Impact of the Program Cross-border Cooperation Romania-Bulgaria 2007-2013 on the Economic Development of Euroregion Ruse-Giurgiu

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Abstract: Evaluation of the impact of the program Cross-border cooperation Romania-Bulgaria 2007-2013 on the economic development of Euroregion Ruse-Giurgiu, in its essence, is a task for a follow-up evaluation of the impact of the program on one of the basic components, part of the complex development of the territorial unit studied. Through project implementation under the program Cross-border cooperation Romania-Bulgaria 2007-2013 total amount of investments is increased in the Euroregion. For the evaluation of the effect from the funds attracted for the economic development of the Euroregion Ruse-Giurgiu a methodology is elaborated, based on the economic-statistical method. As a quantitative indicator is used an index, based on the ratio between the amount of the funds attracted through the program and the total amount of funds invested in the Municipalities of Ruse and Giurgiu in the Euroregion Ruse-Giurgiu established on the basis of these municipalities.

Key words: cross-border cooperation, economic impact, Euroregion

JEL Classification: F10, G20, M10
I. Introduction

The Basic aspects from the common policy of the European Union in the area of the cross-border cooperation are subject to numerous scientific studies (Scott, 1999; Scott, 2002; Perkmann 2002; Perkmann, 2003; Perkmann 2007, Bufon, 2011; Johnson 2009). In the references cited, the cross border cooperation is studied in the context of the common system for multilevel governance of the European Union, and the cross-border regions – as elements from the lowest level of influence of that system. The European Union is a supranational structure, which does not have its own apparatus for influence on subnational level. In this connection, the cross-border regions, especially those created on a regional or municipality level, play the role of structures at third and fourth level in the system of multilevel governance in the sphere of cross-border cooperation (Perkmann, 2003; Bufon, 2011; Johnson 2009; Hooghe & Marks, 2001).

The program Cross-border cooperation Romania-Bulgaria 2007 – 2013 is the first European program that treats the cross-border region as one region and puts as its main goal the improvement of the capacity of this region, through joint work and common funding to deal with the mutual challenges for economic and social development.

In the frames of the eligible areas of the program are situated the municipalities of Ruse and Giurgiu and the Euroregion Ruse-Giurgiu, created on their basis.

For monitoring of the execution and evaluation of the impact of the program Romania-Bulgaria 2007-2013 on the eligible area, a system for monitoring and control has been created, and it is an integral part of the program. The degree of achieving the tasks of the financial frame is reported yearly and after the end of the program with the use of a package of indicators, divided into two groups – reports are done at the level of the program and at the level of projects implemented (CBC Romania-Bulgaria, 2007).
Separate areas of the cross-border integration in the frames of Euroregion Ruse-Giurgiu are also subject of research in numerous scientific works (Kirova, 2011; Mihaylova, Papazov & Kirova, 2016; Antonova, 2013).

On the other hand, in the specialized literature are not found publications, giving results from the impact of the program Cross-border cooperation Romania-Bulgaria 2007-2013 on the economic development of the territorial units from the lowest level of influence – municipalities and cross-border territorial associations, created on their basis. The aim for analysis of the impact of the program on the eligible areas goes beyond the task for monitoring the execution and evaluation of the impact of the program. The considerable amount of the attracted funds – 85,23 mln euro – and the concrete results achieved during the execution of the projects, bring to foreground the task for evaluation of the impact of the program Cross-border cooperation Romania-Bulgaria 2007-2013 on the economic development of Euroregion Ruse-Giurgiu.

II. Research Methodology

For the evaluation of the program Cross-border cooperation Romania-Bulgaria 2007-2013 on the economic development of Euroregion Ruse-Giurgiu is elaborated a methodology, shown on fig. 1. The methodology is based on the economic-statistical method and consists of the following interconnected stages: selection of indicators for evaluation; defining of the corresponding investment priorities between the program Cross-border Cooperation Romania-Bulgaria 2007-2013 and the plans for development of the Municipalities of Ruse and Giurgiu; defining the ratio between the funds attracted from the program and the total amount of funds invested by the municipalities; summarizing of the results at the level of the Euroregion and analysis of the results obtained.

As an indicator for the evaluation of the ratio between the funds attracted through the program Cross-border Cooperation on Ruse-Гюргево са обект на изследване в редица научни разработки (Kirova, 2011, Mihaylova, Papazov & Kirova, 2016; Antonova, 2013).

