection of SO 2 vi) The area is characterised by gaps in waste management and

Selected policy objective or selected Interreg specific objective	Selected specific objective	Priority	Justification for selection
energy transition, green and blue investment, the circular economy, climate change mitigation and adaptation risk prevention and management, and sustainable urban mobility		Adriatic-Ionian region	use of recycled material as a primary resource. Awareness raising is the first step to circular economy: transnational cooperation can support this preliminary essential step through the promotion of good practice, and spreading of forerunners' approaches. Moreover, transnational cooperation can contribute to the setting in place of policies and strategies aimed, in particular, at identifying common solutions for shared problems (e.g.: plastic marine litter and related recycling) and facilitating cooperation between public and private sectors. Form of support: grants are the most suitable form of support in relation to the envisaged types of actions.
2. A greener, low-carbon transitioning towards a net zero carbon economy and resilient Europe by promoting clean and fair energy transition, green and blue investment, the circular economy, climate change mitigation and adaptation risk prevention and management, and sustainable urban mobility	RSO2.7. Enhancing protection and preservation of nature, biodiversity and green infrastructure, including in urban areas, and reducing all forms of pollution	2. Supporting a greener and climate resilient Adriatic-Ionian region	Justification for the selection of PO2 (see above) Justification for the selection of SO 2 vii) The world-renowned unique biodiversity of the Adriatic-Ionian region is threatened by an unruly overexploitation of its resources. Unsustainable economic activities and seasonal mass-tourism have led to polluted water, soil and air and overall loss of biodiversity. Transnational cooperation can provide an effective basis for shared approaches, policies and widely spread measures to increase awareness on the relevance of biodiversity and its preservation, as well as to reduce forms of pollution affecting its safeguard. Form of support: grants are the most suitable form of support in relation to the envisaged types of actions.
2. A greener, low-carbon transitioning towards a net zero carbon economy and resilient Europe by promoting clean and fair	RSO2.8. Promoting sustainable multimodal urban mobility, as part	2. Supporting a greener and climate resilient	Justification for the selection of PO2 (see above) Justification for the selection of SO 2 viii) Adriatic-Ionian urban mobility must deal with the

Selected policy objective or selected Interreg specific objective	Selected specific objective	Priority	Justification for selection
energy transition, green and blue investment, the circular economy, climate change mitigation and adaptation risk prevention and management, and sustainable urban mobility	of transition to a net zero carbon economy	Adriatic-Ionian region	same challenges of other European cities. The area is characterised by the presence of metropolitan as well as polycentric cities. Promotion of new concepts of urban mobility aimed at facilitating the transition towards zero carbon emissions will be encouraged. These proposed measures will have manifold effects: beyond the contribution in testing solutions to improve air quality, they will also encourage the testing of intelligent transport system solutions. Transnational cooperation will enhance the spreading of good practices, awareness raising and promoting shared approaches widening their effects. Form of support: grants are the most suitable form of support in relation to the envisaged types of actions.
3. A more connected Europe by enhancing mobility	RSO3.2. Developing and enhancing sustainable, climate resilient, intelligent and intermodal national, regional and local mobility, including improved access to TEN-T and cross-border mobility	3. Supporting a carbon neutral and better-connected Adriatic-Ionian region	Justification for the selection of PO3 The Adriatic Ionian area is one of the access routes to Southern Europe. Maritime but also land transport makes the area strategic for goods and people movement. Connectivity is however important within the area to boost cohesion and increase economic prosperity. Climate change and environmental safeguard require the improvement of sustainable intermodal transport. Justification for the selection of SO C ii) Although the Adriatic-Ionian area is highly strategic in terms of transport of goods and people due to its location, its geographical criticalities have not been fully overcome yet, hindering the advantages and benefits of its socioeconomic and environmental potential. The maritime dimension clearly plays a key role, and missing links in last mile connections between

Selected policy objective or selected Interreg specific objective	Selected specific objective	Priority	Justification for selection
			ports and intermodal terminals affect the regional transport system. Transnational cooperation intends to promote the testing of solutions aimed at improving multimodal transport, in particular in seaports, incentivizing the use of alternative clean fuels, strengthening the use of ICT to support vehicle flows and traffic management. The programme does not grant transport infrastructure. Form of support: grants are the most suitable form of support in relation to the envisaged types of actions.
6. Interreg: A better Cooperation Governance	ISO6.6. Other actions to support better cooperation governance (all strands)	4. Supporting the Governance of the Adriatic-Ionian region	Justification for the selection of ISO 1 Beyond the support to EUSAIR identified topics, the macro-region EUSAIR needs support for its governance and implementation. Contributions to minimize the cohesion divide by enhancing the institutional capacity of public authorities as well as by encouraging the enlargement process represent the cornerstones for a better future governance in the Adriatic-Ionian region. Form of support: grants are the most suitable form of support in relation to the envisaged types of actions.

2. Priorities

Reference: points (d) and (e) of Article 17(3)

2.1. Priority: 1 - Supporting a smarter Adriatic Ionian region

Reference: point (d) of Article 17(3)

2.1.1. Specific objective: RSO1.1. Developing and enhancing research and innovation capacities and the uptake of advanced technologies

Reference: point (e) of Article 17(3)

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

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

Reference: point (e)(i) of Article 17(3), point (c)(ii) of Article 17(9)

Strengthening innovation capacities in the Adriatic -Ionian region

Based on the territorial findings, the Adriatic-Ionian region does not stand out for its innovation and R&D capacities, level of digitalisation in the private and public sectors or readiness for internationalisation. Especially small, medium, and micro enterprises that build the cornerstone of local economies are, in all sectors, significantly exposed to digital transformation. Additionally, the area is interested by a high level of economic competitiveness and social gaps among various regions, with direct impact on the region's capacity to cooperate, especially when it comes to innovation and knowledge intensive services, including social innovation. The clusters' landscape is still embryonic, while research centres, public authorities and private companies do not fully capitalize on the advantages of cooperation in related key sectors. This hampers the targeted exchange between research and business communities as well as technology transfer and capacity building. Such networking and cooperation are preconditions to enhancing growth and competitiveness through innovative and smart solutions.

Thus, joint measures to improve innovation capabilities and to make better use of the potentials of digital and economic transformation processes are of high relevance. Such actions include the promotion of Smart Specialisation Strategies (S3) to pool together existing capacities and assure critical mass with a focus on areas of mutual interest like sustainable blue economy, health and quality of life, agri-food and safe nutrition, energy, sustainable tourism and creative economy, ICT, energy and sustainable environment, smart mobility, innovative production technologies and advanced materials. Proposed actions shall also contribute, among else, to the harmonization of standards, job creation and better R&D cooperation between academia and private businesses on trans-regional level.

To turn these strategies into practice, multi-level governance structures that enable trans-regional cooperation highlighting land and maritime Adriatic-Ionian specificities need to be supported. Clusters, transnational strategic partnerships, innovation networks and similar efforts aiming to assemble quadruple helix actors along important value chains are important tools to facilitate transnational cooperation that will be strengthened. While the above-mentioned efforts will improve the framework conditions of stakeholders, dedicated actions will be implemented to promote and scale-up the use of advanced technologies and encourage the development of transnationally designed products and services with clear preference of S3 priority areas. Increased use of e-services, ranging from e-government over e-learning up to e-marketing, will further improve the framework conditions for innovation and transformation.

Transnational cooperation contribution

IPA ADRION will support actions in the following thematic fields:

- S3 in common areas of specialization
- Sustainable blue economy

- Green innovation
- Clean technologies
- Industry 4.0 and digital technologies
- Social innovation
- Health
- Creative and cultural industry
- Tourism innovation

Granted actions will contribute to the implementation of the relevant EU framework policies, i.e.: the European Green Deal, EC Communication on Sustainable Blue Economy for a sustainable future, smart specialization strategies, the EC Communication Shaping Europe's digital future, as well as social investment packages.

Accordingly, also demonstrating their contribution to macro-regional, national and regional policies.

Synergies are also expected with PO 1 iv) PO 2 vi) and vii) of the present programme.

Granted actions are also expected to embark outcomes of projects supported under other EU programmes like Horizon Europe, Interregional Innovation Instruments – I3, etc. as well as of actions granted by other institutions, e.g.: the Western Balkans Investment Framework, UN etc. to ensure added value and effective use of public resources.

Due to the nature of the proposed indicative actions, it is assumed that SMEs will mainly indirectly benefit from the programme support. In case of direct support and to minimize possible risks affecting their capacity, SMEs support will occur through grant in compliance with state aid requirements.

The types of actions are assessed in compliance with the DNSH principle, since, due to their nature, they are not expected to impact significantly on the environment.

Proposed indicative actions (non-exhaustive list):

- 1) Develop transnational Smart Specialization Strategies in the main areas of specialization of the Adriatic Ionian area as health and quality of life, agri-food and safe nutrition, energy, sustainable tourism and creative economy, ICT systems and technologies, energy and sustainable environment, disaster prevention, smart mobility, innovative production technologies and advanced materials, blue economy
- 2) Promote and set-up multi-level governance schemes to facilitate transnational cooperation models to address challenges in common areas of specialization
- 3) Uptake, up-scale and test advanced technologies through pilot and joint actions, policies, tools, processes, particularly in, but not limited to, the main fields of interest of S3 and social innovation
- 4) Promote and encourage the development of transnationally designed innovations (technical and non-technical innovation, including services) through pilot and joint actions contributing to face societal and environmental challenges like demographic change, energy efficiency or climate change.
- 5) Promote the development of transnational partnerships, cluster-to-cluster cooperation, innovative networks, and similar initiatives.
- 6) Promote digital divide reduction by enhancing digital solutions in the private and public sector, and digital capacity building.
- 7) Support digital divide reduction by addressing sustainable development, resilience to climate change, as well as addressing wellbeing - including health for the youth and elderly, hospital, and home care - and demographic trends

8) Develop and implement e-services such as: e-government, e-learning, or e-marketing or digital tools for industrial and creative production

9) Support the development of transnational and macro-regional clusters in the emerging sectors as advanced packaging; biopharmaceuticals, blue economy industries, creative and digital industries; logistical services, medical devices, mobility tech, environment industries, as well as sustainable tourism, etc.

10) Promote actions and measures supporting SMEs development and modernization including intellectual property, technical and financial issues; testing solutions closer to the market (i.e.: proof of concept mechanisms, etc.), as well as the introduction of quality and sustainable requirements.

Expected results

Through the granting of joint development of strategies, action plans, pilot and action plans, as well as the strengthening of transnational cooperation among organisations, IPA ADRION intends to contribute to the setting in place of a favourable framework for shared strategic areas of interest.

The full exploitation of smart specialization strategies potentials will allow innovation players to boost their capacities and potentials.

Support to digitalization and green technologies is expected, in particular, to revamp traditional sectors and shape emerging ones.

Granted outcomes will also act as leverage for potential further actions at cross-border and national/regional/local level, facilitating the closing of innovation gaps and supporting technology transfer and uptake of new technologies.