От друга страна, в специализираната литература не се срещат публикации с резултати от изследвания относно влиянието на програмата Трансгранично сътрудничество Румъния-България 2007-2013 г. върху икономическото развитие териториалните единици от най-ниското ниво на въздействие – общините и трансграничните териториални обединения, създадени върху тяхна основа. Задачата за анализ на влиянието на програмата върху икономическото развитие на отделните териториални единици от избирамата област е задача, която излиза извън обсега на задачата за наблюдение на изпълнението и оценка на въздействието на програмата. Големият обем на привлечените средства – 85,23 млн. евро – и постигнатите конкретни резултати при изпълнението на проектите, извеждат на преден план задачата за оценка на влиянието на програмата Трансгранично сътрудничество Румъния-България 2007-2013 г. върху икономическото развитие на Еврорегион Русе-Гюргево.

II. Методика на изследването

За оценка на влиянието на програмата Трансгранично сътрудничество Румъния-България 2007-2013 г. върху икономическото развитие на Еврорегион Русе-Гюргево е разработена методика, която е показана на фиг. 1. Методика е базирана върху икономическо-статистически метод и се състои от следните взаимно обусловени етапи: избор на показатели (индикатори) за оценка; определяне на съвпадащите инвестиционни направления между програмата за Трансгранично сътрудничество Румъния-България 2007-2013 г. и плановете за развитие на Община Русе и Община Гюргево; определяне на съотношението между привлечениите средства от програмата и общи обем на инвестирани средства от общините; обобщаване на получените резултати на ниво Еврорегион Русе-Гюргево и анализ на получените резултати.

В качеството на показател (индикатор) за оценка на съотношението между привлечениите средства от програмата Трансгранично сътрудничество Румъ-
Romania-Bulgaria 2007-2013 and the total amount of the funds invested by the municipalities, an index is describing the ratio between the amounts of the funds invested, defined by the formula

\[ I = \frac{\sum_{i=1}^{n} q_i}{\sum_{j=1}^{m} q_j}, \]  

where:

\[ \sum_{i=1}^{n} q_i = q_1 + q_2 + q_3 + \ldots + q_n \]

is the amount of the funds attracted through projects under the program Cross-border cooperation Romania-Bulgaria 2007-2013 in the corresponding investment direction;

\[ \sum_{i=1}^{n} q_i = q_1 + q_2 + q_3 + \ldots + q_n \]

is the total amount of the funds invested in the frames of the municipality under study on the same investment priority, for the same investment period.

The gathering of the statistical data required and the calculation of the index of the ratio between the amounts of the funds invested are in correspondence with the methodology for carrying out empirical research (Velichkova, et al., 2011; Krutikov, et al., 2012; Novikov, et al., 2010) and in consideration with the peculiarities of the task, is carried out in two stages.

In the first stage, through comparison (apposition) between the priority axes and key areas for intervention of the program Cross-border cooperation 2007-2013 and the priorities and objectives, set out in the plans for development in both municipalities for the investment period 2007-2013 (Municipality Ruse, 2011a; Municipality Giurgiu, 2014), the corresponding investment priorities are defined.

During the second stage are defined the amounts of the funds attracted from the program Cross-border Cooperation Romania-Bulgaria 2007-2013 (CBC Romania-Bulgaria, 2014), and the total amount of the funds invested by the municipalities (from local and national income and income from the European Union) in the

\[ \sum_{i=1}^{n} q_i = q_1 + q_2 + q_3 + \ldots + q_n \]

e obemътът на привлечените средства чрез проекти по програмата Трансгранично сътрудничество Румъния-България 2007-2013 г. в съответното инвестиционно направление;

\[ \sum_{i=1}^{n} q_i = q_1 + q_2 + q_3 + \ldots + q_n \]

e общият обем на инвестираните средства в рамките на изследваната община по същото инвестиционно направление, за същия инвестиционен период.

Събирането на необходимите статистически данни и изчисляването на индекса на съотношението между обемите на инвестираните средства, в съответствие с методологията за провеждане на емпиричните изследвания (Velichkova, et al., 2011; Krutikov, et al., 2012; Novikov, et al., 2010) и при отчитане на особеностите на решаваната задача, е извършено на два етапа.