2.1.1.1b. Definition of a single beneficiary or a limited list of beneficiaries and the granting procedure

Reference: point (c)(i) of Article 17(9)

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2.1.1.2. Indicators

Reference: point (e)(ii) of Article 17(3), point (c)(iii) of Article 17(9)

Table 2 - Output indicators

Priority	Specific objective	ID	Indicator	Measurement unit	Milestone (2024)	Target (2029)
1	RSO1.1	RCO83	Strategies and action plans jointly developed	strategy/action plan	0	22
1	RSO1.1	RCO84	Pilot actions developed jointly and implemented in projects	pilot actions	0	44
1	RSO1.1	RCO87	Organisations cooperating across borders	organisations	0	132
1	RSO1.1	RCO116	Jointly developed solutions	solutions	0	22

Table 3 - Result indicators

Priority	Specific objective	ID	Indicator	Measurement unit	Baseline	Reference year	Target (2029)	Source of data	Comments
1	RSO1.1	RCR79	Joint strategies and action plans taken up by organisations	joint strategy/action plan	0.00	2021-2029	17.00	Programme monitoring system	
1	RSO1.1	RCR84	Organisations cooperating across borders after project completion	organisations	0.00	2021-2029	66.00	Programme monitoring system	
1	RSO1.1	RCR104	Solutions taken up or up-scaled by organisations	solutions	0.00	2021-2029	17.00	Programme monitoring system	

2.1.1.3. Main target groups

Reference: point (e)(iii) of Article 17(3), point (c)(iv) of Article 17(9)

Target groups addressed by the actions proposed shall include all public and private institutions and stakeholders that can contribute to meet the programme's objectives with regard to Specific Objective "Developing and enhancing research and innovation capacities and the adoption of advanced technologies".

Target groups comprise, the triple or quadruple innovation helix system capable of innovation-generating processes (industry, university, government, civil society) and interaction aimed at accelerating the transfer of research and innovation results to promote regional growth i.e.: local, regional and national public authorities, organisations responsible for research and development, innovation, technology transfer institutions established and managed by public authorities, sectoral and regional development agencies, networks, cluster initiatives and associations, universities and research facilities, business support organisations (e.g. chambers of commerce, business innovation centres, technology information centres), higher education, education/training centres and schools, NGOs, non- profit organisations, SMEs, industrial and technological hubs and parks.

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

Reference: Article point (e)(iv) of 17(3)

The actions implemented throughout the Adriatic-Ionian region will address all territories in accordance with the topics affecting clusters, smart specialization strategies and encourage cooperation both among similar territories and those characterised by different degrees of innovation, including the territories lagging behind by highlighting their potentials.

2.1.1.5. Planned use of financial instruments

Reference: point (e)(v) of Article 17(3)

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

Reference: point (e)(vi) of Article 17(3), point (c)(v) of Article 17(9)

Table 4 - Dimension 1 – intervention field

Priority	Specific objective	Fund	Code	Amount (EUR)
1	RSO1.1	Interreg Funds	016. Government ICT solutions, e-services, applications	3,459,462.00
1	RSO1.1	Interreg Funds	027. Innovation processes in SMEs (process, organisational, marketing, co-creation, user and demand driven innovation)	2,306,308.00
1	RSO1.1	Interreg Funds	013. Digitising SMEs (including e-Commerce, e-Business and networked business processes, digital innovation hubs, living labs, web entrepreneurs and ICT start-ups, B2B)	3,459,462.00
1	RSO1.1	Interreg Funds	009. Research and innovation activities in micro enterprises including networking (industrial research, experimental development, feasibility studies)	1,729,731.00
1	RSO1.1	Interreg Funds	010. Research and innovation activities in SMEs, including networking	1,729,731.00
1	RSO1.1	Interreg Funds	026. Support for innovation clusters including between businesses, research organisations and public authorities and business networks primarily benefiting SMEs	6,918,924.00
1	RSO1.1	Interreg Funds	028. Technology transfer and cooperation between enterprises, research centres and higher education sector	6,342,347.00
1	RSO1.1	Interreg Funds	012. Research and innovation activities in public research centres, higher education and centres of competence including networking (industrial research, experimental development, feasibility studies)	2,882,885.00

Table 5 - Dimension 2 – form of financing

Priority	Specific objective	Fund	Code	Amount (EUR)
1	RSO1.1	Interreg Funds	01. Grant	28,828,850.00

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

Priority	Specific objective	Fund	Code	Amount (EUR)
1	RSO1.1	Interreg Funds	33. Other approaches - No territorial targeting	28,828,850.00

2.1.1. Specific objective: RSO1.4. Developing skills for smart specialisation, industrial transition and entrepreneurship

Reference: point (e) of Article 17(3)

Developing skills for smart specialization, industrial transition and entrepreneurship

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

Reference: point (e)(i) of Article 17(3), point (c)(ii) of Article 17(9)

Supporting skills development in the Adriatic -Ionian region

Skills development is of major concern in times of digital and economic transformation. It is common sense that a lack of skilled workforces is one of the prevailing barriers for economic growth and competitiveness in Europe, not just in the Adriatic-Ionian region. Furthermore, the new patterns of smart specialisation, industrial transition and support to new forms of entrepreneurship require not just new knowledge, but also new mindsets and new ways on how to do business. Existing market patterns vanish, and supply chains undergo constant transformation. New actors move in, and new business models become key for success. Skills modernization affects cross-cutting topics like digitalization, transition to industry 4.0, green economy and social innovation; additionally, the implementation of transnational smart specialization strategies and clusters require skills related to transnational planning and management. Overall, locally based skills development will also contribute to reduce disparities in the region (e.g.: developed vs undeveloped areas, urban versus rural or inland vs coastal areas).

Transnational cooperation contribution

IPA ADRION will support actions in the following thematic fields:

- Skills for sectors of relevance for S3, blue economy, green innovation, clean technologies, industry 4.0 and digital technologies, creative and cultural industry, sustainable and innovative tourism, social innovation, health as well as for the emerging sectors as advanced packaging; biopharmaceuticals, creative and digital industries; logistical services, medical devices, mobility technology.
- S3 management

Granted actions shall contribute to the implementation of the EU framework policies : e.g.: the NextGenerationEU plan that aims to repair the immediate economic and social damage brought about by the COVID-19 pandemic, the EU Green Deal, the EU Communication on Sustainable Blue Economy for a sustainable future, smart specialization strategies, digital transition, the Western Balkans Agenda 2020 Communication on the EU Enlargement policy.

Accordingly, granted actions will contribute to macro-regional, national and regional policies, and how they could support the mobilisation of future investments.

Synergies are expected to take place with the selected topics of PO 1 i), PO 2 vi) of the present programme.

Granted actions are also assumed to embark outcomes of projects supported under other EU programmes like Horizon Europe, Interregional Innovation Investments – I3, ESF+, etc. as well as actions granted by other institutions, e.g.: the Western Balkans Investment Framework, UN etc. to ensure added value and effective use of public resources.

Due to the type of proposed indicative actions, SMEs will most likely benefit indirectly from the programme's support. In case of direct support and to minimize possible risks affecting their capacity, SMEs support is provided by grant in compliance with state aid requirements.

The types of actions assessed in compliance with the DNSH principle are not expected to impact significantly on the environment.

Proposed indicative actions (non-exhaustive list):

- 1) Promote capacity building actions and institutional learning addressed to the stakeholders and key actors involved in the process of design, implementation and monitoring of the Smart Specialization Strategies.
- 2) Promote the development of regional and national policies addressing demographic change, brain-drain, ageing society, migration, regional disparities of human capital.
- 3) Support the development of actions aimed at raising competencies/skills of the stakeholders and key actors including education and training concepts for the adoption and spread of digitalization, decarbonisation, blue economy, renewable energy, circular economy and social innovation also through Researchers and PhD candidates in the Adriatic-Ionian region, as well as development of knowledge hubs and platforms (e.g., learning labs; e-learning platforms etc.) related to the sectors identified by S3 and sectors defined in PO1 i).

Expected results

By granting the joint development of pilot actions as well as the strengthening of transnational cooperation among organisations, IPA ADRION intends to contribute to the establishment of a favourable framework aimed at improving the skills of employees, entrepreneurs and other stakeholders in the identified topics. Granted projects will also contribute to boosting regional policy learning for the delivery of new and better services for skills development and reducing territorial and economic gaps through inclusion and cohesion.

Granted outcomes will also act as leverage for potential further actions at cross-border and national/regional/local level.

2.1.1.1b. Definition of a single beneficiary or a limited list of beneficiaries and the granting procedure

Reference: point (c)(i) of Article 17(9)

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2.1.1.2. Indicators

Reference: point (e)(ii) of Article 17(3), point (c)(iii) of Article 17(9)

Table 2 - Output indicators

Priority	Specific objective	ID	Indicator	Measurement unit	Milestone (2024)	Target (2029)
1	RSO1.4	RCO85	Participations in joint training schemes	participations	0	720
1	RSO1.4	RCO87	Organisations cooperating across borders	organisations	0	36

Table 3 - Result indicators

Priority	Specific objective	ID	Indicator	Measurement unit	Baseline	Reference year	Target (2029)	Source of data	Comments
1	RSO1.4	RCR84	Organisations cooperating across borders after project completion	organisations	0.00	2021-2029	18.00	Programme monitoring system	
1	RSO1.4	RCR81	Completion of joint training schemes	participants	0.00	2021-2029	648.00	Programme monitoring system	

2.1.1.3. Main target groups

Reference: point (e)(iii) of Article 17(3), point (c)(iv) of Article 17(9)

Target groups comprise, according to their thematic scope, both public and private actors such as public authorities at local, regional and national level, education and training organisations enterprises, clusters organisations and organizations part of smart specialization strategies, private and public research institutions, regional development and innovation agencies, chambers of commerce, technology transfer institutions, NGOs, non- profit organisations, business incubators, SMEs.

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

Reference: Article point (e)(iv) of 17(3)

The actions to be implemented throughout the Adriatic-Ionian region can address all territories, including the more advanced and innovative regions as well as the weaker ones penalized by their geography, depopulation, migration flows, that can benefit from the proposed actions.

2.1.1.5. Planned use of financial instruments

Reference: point (e)(v) of Article 17(3)

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

Reference: point (e)(vi) of Article 17(3), point (c)(v) of Article 17(9)

Table 4 - Dimension 1 – intervention field

Priority	Specific objective	Fund	Code	Amount (EUR)
1	RSO1.4	Interreg Funds	018. IT services and applications for digital skills and digital inclusion	1,441,446.00
1	RSO1.4	Interreg Funds	023. Skills development for smart specialisation, industrial transition, entrepreneurship and adaptability of enterprises to change	5,765,767.00

Table 5 - Dimension 2 – form of financing

Priority	Specific objective	Fund	Code	Amount (EUR)
1	RSO1.4	Interreg Funds	01. Grant	7,207,213.00

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

Priority	Specific objective	Fund	Code	Amount (EUR)
1	RSO1.4	Interreg Funds	33. Other approaches - No territorial targeting	7,207,213.00

2.1. Priority: 2 - Supporting a greener and climate resilient Adriatic-Ionian region

Reference: point (d) of Article 17(3)

2.1.1. Specific objective: RSO2.4. Promoting climate change adaptation and disaster risk prevention, resilience taking into account eco-system based approaches

Reference: point (e) of Article 17(3)

Promoting climate change adaptation, and disaster risk

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

Reference: point (e)(i) of Article 17(3), point (c)(ii) of Article 17(9)

Enhancing resilience to climate change, natural and man-made disasters in the Adriatic- Ionian region

Fragility is the word that best describes the Adriatic-Ionian area from an environmental point of view. Projections confirm that the area is a climate change hotspot. Temperatures have repeatedly broken long-term records in recent years: their rise ranges from 0,3 – 0,35 to 0,35 – 0,45 degree per decade over the 1960-2019 period.

The effects of climate change are clearly evident by the rising sea level, the reduction of glaciers and water reserves, long heatwaves, droughts, as well as extreme weather events with negative consequences on eco-systems, population health, and cultural heritage, with consequent severe impacts on leading productive sectors like tourism.

The Adriatic-Ionian area is also subject to natural disaster: its geomorphological structure is another cause of the region's high and frequent seismic risk.

The area, being a crossroads of goods and passengers linking Europe with the Eastern and Southern countries, the incidence of man-made disasters, in particular with regard to oil-spills at sea, is inevitably higher compared to other geographical areas. Moreover the increasing number of wildfires caused by illegal practices, the release of dangerous substances from industrial processes both at sea and on land, the contamination of drinking water, etc. are all matters of deep concern.

This complex situation urgently requires a stronger awareness and better knowledge of the state of the art, more effective policy making toward acknowledging, understanding, forecasting, and planning resilient measures towards climate change, as well as the adoption of effective management and emergency actions for adaptation, resilience, natural and man-made disaster prevention.

Transnational cooperation contribution

IPA ADRION will support actions in the following thematic fields:

- Climate change

·Natural and man-made disasters

Granted actions will also contribute to the implementation of the relevant EU framework policies, like the European Green Deal, the EU strategy on adaptation to climate change and maritime spatial planning, the Recommendation on the implementation of Integrated Coastal Zone Management in Europe and EU solidarity initiatives (e.g.: RescEU, and the European Union's Programme on Civil Protection Cooperation with the Candidate Countries and Potential Candidates).

Accordingly, granted actions are also liable to provide their contribution to macro-regional, national and regional policies.

Synergies are expected with PO 2 vii) of the present programme, in particular with regard to the measures devoted to safeguard biodiversity.

Granted actions are also assumed to embark outcomes of projects supported under EU programmes like Life, Horizon Europe as well as actions granted by the EU Civil Protection Mechanism or other institutions, e.g.: the Western Balkans Investment Framework, EIB, UN etc. to ensure added value and effective use of public resources.

Due to the nature of the proposed indicative actions, it is likely that SMEs will indirectly benefit from the programme support. In case of direct support and to minimize possible risks affecting their capacity, SMEs support will be through grant in compliance with state aid requirements.

The types of actions assessed in compliance with the DNSH principle are not expected to impact significantly on the environment.

Proposed indicative actions (non-exhaustive list):

- 1)Develop, implement, and promote transnational climate change adaptation strategies, plans and test solutions with a focus on people's health, preservation of natural and cultural heritage and urban areas.
- 2)Develop and implement integrated joint transnational strategies and measures aimed at enhancing the resilience to climate change of coastal, river basins, rural and mountainous areas through a harmonised framework of standards and indicators and use of already existing research results and contributions to EU platforms (e.g.: EU Risk Data Hub, Climate-ADAPT).
- 3)In the framework of Maritime Spatial Planning activities, develop transnational joint plans and pilot actions to boost resilience to climate change in marine ecosystems.
- 4)Develop and implement transnational joint action plans to coordinate measures addressed to natural and man-made disaster prevention and standardized responses (e.g.: intense rainfalls, floods, landslides, heatwaves, heat islands, draughts, wildfires, oil spill, plastics at sea, river contamination etc.).
- 5) Collect compelling information and use it to develop advocacy material to strengthen synergies and increase preparedness among local/regional/national civil protection bodies on natural and man-made risks.
- 6)Design and implement strategies and action plans at local, regional and national level for the safeguard of water resources (rainwater management, river and lake water retention, water scarcity, drinking water, water availability, agricultural forecasting, breeding, industry and population).

7)Implement pilot actions for a shared and coordinated use of big data for modelling, early forecasting and warning systems to reduce climate change risks.

Expected results

Through the support of strategies, action plans and testing solutions for the adaptation to climate change and risks prevention, IPA ADRION will contribute to establish shared transnational and macro-regional actions to face climate change and prevent natural and man-made disasters, boost policy learning, improve awareness and strengthen transnational dialogue.

Granted outcomes will act as leverage for potential further actions at cross-border and national/regional/local level.

2.1.1.1b. Definition of a single beneficiary or a limited list of beneficiaries and the granting procedure

Reference: point (c)(i) of Article 17(9)

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2.1.1.2. Indicators

Reference: point (e)(ii) of Article 17(3), point (c)(iii) of Article 17(9)

Table 2 - Output indicators

Priority	Specific objective	ID	Indicator	Measurement unit	Milestone (2024)	Target (2029)
2	RSO2.4	RCO83	Strategies and action plans jointly developed	strategy/action plan	0	28
2	RSO2.4	RCO87	Organisations cooperating across borders	organisations	0	114

Table 3 - Result indicators

Priority	Specific objective	ID	Indicator	Measurement unit	Baseline	Reference year	Target (2029)	Source of data	Comments
2	RSO2.4	RCR84	Organisations cooperating across borders after project completion	organisations	0.00	2021-2029	57.00	Programme monitoring system	
2	RSO2.4	RCR79	Joint strategies and action plans taken up by organisations	joint strategy/action plan	0.00	2021-2029	21.00	Programme monitoring system	

2.1.1.3. Main target groups

Reference: point (e)(iii) of Article 17(3), point (c)(iv) of Article 17(9)

Target groups addressed by the proposed actions are primarily the Adriatic-Ionian population, who will directly benefit from the proposed measures. Target groups include local, regional and national public authority policy makers, NGOs, non-profit organisations, public and private innovation and development agencies, research institutions, rescue and emergency organizations, training organisations, SMEs.

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

Reference: Article point (e)(iv) of 17(3)

Actions can be implemented in the whole Adriatic-Ionian region, notwithstanding the type of territory (mountainous, inland and maritime).

2.1.1.5. Planned use of financial instruments

Reference: point (e)(v) of Article 17(3)

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

Reference: point (e)(vi) of Article 17(3), point (c)(v) of Article 17(9)

Table 4 - Dimension 1 – intervention field

Priority	Specific objective	Fund	Code	Amount (EUR)
2	RSO2.4	Interreg Funds	064. Water management and water resource conservation (including river basin management, specific climate change adaptation measures, reuse, leakage reduction)	3,623,487.00
2	RSO2.4	Interreg Funds	059. Adaptation to climate change measures and prevention and management of climate related risks: fires (including awareness raising, civil protection and disaster management systems, infrastructures and ecosystem based approaches)	2,415,658.00
2	RSO2.4	Interreg Funds	061. Risk prevention and management of non-climate related natural risks (for example earthquakes) and risks linked to human activities (for example technological accidents), including awareness raising, civil protection and disaster management systems, infrastructures and ecosystem based approaches	3,623,486.00
2	RSO2.4	Interreg Funds	029. Research and innovation processes, technology transfer and cooperation between enterprises, research centres and universities, focusing on the low carbon economy, resilience and adaptation to climate change	6,039,154.00
2	RSO2.4	Interreg Funds	060. Adaptation to climate change measures and prevention and management of climate related risks: others, e.g. storms and drought (including awareness raising, civil protection and disaster management systems, infrastructures and ecosystem based approaches)	6,039,154.00
2	RSO2.4	Interreg Funds	058. Adaptation to climate change measures and prevention and management of climate related risks: floods and landslides (including awareness raising, civil protection and disaster management systems, infrastructures and ecosystem based approaches)	2,415,658.00

Table 5 - Dimension 2 – form of financing

Priority	Specific objective	Fund	Code	Amount (EUR)
2	RSO2.4	Interreg Funds	01. Grant	24,156,597.00

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

Priority	Specific objective	Fund	Code	Amount (EUR)
2	RSO2.4	Interreg Funds	33. Other approaches - No territorial targeting	24,156,597.00

2.1.1. Specific objective: RSO2.6. Promoting the transition to a circular and resource efficient economy

Reference: point (e) of Article 17(3)

Promoting the transition to a circular economy and resource efficient economy

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

Reference: point (e)(i) of Article 17(3), point (c)(ii) of Article 17(9)

Supporting circular economy development in the Adriatic -Ionian region

Although the definition of circular economy, as opposed to the current *linear economy*, is familiar to us today, its practices, tools, possibilities, and opportunities are much less so and its implementation rather uneven in the area.

Circular economy implies a change of mindset: products and materials are used and reused as long as possible; minimized exploitation of new resources, waste and second-life used material are valuable resources. The advantages of this approach are manifold: from the creation of new job opportunities to the improvement of the population's health (e.g.: landfilling reduction), to the price reduction of goods, etc.

The Adriatic-Ionian region still has considerable gaps in waste management capacities and in the use of efficient resources, impacting on the possibilities of cooperation and industrial production synergies.

Transnational cooperation can help Adriatic-Ionian participating countries to scale up circular economy, by facilitating the spread of front-runners' experiences and practices towards mainstream economic players in the following domains: exchange of knowledge, practice, and development of skills on integrated and systemic approaches for recycling municipal and marine waste to increase the rate and quality of recycled materials (e.g.: organic, plastics, metals, glass, electronic devices, etc.).

Transnational cooperation contribution

IPA ADRION will support actions in the following thematic fields:

- Circular and resource efficient economy
- Waste management
- Consumers and buyers' empowerment and behavioural changes

Granted actions will contribute to the implementation of the relevant EU framework policies, i.e.: the European Green Deal, the EU Circular Economy Action Plan, and the Communication on Blue Economy for a sustainable future.

Accordingly, granted actions will extend their contribution to macro-regional, national and regional policies.

Synergies are also expected with the PO 1 i) and SO 1 iv), SO 2 vii) and SO3 ii) of the present programme, with a focus on measures devoted to the safeguard of biodiversity.

Granted actions are also expected to embark the outcomes of projects supported under EU programmes like Life, Horizon Europe, as well as actions granted by other institutions, e.g.: the Western Balkans Investment Framework, EIB, UN etc. to ensure added value and effective use of public resources.

Due to the nature of the proposed indicative actions, SMEs will mainly indirectly benefit from the programme's support. In case of direct support and to minimize the possible risks affecting their capacity, SMEs support will be provided by grant in compliance with state aid requirements.

The types of action are assessed in compliance with the DNSH principle, since, due to their nature they are not expected to impact significantly on the environment.

Proposed indicative actions (non-indicative list):

1. Collect compelling information, implement exchange of experience, and test actions to develop advocacy material to increase knowledge and preparedness among policy makers and public administrators on the potentials of circular economy and test actions/ experience exchange for practical implementation.
2. Identify and implement transnational action plans and strategies to enhance and/or scale up circular economy at regional/national/macro-regional level (e.g.: setting up transnational/networks for secondary raw materials, creating transnational marketplaces for recycling/up-recycling products).
3. Enhance cooperation between the public and the private sector and establish networks to prevent, process and recycle waste, and test them through pilot initiatives.
4. Develop and test solutions for the recovery and repairing of second-hand products involving local handicrafts and citizens.
5. Set in place and test digital solutions for circular economy by including applications and services (e.g.: resource mapping, tracing systems and consumer information).
6. Develop and implement transnational frameworks and test pilot actions to drive public waste policies towards circularity (e.g.: through integrated and systemic approaches in waste management systems).
7. Set in place joint actions and innovation networks to test science-based solutions aimed at collecting and recycling marine litter (e.g.: plastic litter, plastic fishing gear etc.).