В рамките на втория етап са определени обемите на привлеченияте средства от програмата Трансгранично сътрудничество Румъния-България 2007-2013 г. (CBC Romania-Bulgaria, 2014) и общият обем на инвестираните средства от общините (от местни и държавни приходи и средства от Европейския съюз) в съответното инвестиционно направление за инвестиционния период 2007-2013 г. (Municipality Ruse, 2011b; Municipality
corresponding investment priority for the investment period 2007-2013 (Municipality Ruse, 2011b; Municipality Ruse, 2014; Municipality Giurgiu, 2014). For determining the volume of funds attracted from project execution on the area of the Municipalities of Ruse and Giurgiu and the Euroregion Ruse-Giurgiu established on their basis an extraction has been done, including only these projects, in which at Ruse, 2014; Municipality Giurgiu, 2014). For determining the volume of funds attracted from project execution on the area of the Municipalities of Ruse and Giurgiu and the Euroregion Ruse-Giurgiu established on their basis an extraction has been done, including only these projects, in which at

Фигура 1. Методика за оценка на влиянието на програмата Трансгранично сътрудничество Румъния-България 2007-2013 г. върху икономическото развитие на Еврорегион Русе-Юргево

For determining the volume of funds attracted from project execution on the area of the Municipalities of Ruse and Giurgiu and the Euroregion Ruse-Giurgiu established on their basis an extraction has been done, including only these projects, in which at
least one of the partners is based in the Euroregion.

According to the Guide for project execution under the program Cross-border Cooperation Romania-Bulgaria 2007-2013, for each project an internet page has been created. In connection with the current analysis from the internet pages of the projects, having beneficiaries from Euroregion Ruse-Giurgiu, the following information has been extracted: aims and tasks of the project; duration of the project; the project consortium; the total budget of the project, budget for the beneficiaries in Euroregion Ruse-Giurgiu; the priority axis of the program under which the project is funded and the degree of achievement of the real results, envisaged in the project proposal.

The data, extracted as a result from the analysis of the documents, have been systematized in time series, which meet all the requirements for building of statistical series – time comparability, place comparability and range of the aggregation studied. After calculating the amount of the funds attracted in the program Cross-border Cooperation Romania-Bulgaria 2007-2013 and the total volume of the funds invested in the frames of the studied municipality, the index of the ratio between the amounts of the invested funds is calculated.

The evaluation of the impact of the program Cross-border Cooperation Romania-Bulgaria 2007-2013 on the economic development of Euroregion Ruse-Giurgiu ends with the summarizing of the results at the level of the cross-border structure studied and analysis of the results. (fig. 1). In connection with this are defined the volumes and the relative share of the funds attracted through the program at the level of Euroregion Ruse-Giurgiu and the real contribution of these funds has been estimated for reaching the results in the corresponding investment priority. In this stage of the study as indicators for evaluation are used these indicators from the package of the program, which are developed for monitoring and evaluation of the impact on level concrete executed project.
III. Results from the Research

The procedures for selection of the program have passed 45 project proposals, having beneficiaries from Euroregion Ruse-Giurgiu – 20% from the total number of proposals approved. The total volume of the financial funds, planned for financing of the project proposals, placed in the Euroregion is 85,23 mln euro – 22% from the financial funds planned after the procedure of selection. With all of the projects selected in the Euroregion have been signed contracts. Up to 28th December 2015 (the date of the last update of the information for the program execution) the execution of all projects has finished. From a total of 45 contracts, signed with beneficiaries from Euroregion Ruse-Giurgiu, 4 have been terminated, and 2 are still in financial implementation.

The projects executed are divided as follows, according to the origin of the leading partner:

- projects with a leading partner from Romania – 26 (58%);
- projects with a leading partner from Bulgaria – 19 (42%).

The total amount of the funds invested in the Euroregion Ruse-Giurgiu in the investment priorities, corresponding to the priority axes and the key areas for intervention of the program Cross-border Cooperation Romania-Bulgaria 2007-2013 have been defined, according to the time statistical order created. As a result from the processing of the statistical data the following results have been obtained.

For execution of the activities under Priority axes 1: Infrastructure in the area of Euroregion Ruse-Giurgiu are invested:

- 266,14 mln euro from local and national funding;
- 114,8 mln euro from the execution of projects, funded by the European Union;
- 32,52 mln euro from execution of projects under the program Cross-border cooperation Romania-Bulgaria 2007-2013.

The funds invested in Euroregion Ruse-Giurgiu for execution of the activities, under Priority axis 2: Environment are as follows:

IIII. Резултати от изследването

Процедурата по селекция по програмата са преминали 45 проектни предложения, имащи бенефициенти от Еврорегион Ру-сес-Гюргево – 20% от общия брой селектирани проектни предложения. Общият обем на финансовите средства, планирани за финансиране на проектните предложения, постъпили от европеогиана, е 85,23 млн. евро – 22% от планираните финансови средства по програмата след процедура селекция. С всички селектирани проекти от европеогиана са подписани договори. Към 28 декември 2015 г. (датата на последната актуализация на данните по изпълнението на програмата) изпълнението на всички проекти е приключило. От общо 45 договора, подписани с бенефициенти от Еврорегион Ру-сес-Гюргево, 4 са прекратени, а 2 още са в процес на финансово изпълнение.

Според принадлежността на водещия партньор към една от двете страни, изпълняваните проекти в европеогиана се разпределят в следното съотношение:

- проекти с водещ партньор от румънска страна – 26 броя (58%);
- проекти с водещ партньор от българска страна – 19 броя (42%).

Общият обем на инвестираните средства в рамките на Еврорегион Ру-сес-Гюргево в инвестационните направления, свързващи с приоритетните оси и ключовите области на интервенция на програмата Трансгранично сътрудничество Румъния-България 2007-2013 г. са определени въз основа на създадените временни статистически редове. В резултат на извършената обработка на статистическите данни са получени следните резултати.

За изпълнение на дейностите по приоритетна ос 1: Инфраструктура в рамките на Еврорегион Ру-сес-Гюргево са инвестирали:

- 266,14 млн. евро от местни и държавни приходи;
- 114,8 млн. евро от изпълнение на проекти с европейско финансирание;
- 32,52 млн. евро от изпълнение на проекти по програмата Трансгранично сътрудничество Румъния-България 2007-2013 г.

Инвестираните средства в Еврорегион Ру-сес-Гюргево за изпълнение на дейност-
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- 80,26 mln euro from local and national funds;
- 15,12 mln euro from execution of projects with European funding;
- 30,51 mln euro from execution of projects under the program Cross-border cooperation Romania-Bulgaria 2007-2013.

For execution of the activities under Priority axis 3: Economic and social development in the area of Euroregion Ruse-Giurgiu, from the three sources of funding have been invested the following amounts of funds:

- 54,67 mln euro from local and national income;
- 6,82 mln euro from executions of projects with European funding;
- 11,48 mln euro from the execution of projects under the program Cross-border cooperation Romania-Bulgaria 2007-2013.

The results from the defining of the index of the ratio between the funds attracted under the program Corss-border Coopera- tion Romania-Bulgaria 2007-2013 and the total amount of funds invested in Eurore- gion Ruse-Giurgiu (in the Three Priority axes), are shown on fig. 2.

On fig.2, it can be seen that the 7, 9% from the total amount of the funds invested in Euroregion Ruse-Giurgiu on Priority axes 1: Infrastructure are funds, attracted through the execution of projects under the program Cross-border Coopera- tion Bulgaria-Romania 2007-2013. These funds are used mainly for the improvement of the transport, information and communication infrastructure in the cross-border region.

As it can be seen from the analysis of the volumes of the funds invested in the three investment priorities, for the execution of the activities in Priority 1: Infrastructure at Euroregion level, have been invested the greatest amount of funds - a total of 413,46 mln euro. The main sources of funds for the two municipalities are different – 90% from the funds for this priority in Municipality Ruse are from local and national income, while 91% from the funds in Municipality Giurgiu are from the execution of projects with European funding.

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The great amount of the funds invested for the improvement of the cross-border infrastructure additionally shows that this task has been turned into an important element from the regional policy on both sides and is an important prerequisite for the building of Pan-European transport corridor № IX and the development of the cross-border cooperation.

From the total amount of funds, invested in Euroregion Ruse-Giurgiu for the execution of the activities in priority axes 2: Environment 24,2% are the funds, attracted from the execution of projects under the program Cross-border cooperation Romania-Bulgaria 2007-2013 (fig. 2).

This considerable resource of funds is used for the development of common systems for control of the environmental protection and for the development of common infrastructural and service systems.

Големият обем на инвестираните средства в подобряването на трансграничната инфраструктура показва още, че тази задача се е превърнала в елемент от регионалната политика на двете страни и е важна предпоставка за построяването на Паневропейския транспортен коридор № IX и развитието на трансграничното сътрудничество.

От общия обем от средства, инвестиран в Еврорегион Русе-Гюргево за изпълнение на дейности по приоритетна ос 2: Околна среда, 24,2% са средства, привлечени от изпълнението на проекти по програмата Трансгранично сътрудничество Румъния-България 2007-2013 г. (фиг. 2).