Expected results

Through the support of transnational strategies, action plans, testing solutions and innovative networks, IPA ADRION will result in increasing awareness, changing the behaviour of citizens, consumers and policy makers as well as in improving the related policy framework.

Granted outcomes will also act as leverage for potential further actions at cross-border and national/regional/local level affecting both public and private stakeholders.

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2.1.1.1b. Definition of a single beneficiary or a limited list of beneficiaries and the granting procedure

Reference: point (c)(i) of Article 17(9)

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2.1.1.2. Indicators

Reference: point (e)(ii) of Article 17(3), point (c)(iii) of Article 17(9)

Table 2 - Output indicators

Priority	Specific objective	ID	Indicator	Measurement unit	Milestone (2024)	Target (2029)
2	RSO2.6	RCO83	Strategies and action plans jointly developed	strategy/action plan	0	12
2	RSO2.6	RCO84	Pilot actions developed jointly and implemented in projects	pilot actions	0	24
2	RSO2.6	RCO87	Organisations cooperating across borders	organisations	0	48
2	RSO2.6	RCO116	Jointly developed solutions	solutions	0	8

Table 3 - Result indicators

Priority	Specific objective	ID	Indicator	Measurement unit	Baseline	Reference year	Target (2029)	Source of data	Comments
2	RSO2.6	RCR84	Organisations cooperating across borders after project completion	organisations	0.00	2021-2029	24.00	Programme monitoring system	
2	RSO2.6	RCR79	Joint strategies and action plans taken up by organisations	joint strategy/action plan	0.00	2021-2029	9.00	Programme monitoring system	
2	RSO2.6	RCR104	Solutions taken up or up-scaled by organisations	solutions	0.00	2021-2029	6.00	Programme monitoring system	

2.1.1.3. Main target groups

Reference: point (e)(iii) of Article 17(3), point (c)(iv) of Article 17(9)

The involvement in circular economy measures affects both the Adriatic-Ionian population and the public and private institutions directly benefitting from the outcomes of the envisaged measures, acting both on the demand and on the supply end of the market.

Target groups include public authorities at local, regional, and national level), policy makers, agencies, research organizations, innovation and development agencies, business support organisations, NGOs, non-profit organisations, universities and training institutions, SMEs.

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

Reference: Article point (e)(iv) of 17(3)

Actions implemented throughout the Adriatic-Ionian region will address all territories, in spite of their degree of development and territorial characteristics.

2.1.1.5. Planned use of financial instruments

Reference: point (e)(v) of Article 17(3)

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

Reference: point (e)(vi) of Article 17(3), point (c)(v) of Article 17(9)

Table 4 - Dimension 1 – intervention field

Priority	Specific objective	Fund	Code	Amount (EUR)
2	RSO2.6	Interreg Funds	075. Support to environmentally-friendly production processes and resource efficiency in SMEs	2,013,049.00
2	RSO2.6	Interreg Funds	071. Promoting the use of recycled materials as raw materials	2,013,049.00
2	RSO2.6	Interreg Funds	067. Household waste management: prevention, minimisation, sorting, reuse, recycling measures	2,013,049.00
2	RSO2.6	Interreg Funds	069. Commercial, industrial waste management: prevention, minimisation, sorting, reuse, recycling measures	2,013,049.00
2	RSO2.6	Interreg Funds	030. Research and innovation processes, technology transfer and cooperation between enterprises, focusing on circular economy	2,013,049.00

Table 5 - Dimension 2 – form of financing

Priority	Specific objective	Fund	Code	Amount (EUR)
2	RSO2.6	Interreg Funds	01. Grant	10,065,245.00

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

Priority	Specific objective	Fund	Code	Amount (EUR)
2	RSO2.6	Interreg Funds	33. Other approaches - No territorial targeting	10,065,245.00

2.1.1. Specific objective: RSO2.7. Enhancing protection and preservation of nature, biodiversity and green infrastructure, including in urban areas, and reducing all forms of pollution

Reference: point (e) of Article 17(3)

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

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

Reference: point (e)(i) of Article 17(3), point (c)(ii) of Article 17(9)

Supporting environment preservation and protection in the Adriatic- Ionian region

The biodiversity in the Adriatic-Ionian area is undoubtedly one of its greatest economic resources with much potential: participating countries count on its related generated GDP. Nonetheless, biodiversity is seriously at risk, to the point of no-return, due to extensive agriculture practices threatening the safeguard of traditional production, and seasonal mass tourism, further exacerbated by the consequences of climate change.

According to the EU biodiversity strategy, the moral, economic and environmental imperatives have not yet been asserted clearly enough to prevent the state of crisis nature is facing today: the five main drivers of biodiversity loss: changes in land and sea use, overexploitation, climate change, pollution, and invasive alien species – are killing our ecosystems and rapidly making our natural world disappear.

Soil degradation is a cause of alarm, as it is an essential ecosystem related to food production, energy, raw materials, carbon sequestration, water purification, and nutrient regulation.

The protection and preservation of nature requires innovative solutions to enhance the safeguard of terrestrial and marine wildlife: for ex. regarding the former, large carnivores (on top of the food chain), pollinating insects (whose disappearance threatens natural trophic chains and food supply), and migratory birds (whose temporary stop-over in the Adriatic-Ionian area must be supported also outside the Adriatic-Ionian Natura2000 sites and the natural protected areas in IPA III beneficiaries and third countries). Measures such as the setting up of ecological corridors to prevent genetic isolation, allowing the migration of species, maintaining and enhancing healthy ecosystems besides the promotion of more investments in green and blue infrastructure would certainly help.

Similarly, marine environments are subject to the overexploitation of key species like common sole, deep-water shrimp and red mullet; the rising of sea temperatures and the presence of alien species exerting pressure on demersal and small pelagic species.

Marine pollution, in particular plastic, marine microplastic and litter, affect not only the environment, but also the economy (tourist and food reputation of the area, local communities who depend on these sectors for their livelihoods), and, more in general, people's health by entering in the food chain(WWF).

Uncontrolled conventional tourism poses potential threats to several natural elements, whose consequences affect not only the ecosystems (e.g.: soil erosion, air pollution, reduction of water resources, increase of solid waste and littering, sewage release into the sea), but also landscapes and natural habitats.

Transnational cooperation contribution

IPA ADRION will support actions in the following thematic fields:

1. Biodiversity protection and preservation, including protected areas and areas under Habitat and Birds Directives
2. Green and blue infrastructures, and ecosystem services
3. Sustainable soil, fishery, and aquaculture management
4. Environmental pollution reduction and impacts on health population
5. Tourism environmental impact

Granted actions will contribute to the implementation of relevant EU framework policies, i.e.: the Just Transition Fund, the European Green Deal, the EU Forest Strategy, the Farm to Fork Strategy, the EU Adaptation strategy, Blue Economy, Maritime Spatial Planning, the Recommendation on the implementation of Integrated Coastal Zone Management in Europe, the EU Pollution action plan, the EU Forestry strategy.

Accordingly, they will provide their contribution to macro-regional, national and regional policies.

Synergies are expected with the PO i), PO 2 iv), vi), viii), and PO3 ii) of the present programme, the latter in particular with regard to marine plastic litter.

Granted actions are also expected to embark outcomes of projects supported under EU programmes like Life, Horizon Europe as well as actions granted by other institutions, e.g.: by the Western Balkans Investment Framework, UN etc. to ensure added value and effective use of public resources.

Due to the nature of the proposed indicative actions, SMEs will most likely benefit mainly indirectly from the programme's support. In case of direct support and to minimize possible risks affecting their capacity, SMEs support will occur through grant in compliance with state aid requirements.

The type of actions assessed in compliance with the DNSH principle, due to their nature are not expected to impact significantly on the environment.

Proposed indicative actions (non-exhaustive list):

1. Define and implement policy frameworks, strategies and related implementation to protect and enhance natural terrestrial and sea habitats, including protected areas and areas under Habitat and Birds Directives
2. Test solutions to protect and restore flora and fauna (with particular attention to algae/poseidonia oceanica, large carnivores, pollinating insects, migrators, fishes), also envisaging the use of blue and green infrastructure.
3. Identify and transfer good practices and innovative solutions addressing the presence of alien marine species and terrestrial environments for the preservation of native flora and fauna.
4. Collect compelling information and use it to develop advocacy material to strengthen synergies and increase preparedness among local/regional/national policy makers and administrators to set in place actions aimed at improving policy frameworks, governance and management schemes of existing or underway marine/natural protected areas.

5. Definition of action plans to reinforce the implementation of existing/new Integrated Coastal Zone Management, Maritime Spatial Planning as well as the implementation of the UN Barcelona Convention, in particular with regard to the management and monitoring of marine protected areas.
6. Exchange of good practices and testing of solutions for sustainable tourism through participatory approaches and multi-level governance.
7. Identify jointly developed solutions for the expansion of sustainable fishery and aquaculture practices (e.g.: by reducing wasteful discarding, strengthening fisheries management, enhancing traceability to combat fraud, digitalised catch certificate).
8. Define and implement legally binding agreements with key actors to reduce plastic discharge into the sea.
9. Identify and test joint action to ensure sustainable food and traditional agricultural products (e.g.: old seeds safeguard, traditional animal breeding etc.) to support the zero-km food chain, food safety and quality.
10. Produce positive impacts on the Adriatic-Ionian population's health through the identification of good practices and the implementation of pilot actions aimed at reducing air, water and soil pollution.
11. Define joint actions to enhance soil and water preservation by ensuring data collection and their public availability (e.g.: feeding EU networks like Data Network (EMODnet), agriculture data space).
12. In the framework of Maritime Spatial Planning, develop and implement joint strategies on Adriatic and Ionian seas to safeguard biodiversity also taking into account the conflicting sea exploitation: tourism, commercial and recreational shipping, aquaculture plants, settlements of offshore wind parks, oil and gas extraction etc.

Expected results

Through the support of strategies, action plans and testing solutions, IPA ADRION will contribute to set the frame for shared transnational and macro-regional actions by repositioning protection and preservation of nature in its central role.

Granted outcomes will also act as leverage for potential further actions at cross-border and national/regional/local level.

2.1.1.1b. Definition of a single beneficiary or a limited list of beneficiaries and the granting procedure

Reference: point (c)(i) of Article 17(9)

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2.1.1.2. Indicators

Reference: point (e)(ii) of Article 17(3), point (c)(iii) of Article 17(9)

Table 2 - Output indicators

Priority	Specific objective	ID	Indicator	Measurement unit	Milestone (2024)	Target (2029)
2	RSO2.7	RCO83	Strategies and action plans jointly developed	strategy/action plan	0	38
2	RSO2.7	RCO84	Pilot actions developed jointly and implemented in projects	pilot actions	0	38
2	RSO2.7	RCO87	Organisations cooperating across borders	organisations	0	114
2	RSO2.7	RCO116	Jointly developed solutions	solutions	0	19

Table 3 - Result indicators

Priority	Specific objective	ID	Indicator	Measurement unit	Baseline	Reference year	Target (2029)	Source of data	Comments
2	RSO2.7	RCR79	Joint strategies and action plans taken up by organisations	joint strategy/action plan	0.00	2021-2029	28.00	Programme monitoring system	
2	RSO2.7	RCR84	Organisations cooperating across borders after project completion	organisations	0.00	2021-2029	57.00	Programme monitoring system	
2	RSO2.7	RCR104	Solutions taken up or up-scaled by organisations	solutions	0.00	2021-2029	14.00	Programme monitoring system	

2.1.1.3. Main target groups

Reference: point (e)(iii) of Article 17(3), point (c)(iv) of Article 17(9)

Target groups addressed by the proposed actions are the Adriatic-Ionian population who will benefit from the implementation of the proposed activities, as well as public and private organizations benefiting from the leverage effect of the implemented actions, e.g.: national, regional and local public authorities, policy makers, research institutions, NGOs, non-profit organisations, associations, research organisations, universities, public service providers, education institutions and training centres, SMEs etc.

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

Reference: Article point (e)(iv) of 17(3)

Actions can be implemented in all of the Adriatic-Ionian region, notwithstanding the type of territory (inland, marine, maritime).

2.1.1.5. Planned use of financial instruments

Reference: point (e)(v) of Article 17(3)

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

Reference: point (e)(vi) of Article 17(3), point (c)(v) of Article 17(9)

Table 4 - Dimension 1 – intervention field

Priority	Specific objective	Fund	Code	Amount (EUR)
2	RSO2.7	Interreg Funds	077. Air quality and noise reduction measures	3,623,488.00
2	RSO2.7	Interreg Funds	079. Nature and biodiversity protection, natural heritage and resources, green and blue infrastructure	16,909,611.00
2	RSO2.7	Interreg Funds	167. Protection, development and promotion of natural heritage and eco-tourism other than Natura 2000 sites	3,623,488.00

Table 5 - Dimension 2 – form of financing

Priority	Specific objective	Fund	Code	Amount (EUR)
2	RSO2.7	Interreg Funds	01. Grant	24,156,587.00

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

Priority	Specific objective	Fund	Code	Amount (EUR)
2	RSO2.7	Interreg Funds	33. Other approaches - No territorial targeting	24,156,587.00

2.1.1. Specific objective: RSO2.8. Promoting sustainable multimodal urban mobility, as part of transition to a net zero carbon economy

Reference: point (e) of Article 17(3)

Promoting sustainable multimodal urban mobility, as part of transition to a net zero carbon economy

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

Reference: point (e)(i) of Article 17(3), point (c)(ii) of Article 17(9)

Supporting sustainable multimodal urban mobility in the Adriatic -Ionian region

Urban mobility in Adriatic-Ionian cities, as in many other European ones, is characterised by similar problems, such as traffic congestion and air pollution; in the same way, Adriatic-Ionian cities are also acknowledging innovation trends in mobility, such as infrastructure digitalisation, and the diffusion of shared modes of transport (e.g. bike-sharing, car-sharing, car-pooling) as well as of (less pollutant) electric-vehicles. Innovation in infrastructure and services represents an opportunity to improve services and integration of public transport, to promote sustainable multimodal mobility in the IPA ADRION cities, as well as in other polycentric settlements, such as coastal areas during tourist season and in functional urban areas, i.e.: a densely populated city and a less densely populated commuting zone whose labour market is highly integrated with the city (OECD, 2012).

To face the challenges of the transition towards zero-carbon transport emissions, a wide range of transnational mobility solutions and initiatives can be adopted to promote a modal shift towards public transport, as well as forms of active mobility (e.g.: cycling). Shared mobility should be perceived as part of a multimodal transport system with the preeminent role of enlarging the catchment area of mass rapid transit (e.g. railways, metro, tram systems) serving functional urban areas. By implementing the above solutions, public transport would become highly accessible, and not only in the city centres. Moreover, interchange points (i.e. stations) would serve as interfaces between long distance and local transport services, providing higher levels of accessibility also to regional and national businesses and to tourist destinations.

This mobility scheme would ensure a relevant role to intelligent transport systems, on the one hand, by facilitating operators to create seamless interchanges from one type of transport mode to another, e.g. by synchronizing timetables at interchange nodes, by offering integrated fares for travellers using different modes (e.g. train and bus) and, on the other, by supplying new customized travel solutions and providing information on the different travel options available.

Actions to promote integrated and multimodal mobility services should incorporate communities' real and perceived needs. To this aim, an active involvement of citizens and stakeholders is desirable, particularly directed to those travellers who could be shifted towards public transport and active mobility forms (e.g.: cycling) such as residents that do not own a private vehicle or "city users", tourists or visitors coming from outside the urban area (regional or national mobility).

Another important step towards achieving sustainability in the region is the gradual transition to electro-mobility. In this respect, the Adriatic-Ionian region should identify the best path toward a fully electric urban mobility.

Transnational cooperation contribution

IPA ADRION will support actions in the following thematic fields:

- Intelligent transport system solutions for multi-modal urban mobility
- Transition towards a zero-carbon urban private/public fleet
- Mobility as a Service (MaaS)

Granted actions will contribute to the implementation of the relevant EU framework policies, i.e.: the European Green Deal, the Joint Transition Fund, the EU Action Plan on EU Urban Initiative.

Accordingly, also providing their contribution to macro-regional, national and regional policies.

Synergies are also expected with the PO 2 vii) and PO 3 ii) of the present programme.

Granted actions are also expected to embark outcomes of projects supported under other EU programmes like Horizon Europe, URBACT, etc. as well as actions granted by other institutions, e.g.: the Western Balkans Investment Framework, UN etc. to ensure added value and effective use of public resources.

Due to the nature of the proposed indicative actions, SMEs will mainly indirectly benefit from the programme's support. In case of direct support and to minimize possible risks affecting their capacity, SMEs support will be through grant in compliance with state aid requirements.

The types of actions assessed in compliance with the DNSH principle, due to their nature, are not expected to impact significantly on the environment.

Proposed indicative actions (non-exhaustive list)

1. Elaborate joint actions to develop and implement intelligent transport system solutions devoted to a better infrastructure use and new mobility services to improve sustainable, clean and smart mobility systems and smart management of traffic flows for cities and functional urban areas.
2. Set in place joint actions aimed at promoting the active involvement of citizens, tourism actors and economic operators in the development of sustainable urban mobility plans (SUMP) both in cities and in functional urban areas.
3. Support the shift towards sustainable and accessible urban public transport and active modes (e.g.: cycling, walking) through the implementation of joint pilot actions, by also taking advantage of the opportunities offered by the electro-mobility revolution.

Expected results

Through the development and implementation of joint actions, transnational cooperation will lead to a broader deployment and testing of novel solutions to promote multimodality, adopt integrated travel solutions, and make public transport seamless and attractive for different segments of the population, in particular for elderly people and citizens living in the cities' peripheral areas and in functional urban areas.

Proposed actions shall also contribute to increase awareness and knowledge among cities' administrations on how to manage the transition towards the zero-carbon mobility target and which strategies should be adopted to contribute to the EU Green Deal goals.

Granted outcomes will also act as leverage for potential further actions at cross-border and national/regional/local level.

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2.1.1.1b. Definition of a single beneficiary or a limited list of beneficiaries and the granting procedure

Reference: point (c)(i) of Article 17(9)

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2.1.1.2. Indicators

Reference: point (e)(ii) of Article 17(3), point (c)(iii) of Article 17(9)

Table 2 - Output indicators

Priority	Specific objective	ID	Indicator	Measurement unit	Milestone (2024)	Target (2029)
2	RSO2.8	RCO84	Pilot actions developed jointly and implemented in projects	pilot actions	0	14
2	RSO2.8	RCO87	Organisations cooperating across borders	organisations	0	42

Table 3 - Result indicators

Priority	Specific objective	ID	Indicator	Measurement unit	Baseline	Reference year	Target (2029)	Source of data	Comments
2	RSO2.8	RCR104	Solutions taken up or up-scaled by organisations	solutions	0.00	2021-2029	10.00	Programme monitoring system	
2	RSO2.8	RCR84	Organisations cooperating across borders after project completion	organisations	0.00	2021-2029	21.00	Programme monitoring system	

2.1.1.3. Main target groups

Reference: point (e)(iii) of Article 17(3), point (c)(iv) of Article 17(9)

Target groups are mainly inhabitants and bodies operating in the areas benefiting from the granted projects. They also include local, regional and national public authorities, policy makers, universities and training institutions, research institutions, tourist operators, transport operators and agencies, regional development agencies, associations, private enterprises including SMEs, NGOs and non-profit organisations.

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

Reference: Article point (e)(iv) of 17(3)

Actions can be implemented in all the Adriatic-Ionian cities, polycentric settlements, such as the coastal areas during the tourist season, and in functional urban areas.

2.1.1.5. Planned use of financial instruments

Reference: point (e)(v) of Article 17(3)

N.A.

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

Reference: point (e)(vi) of Article 17(3), point (c)(v) of Article 17(9)

Table 4 - Dimension 1 – intervention field

Priority	Specific objective	Fund	Code	Amount (EUR)
2	RSO2.8	Interreg Funds	084. Digitalisation of urban transport	2,180,803.00
2	RSO2.8	Interreg Funds	085. Digitalisation of transport when dedicated in part to greenhouse gas emissions reduction: urban transport	2,180,803.00
2	RSO2.8	Interreg Funds	086. Alternative fuels infrastructure	2,180,803.00
2	RSO2.8	Interreg Funds	083. Cycling infrastructure	2,180,803.00

Table 5 - Dimension 2 – form of financing

Priority	Specific objective	Fund	Code	Amount (EUR)
2	RSO2.8	Interreg Funds	01. Grant	8,723,212.00

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

Priority	Specific objective	Fund	Code	Amount (EUR)
2	RSO2.8	Interreg Funds	30. Other approaches - Islands and coastal areas	2,180,803.00
2	RSO2.8	Interreg Funds	26. Other approaches - Cities, towns and suburbs	2,180,803.00
2	RSO2.8	Interreg Funds	25. Other approaches - Urban neighbourhoods	2,180,803.00
2	RSO2.8	Interreg Funds	27. Other approaches - Functional urban areas	2,180,803.00

2.1. Priority: 3 - Supporting a carbon neutral and better-connected Adriatic-Ionian region

Reference: point (d) of Article 17(3)

2.1.1. Specific objective: RSO3.2. Developing and enhancing sustainable, climate resilient, intelligent and intermodal national, regional and local mobility, including improved access to TEN-T and cross-border mobility

Reference: point (e) of Article 17(3)

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

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

Reference: point (e)(i) of Article 17(3), point (c)(ii) of Article 17(9)

The position of the Adriatic-Ionian region is highly strategic in terms of transport and mobility for both people and goods . Nevertheless, it is still characterised by several territorial discontinuities that are direct consequence of its geomorphological structure and history and hamper the full exploitation of its socioeconomic and environmental potential.

A central role in the region is undoubtedly played by its maritime dimension. In fact, the Adriatic and Ionian Seas, with more than 350 registered ports, could potentially constitute a relevant interconnection hub particularly for freight transport. Almost all the ports are located alongside regional multi-modal transport corridors (including the TEN-T Core Network Corridors) and, therefore represent key nodes for the development of integrated maritime, rail and road connections. The lack of a reliable railways system in a large portion of the Adriatic-Ionian region hinders the creation of an integrated and resilient transport infrastructure. Multimodal transport is particularly limited, curbing the potential exchange of goods from the coast to the hinterland and vice-versa. Missing links in last mile connections between ports and intermodal terminals and along the network also affect the overall capacity of the transport system.

In addition, transnational transport – both between Adriatic-Ionian countries and the neighbouring ones - is further slowed down by lengthy customs clearance procedures at the borders.