Този значителен ресурс от средства е използван за разработване на съвместни системи за управление на околната среда и за развитие на съвместната инфраструктура и службите за...
Infrastructure and services for crisis prevention, which are caused by natural forces or by human activity, as well as for the creation of the prerequisites necessary for coordinated reaction of the services on both sides of the border during crisis situations. For funding of the activities on this investment priority in both municipalities are also used funds from local and national sources, average of 63.8% for the Euroregion and funds from the execution of projects with other European sources – 12% from the total volume of the funds invested. The mutual connection between the activities for the environmental protection in the two municipality shows that in the Euroregion exists the harmonization and coordination needed and mutual administrative capacity is built, with the potential to develop common strategies for environmental protection and create systems for early announcement and defense during natural disasters and ecological catastrophes.

The relative share from the funds attracted through the program Cross-border cooperation 2007-2013, as compared to the total amount of funds invested in Euroregion Ruse-Giurgiu for Priority axis 3: Economic and social development is 16.6% (fig. 2.). Although the total share of the funds invested from the execution of projects with European funding (21.1%) is almost four times smaller than the share of funds from local and national revenues (78.9%), invested from both municipalities for this priority axis, the funds attracted from the European Union make their essential contribution for the development of the economic relations and social cohesion on both sides of the national border. In correspondence to the priorities of the Regional Policy of the European Union these funds are used mainly for the support of the cross-border cooperation in the area of business and improvement of the regional identity and image, as well as for cross-border cooperation for mutual development of the human resources.

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предотвратяване на кризи, настъпили по естествен път или причинени от човешка дейност, както и за създаване на необходимите предпоставки за координирана реакция на службите от двете страни на границата при кризисни ситуации. За финансирание на дейностите по анализираното инвестиционно направление в двете общини са използвани още средства от местни и държавни приходи, средно 63.8% за еврорегиона, и средства от изпълнение на проекти с други източници на европейско финансиране – 12% от общия обем на инвестиранияте средства. Взаимната обвързаност на дейностите по опазването на околната среда между двете общини показва, че в еврорегиона е налице необходимата съгласуваност и координация и е изграден съвместен административен капацитет, който е в състояние да разработва общи стратегии за използване и опазване на околната среда и създаване на системи за ранно предупреждение и защита при природни бедствия и екологични катастрофи.

Относителният дял на привлеченияте средства от програмата Трансгранично сътрудничество Румъния-България 2007-2013 г. спрямо общия обем на инвестиранияте средства в Еврорегион Русе-Гюргево по приоритетна ос 3: Икономическо и социално развитие е 16,6% (фиг. 2). Въпреки, че общият дял на инвестиранияте средства от изпълнението на проекти с европейско финансиране (21,1%) е почти четири пъти по-малък от дяла на средствата от местни и държавни приходи (78,9%), инвестирани от двете общини по тази приоритетна ос, привлеченияте средства от Европейския съюз оказват своето съществено влияние върху развитието на икономическите връзки и социалното сближаване от двете страни на държавната граница. В съответствие с целите на регионалната политика на Европейския съюз тези средства са използвани основно за подкрепа на трансграничното сътрудничество в областта на бизнеса и за подобряване на регионален образ и идентичност, както и за трансгранично сътрудничество за съвместно развитие на човешките ресурси.
IV. Conclusion

For the execution of the activities in the three priority axes for the program Cross-border Cooperation Romania-Bulgaria 2007-2013 in the area of Municipality Giurgiu have been attracted 32,52 mln euro, 30,51 mln euro and 11,48 mln euro, respectively – a total of 74,51 mln euro. The relative share of these funds, as compared to the total amount of the funds invested in the Euroregion for the three priority axes is 7,9%, 24,2% and 16,6%, respectively. Between the volume of the funds planned and that of funds attracted through project execution is observed a difference of 10,72 mln euro. This difference is due to the termination of four projects, the financial execution of two projects not finalized until the last update of the data for the program execution and the corrections of the financial frame, during the process of execution of some of the contracted projects.

From the analysis of the contribution of the funds attracted from the program Cross-border Cooperation Romania-Bulgaria 2007-2013 for reaching the results in the corresponding investment direction it is established that these funds have been used mainly for the improvement of the transport, information and communication infrastructure in the cross-border region, for protection of the environment and improvement of the risk management in the region, as well as for supporting the cross-border cooperation in the sphere of business, for improvement of the regional image and identity and for cross-border cooperation for joint development of the human resources.

Evaluation of the impact of the program Cross-border Cooperation Romania-Bulgaria 2007-2013 on the economic development of Euroregion Ruse-Giurgiu additionally shows that the funds attracted through the program have a significant impact on softening the negative consequences from the financial crisis, observed during the program period studied.
Impact of the Program Cross-border Cooperation Romania-Bulgaria 2007-2013 on the Economic Development of Euroregion Ruse-Giurgiu

Reference/Литература