Transnational cooperation contribution

IPA ADRION will support actions in the following thematic fields:

- Intermodal last mile connections
- Alternative clean fuels supply facilities, particularly in sea ports
- Intelligent transport system technologies/solutions for multimodal transport
- Dematerialization of transport paper procedures.

Granted actions will contribute to the implementation of the relevant framework EU policies, i.e.: the European Green Deal, the Joint Transition Fund, EU Sustainable and Smart Mobility Strategy Accordingly, t also providing their contribution to macro-regional, national and regional policies.

Synergies are also expected with the PO 2 vii) and viii) of the present programme.

Granted actions are also expected to embark outcomes of projects supported under other EU programmes like Horizon Europe, Connecting Europe Facility, etc. as well as actions granted by other institutions, e.g.: the Western Balkans Investment Framework, UN etc. to ensure added value and effective use of public resources.

Due to the nature of the proposed indicative actions, SMEs will mainly indirectly benefit from the programme support. In case of direct support and to minimize possible risks affecting their capacity, SMEs support will be through grant in compliance with state aid requirements.

The type of actions assessed in compliance with the DNSH principle, due to their nature, are not expected to impact significantly on the environment.

Proposed actions supported (non-exhaustive list):

1. Set in place transnational cooperation actions to develop and/or improve sustainable smart mobility systems to strengthen urban-rural linkages and implement innovative sustainable transport solutions, including forms of participatory governance to improve multimodal and low carbon mobility for passengers, tourists, and commuters of the Adriatic-Ionian region.
2. Develop and test innovative planning tools/solutions forecasting future demand for public transport in view of the impact caused by current socio-demographic changes and present pandemic situation on intermodal national, regional and local mobility.
3. Support environmental performance and energy efficiency for low carbon port systems and related infrastructures – such as noise reduction, air quality, decrease of CO2 emissions - through the adoption of pilot actions testing innovative technologies, energy sustainability and harmonised regulatory standards for maritime/river transport.
4. Strengthen the role of the Adriatic-Ionian transport sector within the upcoming TEN-T policy through pilot actions and the implementation of shared solutions aimed at boosting the role of ICT, in particular with regard to the dematerialization of transport procedures, especially in maritime port areas.
5. Enhance the development of the Motorways of the Seas (Mos) concept as an alternative to overstretched land transport through targeted strategies and action plans, aimed at making full use of maritime transport resources as well as inland waterways in the logistics chain.
6. Implement transnational integrated action plans supporting the development of rail-sea transportation intended as intermodal and multimodal transport mode.
7. Support the increase of Short Sea Shipping (SSS) in the Adriatic-Ionian Sea basin as sustainable transport mode through joint developed actions, including the promotion of the use of alternative fuels/modes and last / first mile environmentally friendly solutions.
8. Map infrastructural, technological, legislative gaps and barriers to freight circulation including the legal and administrative variances hampering the efficiency of smooth transnational transport, in order to create a common transnational transport policy framework.
9. Improve accessibility within the Adriatic-Ionian region, with a focus on peripheral areas, to the TEN-T network through the implementation of action plans, tackling the bottlenecks hampering the transport's sector growth and economic development.

Expected results

Proposed transnational actions will contribute to the identification of new, shared, environmentally sustainable multimodal transport solutions and to the reduction of distance gaps characterising some areas/destinations. Additionally, they will encourage new transport concepts following the pandemic crisis.

Transnational cooperation will also encourage ways to minimize legal or administrative obstacles currently slowing down transport procedures in particular in seaports.

Finally, cooperation will increase the number of ports cooperating among themselves and involved in solutions aimed at their up-scaling in particular with regard to their environmental impact.

Proposed actions will also contribute to increasing awareness and knowledge among relevant organisations, in particular seaports, and to identify new strategies to contribute to the EU Green Deal goals.

Granted outcomes will also act as leverage for potential further actions at cross-border and national/regional/local level.

2.1.1.1b. Definition of a single beneficiary or a limited list of beneficiaries and the granting procedure

Reference: point (c)(i) of Article 17(9)

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2.1.1.2. Indicators

Reference: point (e)(ii) of Article 17(3), point (c)(iii) of Article 17(9)

Table 2 - Output indicators

Priority	Specific objective	ID	Indicator	Measurement unit	Milestone (2024)	Target (2029)
3	RSO3.2	RCO83	Strategies and action plans jointly developed	strategy/action plan	0	22
3	RSO3.2	RCO84	Pilot actions developed jointly and implemented in projects	pilot actions	0	18
3	RSO3.2	RCO87	Organisations cooperating across borders	organisations	0	54
3	RSO3.2	RCO116	Jointly developed solutions	solutions	0	9
3	RSO3.2	RCO117	Solutions for legal or administrative obstacles across border identified	solutions	0	5

Table 3 - Result indicators

Priority	Specific objective	ID	Indicator	Measurement unit	Baseline	Reference year	Target (2029)	Source of data	Comments
3	RSO3.2	RCR84	Organisations cooperating across borders after project completion	organisations	0.00	2021-2029	27.00	Programme monitoring system	
3	RSO3.2	RCR79	Joint strategies and action plans taken up by organisations	joint strategy/action plan	0.00	2021-2029	16.00	Programme monitoring system	
3	RSO3.2	RCR104	Solutions taken up or up-scaled by organisations	solutions	0.00	2021-2029	7.00	Programme monitoring system	
3	RSO3.2	RCR82	Legal or administrative obstacles across borders alleviated or resolved	legal or administrative obstacles	0.00	2021-2029	3.00	Programme monitoring system	

2.1.1.3. Main target groups

Reference: point (e)(iii) of Article 17(3), point (c)(iv) of Article 17(9)

The target groups of the funded actions are mainly passengers and tourists, as well as the institutions and organisations dealing with production, logistics and transport sectors. They involve the public sector including local, regional and national authorities, policy makers, research institutions, tourist operators, port authorities and logistic operators, regional development agencies, associations, NGOs, non-profit organisations, education and training organisations, SMEs

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

Reference: Article point (e)(iv) of 17(3)

Actions can be implemented in the whole Adriatic-Ionian region.

2.1.1.5. Planned use of financial instruments

Reference: point (e)(v) of Article 17(3)

N.A.

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

Reference: point (e)(vi) of Article 17(3), point (c)(v) of Article 17(9)

Table 4 - Dimension 1 – intervention field

Priority	Specific objective	Fund	Code	Amount (EUR)
3	RSO3.2	Interreg Funds	110. Seaports (TEN-T)	1,342,032.00
3	RSO3.2	Interreg Funds	112. Other seaports	894,688.00
3	RSO3.2	Interreg Funds	119. Digitising transport: other transport modes	1,118,360.00
3	RSO3.2	Interreg Funds	114. Inland waterways and ports (TEN-T)	894,688.00
3	RSO3.2	Interreg Funds	116. Inland waterways and ports (regional and local)	782,852.00
3	RSO3.2	Interreg Funds	109. Multimodal transport (not urban)	1,565,704.00
3	RSO3.2	Interreg Funds	120. Digitising transport when dedicated in part to greenhouse gas emissions reduction: other transport modes	1,118,360.00
3	RSO3.2	Interreg Funds	113. Other seaports excluding facilities dedicated to transport of fossil fuels	559,180.00
3	RSO3.2	Interreg Funds	108. Multimodal transport (TEN-T)	1,565,710.00
3	RSO3.2	Interreg Funds	111. Seaports (TEN-T) excluding facilities dedicated to transport of fossil fuels	1,342,032.00

Table 5 - Dimension 2 – form of financing

Priority	Specific objective	Fund	Code	Amount (EUR)
3	RSO3.2	Interreg Funds	01. Grant	11,183,606.00

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

Priority	Specific objective	Fund	Code	Amount (EUR)
3	RSO3.2	Interreg Funds	33. Other approaches - No territorial targeting	11,183,606.00

2.1. Priority: 4 - Supporting the Governance of the Adriatic-Ionian region

Reference: point (d) of Article 17(3)

2.1.1. Specific objective: ISO6.6. Other actions to support better cooperation governance (all strands)

Reference: point (e) of Article 17(3)

A better cooperation governance

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

Reference: point (e)(i) of Article 17(3), point (c)(ii) of Article 17(9)

Supporting the Governance of the Adriatic-Ionian region

The Adriatic-Ionian area frames 10 partner, four Member States (Croatia, Greece, Italy and Slovenia), five candidate and potential candidate countries (Albania, Bosnia and Herzegovina, Montenegro, North Macedonia and Serbia) and one third country (San Marino).

The Adriatic Ionian geographical area is inevitably a political lab for a future enlarged Europe and ground for testing foreign EU policies with regard to challenges affecting trade, energy, migrations, and environment, just to name a few.

Due to the political, cultural and natural relevance of the Adriatic-Ionian area, its partner countries initiated a joint path, which brought to the adoption of the EU Strategy for the Adriatic-Ionian Region (EUSAIR) by the European Commission on 17 June 2014 and further endorsed by the European Council on the same year; EUSAIR incorporates the maritime strategy for the Adriatic and Ionian Seas adopted on 30 November 2012.

The macro-regional strategy is one of the EU most recent and innovative policy framework, which fosters countries located in the same region to jointly tackle challenges and find solutions to problems or to better use the potential they have in common (e.g. pollution, natural and cultural heritage, worldwide business competition, etc.). The macro-region shall benefit and be active promoter of strengthened cooperation, with the aim of making their policies more efficient than if they had addressed the issues in isolation.

The EUSAIR is a solid partnership representing all the involved countries and an efficient collaboration mechanism aimed at contributing to a harmonious and cohesive cooperation environment.

Beyond the support to thematic transnational joint cooperation reported in the selected Specific Objectives identified, actions to reduce the cohesion divide characterising the Adriatic-Ionian area should be addressed to the following main categories of beneficiaries, namely public administrators, civil society, and young people, to root and further consolidate cooperation and solidarity behaviours.

Transnational cooperation contribution

IPA ADRION will support actions in the following thematic fields:

- Transnational multilevel and multi-sectoral cooperation governance.

- European perspective of IPA partner countries.
- Increasing awareness / Encouraging the discussion on topics aimed at bringing strategic discussion in the area.
- Administrative barriers reduction and administrative capacity enforcement.

Granted actions shall mainly contribute to the implementation of EUSAIR, the Manifesto for Young People by Young People to Shape the European Cooperation Policy, the EU Green Deal, the EU Strategy for the Western Balkans, the Western Balkan agenda on innovation, research, education, culture, youth and sport, the EU Enlargement process.

Accordingly, they shall also demonstrate their contribution to national and regional policies.

Synergies are expected with the selected topics of PO1, PO2 and PO3 of the present programme.

Proposed actions supported (non-exhaustive list):

1)Enhance the institutional capacity of public authorities and stakeholders to implement the EUSAIR also by supporting its governance mechanisms (as described in Appendix 3).

2)Promote exchanges and capacity building, in particular among public administration to support the enlargement process, key EU goals like EU Green Agenda, the EU Strategy for the Western Balkans, the Western Balkan agenda on innovation, research, education, culture, youth and sport, the EU Enlargement process, Digital Agenda, as well as other relevant macro-regional topics (e.g.: horizontal topics, technical topics linked to EUSAIR action plan).

3)Support networks, platforms and clusters also created by projects funded by ADRION to facilitate the exploitation and spread of knowledge, experiences as well as to encourage cooperation with mainstream programmes, Interreg or programmes directly funded by the European Commission.

Expected results

Granted projects shall on the one side support and facilitate the functioning of EUSAIR governance structure and increase the impact of EUSAIR actions in the Adriatic-Ionian region and contribute to Adriatic-Ionian cohesion by addressing to a wide spectrum of population, boosting regional policy learning, encouraging multi-level governance approaches on the other.

Granted outcomes shall also act as leverage for potential further actions at cross-border and national/regional/local level affecting both public and private stakeholders and target groups.

The types of actions assessed in compliance with the DNSH principle, due to their nature, are not expected to impact significantly on the environment.

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2.1.1.1b. Definition of a single beneficiary or a limited list of beneficiaries and the granting procedure

Reference: point (c)(i) of Article 17(9)

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2.1.1.2. Indicators

Reference: point (e)(ii) of Article 17(3), point (c)(iii) of Article 17(9)

Table 2 - Output indicators

Priority	Specific objective	ID	Indicator	Measurement unit	Milestone (2024)	Target (2029)
4	ISO6.6	RCO81	Participations in joint actions across borders	participations	0	2160
4	ISO6.6	RCO115	Public events across borders jointly organised	events	0	156
4	ISO6.6	RCO118	Organisations cooperating for the multi-level governance of macroregional strategies	organisations	0	50

Table 3 - Result indicators

Priority	Specific objective	ID	Indicator	Measurement unit	Baseline	Reference year	Target (2029)	Source of data	Comments
4	ISO6.6	RCR84	Organisations cooperating across borders after project completion	organisations	0.00	2021-2029	25.00	Programme monitoring system	
4	ISO6.6	RCR85	Participations in joint actions across borders after project completion	participations	0.00	2021-2029	1,080.00	Programme monitoring system	

2.1.1.3. Main target groups

Reference: point (e)(iii) of Article 17(3), point (c)(iv) of Article 17(9)

Target groups of funded actions are all those organisations involved or positively affected by the granted actions, e.g.: inhabitants, public authorities, policy makers universities and training institutions, research institutions, regional development agencies, business support organisations, sectoral agencies, regional development agencies, private enterprises, including SMEs, NGOs and non- profit organisations, EGTCs, etc.

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

Reference: Article point (e)(iv) of 17(3)

Actions can be implemented in the whole Adriatic-Ionian region.

2.1.1.5. Planned use of financial instruments

Reference: point (e)(v) of Article 17(3)

N.A.

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

Reference: point (e)(vi) of Article 17(3), point (c)(v) of Article 17(9)

Table 4 - Dimension 1 – intervention field

Priority	Specific objective	Fund	Code	Amount (EUR)
4	ISO6.6	Interreg Funds	173. Enhancing institutional capacity of public authorities and stakeholders to implement territorial cooperation projects and initiatives in a cross-border, transnational, maritime and inter-regional context	4,970,491.00
4	ISO6.6	Interreg Funds	171. Enhancing cooperation with partners both within and outside the Member State	4,970,492.00

Table 5 - Dimension 2 – form of financing

Priority	Specific objective	Fund	Code	Amount (EUR)
4	ISO6.6	Interreg Funds	01. Grant	9,940,983.00

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

Priority	Specific objective	Fund	Code	Amount (EUR)
4	ISO6.6	Interreg Funds	33. Other approaches - No territorial targeting	9,940,983.00

3. Financing plan

Reference: point (f) of Article 17(3)

3.1. Financial appropriations by year

Table 7

Reference: point (g)(i) of Article 17(3), points (a) to (d) of Article 17(4)

Fund	2021	2022	2023	2024	2025	2026	2027	Total
Interreg Funds	0.00	23,136,337.00	23,638,886.00	23,985,886.00	24,421,458.00	20,547,305.00	20,958,643.00	136,688,515.00
Total	0.00	23,136,337.00	23,638,886.00	23,985,886.00	24,421,458.00	20,547,305.00	20,958,643.00	136,688,515.00

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

Reference: point (f)(ii) of Article 17(3), points (a) to (d) of Article 17(4)

Table 8

Policy objective	Priority	Fund	Basis for calculation EU support (total eligible cost or public contribution)	EU contribution (a)=(a1)+(a2)	Indicative breakdown of the EU contribution		National contribution (b)=(c)+(d)	Indicative breakdown of the national counterpart		Total (e)=(a)+(b)	Co-financing rate (f)=(a)/(e)	Contributions from the third countries
					without TA pursuant to Article 27(1) (a1)	for TA pursuant to Article 27(1) (a2)		National public (c)	National private (d)			
1	1	Interreg Funds	Total	39,639,670.00	36,036,063.00	3,603,607.00	6,995,236.00	5,596,189.00	1,399,047.00	46,634,906.00	84.9999997856%	0.00
2	2	Interreg Funds	Total	73,811,797.00	67,101,634.00	6,710,163.00	13,025,612.00	10,420,490.00	2,605,122.00	86,837,409.00	84.9999992515%	0.00
3	3	Interreg Funds	Total	12,301,967.00	11,183,606.00	1,118,361.00	2,170,936.00	1,736,749.00	434,187.00	14,472,903.00	84.9999961998%	0.00
6	4	Interreg Funds	Total	10,935,081.00	9,940,983.00	994,098.00	1,929,721.00	1,929,721.00	0.00	12,864,802.00	84.9999945588%	0.00
	Total	Interreg Funds		136,688,515.00	124,262,286.00	12,426,229.00	24,121,505.00	19,683,149.00	4,438,356.00	160,810,020.00	84.9999987563%	0.00
	Grand total			136,688,515.00	124,262,286.00	12,426,229.00	24,121,505.00	19,683,149.00	4,438,356.00	160,810,020.00	84.9999987563%	0.00

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

Reference: point (g) of Article 17(3)

Preparation of the Interreg programme

In accordance with art. 8 of CPR, the actions adopted for the preparation of IPA ADRION 2021-27 have been addressed to a broad range of relevant institutions in the participating countries.

An *ad hoc* Task Force on programming was set up where each partner country was represented. The Task Force gave itself procedure rules and decided through consensus.

The topics and documentation of each Task Force meeting elaborated by the Managing Authority and Joint Secretariat were previously discussed at national level by Task Force representatives with pre-identified stakeholders (e.g.: national committees). Task Force decisions were expression of national multilevel governance.

An updated territorial analysis was drafted and approved by the Task Force appointed for programming. Based on the territorial findings, thematic Policies, Specific Objectives and indicative actions were identified.

The Task Force also selected stakeholders invited to targeted meetings to present the outcomes of the territorial analysis and preliminary thematic choices of IPA ADRION 2021-27. The events took place online on:

- 28 October 2020 - event devoted to PO3 – 108 registered participants;
- 4 November 2020 – event devoted to PO2 – 108 registered participants;
- 12 November 2020 – event devoted to PO1 - 99 registered participants.

Feedbacks on the selected thematic Policies and Specific Objectives were collected through surveys addressed to the general public through an online questionnaire available on the programme web site and to the pre-selected stakeholders through targeted questionnaires, namely:

- o 1.644 addressees with regard to Policy Objective 1;
- o 1.629 addressees with regard to Policy Objective 2;
- o 1.431 addressees with regard to Policy Objective 3.

Additionally, a dedicated survey was launched with regard to ISO1 and was primarily addressed to EUSAIR macro regional stakeholders. The survey was addressed to 360 institutions.

Exchange of information also took place with EUSAIR Thematic Steering Groups representatives in winter/spring 2021. The meetings aimed at raising awareness on the programme and provide updates on the state of play of IPA ADRION 2021-27, collecting additional information on identified flagships, strengthening coordination.

Finally, IPA ADRION MA/JS also profited from the outcomes of the thematic clusters network set in place at the end of 2019 on the following topics: Blue Growth and related smart growth; Coastal and Marine Environment management; Towards sustainability in cultural and natural tourism destinations; Integrated multimodal sustainable water and land transport; Urban and interurban low carbon intermodal mobility for passengers. Collected relevant inputs and drafted policy papers were used as further source of information along with the planning of programming activities.

To ensure the exchange of views and opinions on thematic and technical topics, IPA ADRION Managing Authority and Joint Secretariat representatives also attended meetings organized by INTERACT with other transnational programmes and with those cross-border programmes operating in the Adriatic-Ionian area.

Role of programme partners in programme implementation, monitoring and evaluation

Since the official approval of ADRION 2014-2020 at the end of 2015, the programme strongly encouraged the involvement of potential beneficiaries. Beyond the wide dissemination of activities directly implemented by the Managing Authority and Joint Secretariat, partner countries kept active at national level by organizing events through their National Contact Points.

ADRION participating countries have set in place mechanisms at national level (e.g.: national committees) to collect first-hand information from relevant stakeholders and beneficiaries. Gathered information and positions were presented within the Monitoring Committee meetings. Through this tested and consolidated habit, the decision-making process is the result of a bottom-up approach and governance encompassing local, regional, and national level.

This approach, in line with art. 8 of CPR will continue in IPA ADRION 2021-2027: the Monitoring Committee - and their supporting national committees – will be involved in the preparation of calls for proposals, and in programme monitoring and evaluation.

The Monitoring Committee will also be entitled to involve, with an observer role and upon invitation, relevant EU/international institutions and organisations.

IPA ADRION is also expected to set in place implementation tools to allow the regular provision for information on the programme's achievements, including the final performance report according to art. 33 of Interreg Regulation. Regular contacts with EUSAIR Governing Board will ensure a further wide spread of information and strengthen dialogue within the area. Dedicated thematic studies and exchanges are also envisaged by the programme.

The foreseen measures shall contribute to enhancing ownership of the programme and encourage exchanges for a better coordination on the use of funds.

The programme shall also ensure that all actions are aimed at avoiding any conflict of interest in accordance with the Commission Notice Guidance on the avoidance and management of conflicts of interest under the Financial Regulation (2021/C 121/01).

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

Reference: point (h) of Article 17(3)

Building on lessons learnt and experience from the previous programming period, all communication and visibility activities for 2021-2027 will be based on strategic and targeted measures implemented to enhance and support the achievements as well as all aspects of the Programme's life cycle.

Based on the Programme's main goals the communication objectives are to:

- Increase knowledge and raise awareness on the Programme's main goals and milestones by delivering clear information on the programme's culture and expectations, calls for proposals and relevant documentation; providing continuous support to the applicants and beneficiaries, including targeted assistance to the projects with regard to communication activities.

Expected Results: increased knowledge on the Programme's opportunities, improved quality of received applications, increased number of potential beneficiaries and interested parties, support to beneficiaries.

- Increase quality and visibility of the Programme's capital (funded projects, Thematic Clusters) by supporting the dissemination of project outputs, assisting beneficiaries in reaching out to target audiences and policy makers and by facilitating clustering and transferability of outputs through capitalisation actions.

Expected Result: increased quality and visibility of ADRION projects and Thematic Clusters.

- Contribute to policy change and support governance in the Adriatic-Ionian region by influencing policy debate through the consolidation of a community of stakeholders and key players; by fostering exchanges with other Interreg Programmes, institutional networks and international organisations through funding initiatives, thematic events and capitalisation activities.

Expected Result: increased impact of the Programme on the Adriatic-Ionian community and beyond the programme's transnational borders.

The **target audiences** of the Programme include potential applicants, beneficiaries, sectoral agencies and academia, public institutions at national, regional and local level, up to EUSAIR representatives and community, institutions, civil society, international organisations, other EU funded and Interreg Programmes as well as any other relevant networks.

Communication toolbox

The Programme will identify targeted actions and channels for each communication objective, with special efforts toward the promotion of strategic projects reported in Appendix 3, ensuring the organisation of dedicated informative sessions and events involving the European Commission and main interested bodies.

The Programme will utilise multiple channels and tactics to ensure maximum return in terms of visibility and impact towards a wide spectrum of audiences. Recognition and visibility of the Programme will be supported by a solid brand identity, including visuals and key messages. Overall, communication will be based on the combination of online and offline activities through different type of formats. The website

will be the primary source of information for the Programme's goals and activities as well as extended content for media and institutional stakeholders. A digital strategy will be developed to build the Programme's online presence, through direct mailings, newsletters, constant updates of the website and social media accounts (e.g. twitter, LinkedIn, YouTube), using targeted storytelling campaigns. Communication activities will include online and physical events to help generate the Programme's ownership and networking opportunities.

Monitoring and evaluation

Communication activities will be regularly monitored through the collection of data based on web traffic, social media analytics, surveys. Dedicated outputs and result indicators will monitor and measure progress and achievements. By way of example, identified indicators will include: beneficiaries, stakeholders and applicants' satisfaction towards dedicated communication activities (events, quality of information materials; Programme's support), outreach of social media, number of visits on programme website, participation in events.

Resources

Communication is a joint effort, hence direct assistance will be given to projects, national contact points, and others to communicate about the programme. The implementation of communication activities will be supported by all programme bodies and the national contact points. The total communication budget of the Interreg IPA ADRION will amount to at least 0,3% of the total programme budget, excluding staff costs. The Programme implementation plan will further define the budget and resources needed.

In accordance with art. 46 lett b) of CPR, the programme's website will be linked to the single website portal providing access to all programmes of the Member State.

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

Reference: point (i) of Article 17(3), Article 24

In the course of the 2021-27 programming period IPA ADRION will not account for the funding of projects under small project funds in accordance with art. 25 of Interreg Regulation. However, it intends to explore the possibility of funding projects with a limited financial volume in accordance with art. 24.1a) of the aforementioned Regulation. These projects will have pioneer and/or cohesive goals (e.g.: capitalization and dissemination activities; exploitation of outcomes and links with other EU programmes and institutions; support to networks and platforms created by projects). Indicatively, the maximum EU financial contribution will amount to EUR 500.000,-.

Projects with a limited financial volume can be granted in all priority axes.

7. Implementing provisions

7.1. Programme authorities

Reference: point (a) of Article 17(6)

Table 9

Programme authorities	Name of the institution	Contact name	Position	E-mail
Managing authority	Regione Emilia-Romagna Direzione Generale Risorse, Europa, Innovazione e Istituzioni (General Directorate Resources, Europe, Innovation and Institutions) Italy	Francesco Raphael Frieri		adrion@regione.emilia-romagna.it
Audit authority	Regione Emilia-Romagna - Cabinet of the President of the Regional Government IPA ADRION Audit Authority Department	Marcello Bonaccorso		adrionAA@regione.emilia-romagna.it
National authority (for programmes with participating third or partner countries)	Departement of Foreign Affairs of San Marino Republic	Lino Zonzini		lino.zonzini@esteri.sm
Group of auditors representatives	Ministry of Economy and Finance Ministero Economia e Finanze – Ragioneria Generale dello Stato	Maristella Comisso		maristella.comisso@mef.gov.it
Group of auditors representatives	North Macedonia Authority for Audit of Instrument for Pre-Accession Assistance	Adem Curi		adem.curi@aaipa.gov.mk
Body to which the payments are to be made by the Commission	Ministry of Economy and Finance Revolving Fund Community Policies	Paolo Zambuto		paolo.zambuto@mef.gov.it

7.2. Procedure for setting up the joint secretariat

Reference: point (b) of Article 17(6)

With reference to art. 17.6 lett b) of the Interreg Regulation and having regard the implementation of IPA ADRION programme in the period 2014-20, the Managing Authority will ensure continuity of the current Joint Secretariat and its empowerment in relation to the increased programme budget.

The Joint Secretariat established in Bologna (Italy) continues to be hosted by ART-ER, an in-house company of Emilia-Romagna region.

In accordance with art. 46.2 of Interreg Regulation, it shall assist the Managing Authority and the Monitoring Committee in carrying out their respective functions; additionally, by providing information to potential beneficiaries about funding opportunities under IPA ADRION and assisting the beneficiaries and partners in the implementation process.

Participating countries can be consulted for the recruitment of additional staff and be involved in the recruitment process acting in compliance with the principles of transparency, non-discrimination and equal opportunity. MA, in coordination with ART-ER, shall coordinate the entire process.

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

Reference: point (c) of Article 17(6)

By way of derogation of art. 74.1 (a) of CPR, Member States, IPA III beneficiaries, and where applicable, third countries, shall ensure management verifications through the identification of a body or persons responsible for this verification on their territories to be conducted and regulated in accordance with art. 69.2 of CPR. Management verifications shall prevent, detect, and deal effectively with any irregularities, including fraud committed by economic operators.

The recommendations and corrective measures might result from any type of control implemented (management verifications by the Member States/IPA III beneficiaries, and, where applicable, third countries, checks by Managing Authority, system and operations audits, audits by the European Commission and by the European Court of Accounts).

According to art. 52 of Interreg Regulation, the Managing Authority shall ensure that any amount paid as a result of irregularity is recovered from the project.

The irregular amount is recovered from the lead partner; in case the irregularity lays within a partner, the latter shall repay the lead partner.

If the Managing Authority does not succeed in securing repayment from the beneficiary, the Member State/IPA III beneficiary, and, where applicable, third countries on whose territory the beneficiary concerned is located shall reimburse the Managing Authority the amount unduly paid to that beneficiary.

Details on the recovery procedure will be included in the description of the management and control system.

In parallel to / after reimbursement of the irrecoverable amount by the Member State/IPA III beneficiary and, where applicable, third countries, to the Managing Authority, the Member State/IPA III beneficiary and, where applicable, third countries hold the right to secure repayment from the beneficiary located on their territory, if necessary, through legal action. For this purpose, the Managing Authority and the lead partner shall assign their rights arising from the subsidy contract and the partnership agreement to the Member State/IPA III beneficiary and, where applicable, third countries concerned.

The Managing Authority shall be responsible for reimbursing the amounts concerned to the general budget of the Union in accordance with the apportionment of liabilities among the Member States/IPA III beneficiaries and, where applicable, third countries, as laid down in the cooperation programme and in Art. 52 of Interreg Regulation.

In case a Member State/IPA III beneficiary and, where applicable, third countries have not reimbursed the Managing Authority any amounts unduly paid to a partner, according to art. 52(5) those amounts shall be subject to a recovery order issued by the Commission which shall be executed, where possible, by offsetting to the Member State/IPA III beneficiary and, where applicable, third countries. Such recovery shall not constitute a financial correction and shall not reduce the support from the Interreg funds to the programme. The amount recovered shall constitute assigned revenue in accordance with Article 21(3) of the Financial Regulation. With regard to amounts not reimbursed to the managing authority by a Member State/IPA III beneficiary and, where applicable, third countries, the offsetting shall concern subsequent payments to the programme. The managing authority shall then offset with regard to that Member State/IPA III and, where applicable, third countries beneficiary in the event of financial corrections imposed by the managing authority or the Commission.

In case of systemic irregularity as defined by art. 2(33) of CPR, or a financial correction (decided either by the Managing or Audit authorities or by the European Commission), the Member State/ IPA III beneficiary and, where applicable, third countries shall bear the financial consequences in proportion to the relevant irregularity detected on their territory. In case the systemic irregularity or the financial correction cannot be linked to a specific Member State/IPA III beneficiary and, where applicable, third

countries, the liability shall be jointly borne by all Member States/IPA III beneficiary and, where applicable, third countries in proportion to the Interreg funds claimed by the European Commission during the period affected by the systemic irregularity or financial correction.

The above liability principles also apply to corrections to Technical Assistance (TA) calculated in compliance with Article 27 of the Interreg regulation, since such corrections would be the direct consequence of project related irregularities (whether systemic or not).

The Managing Authority and LP shall not recover an amount unduly paid if it does not exceed EUR 250 Interreg funds (not including interest) to an operation in a given accounting year according to art. 52(2) of Interreg Regulation.

In accordance with art. 69.12 of CPR, Member States/IPA III beneficiaries and, where applicable, third countries shall report on irregularities in accordance with the criteria for determining the cases of irregularity to be reported, the data to be provided and the format for reporting (Annex 12 of CPR).

Details on procedures shall be reported in the description of the management and control system in accordance with art. 69(11) of CPR.

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

Reference: Articles 94 and 95 of Regulation (EU) 2021/1060 (CPR)

Table 10: Use of unit costs, lump sums, flat rates and financing not linked to costs

Intended use of Articles 94 and 95 CPR	Yes	No
From the adoption, the programme will make use of reimbursement of the Union contribution based on unit costs, lump sums and flat rates under the priority according to Article 94 CPR	<input type="checkbox"/>	<input checked="" type="checkbox"/>
From the adoption, the programme will make use of reimbursement of the Union contribution based on financing not linked to costs according to Article 95 CPR	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Appendix 1

A. Summary of the main elements

Priority	Fund	Specific objective	Estimated proportion of the total financial allocation within the priority to which the simplified cost option will be applied in %	Type(s) of operation covered		Indicator triggering reimbursement		Unit of measurement for the indicator triggering reimbursement	Type of simplified cost option (standard scale of unit costs, lump sums or flat rates)	Amount (in EUR) or percentage (in case of flat rates) of the simplified cost option
				Code(1)	Description	Code(2)	Description			

(1) This refers to the code for the intervention field dimension in Table 1 of Annex 1 CPR

(2) This refers to the code of a common indicator, if applicable

Appendix 1

B. Details by type of operation

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C. Calculation of the standard scale of unit costs, lump sums or flat rates

1. Source of data used to calculate the standard scale of unit costs, lump sums or flat rates (who produced, collected and recorded the data, where the data is stored, cut-off dates, validation, etc):

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2. Please specify why the proposed method and calculation based on Article 94(2) is relevant to the type of operation:

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3. Please specify how the calculations were made, in particular including any assumptions made in terms of quality or quantities. Where relevant, statistical evidence and benchmarks should be used and, if requested, provided in a format that is usable by the Commission:

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4. Please explain how you have ensured that only eligible expenditure was included in the calculation of the standard scale of unit cost, lump sum or flat rate:

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5. Assessment of the audit authority or authorities of the calculation methodology and amounts and the arrangements to ensure the verification, quality, collection and storage of data:

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Appendix 2

A. Summary of the main elements

Priority	Fund	Specific objective	The amount covered by the financing not linked to costs	Type(s) of operation covered		Conditions to be fulfilled/results to be achieved triggering reimbursment by the Commission	Indicator		Unit of measurement for the conditions to be fulfilled/results to be achieved triggering reimbursement by the Commission	Envisaged type of reimbursement method used to reimburse the beneficiary or beneficiaries
				Code(1)	Description		Code(2)	Description		

(1) This refers to the code for the intervention field dimension in Table 1 of Annex 1 to the CPR and Annex IV to the EMFAF Regulation.

(2) This refers to the code of a common indicator, if applicable.

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Appendix III – full information is included in the annex to the appendix

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DOCUMENTS

Document title	Document type	Document date	Local reference	Commission reference	Files	Sent date	Sent by
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