

# Cross Border Cooperation

# and Entrepreneurship Development



In this issue we present

## Greece

### Project partners

Kingston University Business School (United Kingdom)

University of Siegen (Germany)

Academy of Management (Poland)

Turku School of Economics and Business Administration (Finland)

Institute for Entrepreneurship Development (Bulgaria)

Tallinn University of Technology (Estonia)

University of Macedonia of Economics and Social Science (Greece)



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## Cross Border Cooperation between Northern Greece, Bulgaria and the Former Yugoslavian Republic of Macedonia

Regional Development and Policy Research Unit – University of Macedonia, Greece

### Introduction

The CBCED Project fieldwork in Greece is now complete and we are able to present some key findings concerning the general economic conditions relevant to Cross Border

the areas of Serres and Drama and the adjacent border regions in Bulgaria, while the second involves Florina, Pella and the neighbouring regions from the former Yugoslav Republic of Macedonia (f. Y. R. of Macedonia) (see Figure 1).

Thessaloniki was also included in our study, due to its metropolitan role in the economic development and cross border activities that take place in the wider area of Northern Greece.



Cooperation (CBC), as well as some examples of good practice in two Case Study Regions (CSRs). The first includes

Figure 1. The Case Study Regions

Source: Regional Development and Policy Research Unit, University of Macedonia, Greece

### Cross Border Cooperation and Entrepreneurship Development

International Scientific Conference, to be held on 2–4 July 2008, Varna, Bulgaria

*The Conference's mission is to bring together many leading European and world researchers in the field of cross border cooperation and entrepreneurship to discuss and share their results and opinions in the context of the EU enlargement and the subsequent changes in the borders' statutes.*

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## The case of Serres and Drama

### General characteristics

The Prefecture of *Serres* is located in the Region of Central Macedonia, Greece. It is bordered to the north by Bulgaria and the f. Y. R. of Macedonia and to the east by the Prefecture of *Drama*, which is located in the Region of Eastern Macedonia-Thrace and borders with Bulgaria to the north.

Both regions are listed among the least developed Prefectures in Greece in terms of per capita income (Greek

rich natural resources, the recent intensive investment activity in tourism and the extended know-how on specific sectors, such as the marble and wine industries in Drama. Moreover, they present a significant competitive advantage, owing to their proximity to Bulgaria and the wider area of the Balkan market. In addition, there are two border crossing points in the CSR, namely Pro-machonas and Exochi, which represent a facilitating influence, as far as CBC is concerned.



Pictures of the city of Serres



Pictures of the city of Drama

Regions, 2007). At the same time, unemployment rates are also a crucial factor for these local economies, given that especially for the case of Drama these are estimated to be around 14 per cent. Other negative influences on economic development and entrepreneurship in the Greek CSRs include the relatively small size of the local economies, the absence of significant industrial activity and their low readiness to adapt to recent developments, following Bulgaria's accession to the EU.

On the other hand, these Prefectures can take advantage of several positive characteristics, such the area's

### The Mesta-Nestos Euroregion

We were able to identify some good practice with respect to CBC during our fieldwork, namely the 'Mesta-Nestos Euroregion'.

The 'Mesta-Nestos' Euroregion was developed through the initiative of two associations, the 'Mesta Border Association' from Bulgaria and the 'Nestos Border Association' from Greece, which created a network of effective regional cooperation. It was initiated in 1990 by the peo-

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ple from the area of Drama and people from the cities along the River Mesta Valley in the Region of Blagoevgrad in Southern Bulgaria (Figure 2).

gion Nestos Mesta, organised a major event in Gotze Delchev; a conference on civil society and the development of NGOs in Southern Bulgaria. The event was co-financed by the EU 'Phare-Democracy' programme.



Figure 2. The The Nestos-Mesta Euroregion

Source: Euroregion Nestos-Mesta 2001

This Euroregion is a member of the Association of European Bordering Regions (AEBR) and there are two representative members in its Educational Committee from the Greek side. All of the implemented actions are organised and legislated through the AEBR. The members of the Euroregion are the Drama Chamber, the Prefecture of Drama and all of its municipalities. The Bulgarian side includes the municipalities in the Nestos Valley.

The early years of cooperation resulted in the establishment of strong relationships between the cities. Indicative examples are:

- The Chamber of Drama formed a team of experts to provide assistance and training for the establishment of an equivalent Chamber in the bordering Region of Bulgaria at Gotze Delchev. This act was of great service to the business community of the city and, over the years, contributed immensely to its economic growth and development.
- An association of reporters and media people from Drama called 'Mass Media Link' formed links and friendships with reporters from the Gotze Delchev area. This friendship matured further and developed into the creation of the first NGO in the Region, named 'Pirin Media Association'. The two associations, both signatories and supporters of the Eurore-

- Another indicative example involves a column published in a Bulgarian newspaper, in Gotche Delchev, which is financed by the 'Mesta-Nestos Euroregion'. It includes small comments, written in three languages (Bulgarian, Greek and English) under the title 'Three languages, two countries, one area'.

During the first ten years of operation, the programme of the Euroregion Nestos-Drama has undertaken 492 projects in seven different sectors, namely communication and exchange of information and networking (135 projects); economic cooperation transport and infrastructure (120); tourism-entertainment (96); culture and society (110); environment and agriculture and transfer of technology (15).

This established cooperation has proved to be one of the most important aspects of cross border initiatives in the CSR and according to representatives from the Euroregion it has set the basis for future cooperation in other fields as well, augmenting levels of trust between the two sides and enhancing entrepreneurial activity in the bordering areas.

## The case of Florina and Pella

### General characteristics

The Prefecture of *Florina* is located in the Region of Western Macedonia, bordering the f. Y. R. of Macedonia to the north and Albania to the east. The Prefecture of *Pella*, with Edessa and Gianitsa as its larger cities, is located in the region of Central Macedonia, bordering Florina to the east and the f. Y. R. of Macedonia to the north.



Pictures of the city of Florina



Pictures of the city of Edessa

The level of economic development is similar for both Prefectures, which are considered to be mainly agricultural. However, the primary sector is not able to create a satisfactory level of income for farmers, owing to the small size of plots and the low value added value of the specific activities practiced. Hence, both economies rely on the tertiary sector to make the highest contribution to the regional GDP. The latter slightly exceeded the EU average during the last years, while unemployment levels are considerably high (more than 10 per cent). Limited

outcomes are reported in the secondary sector, while a significant absence of FDI activity is also noticed in the area.

An important regional characteristic with regard to with CBC involves the embargo implemented by Greece to the f. Y. r. of Macedonia during 1994-1995. It was clearly mentioned by our interviewees during the fieldwork for the

CBCED project that this had negative effects on the performance of the regional economies, resulting in a slow-down of transactions between the bordering areas, even though a tradition of commercial exchanges pre-existed. Hence, the 'name issue' holds a dominant role as far as CBC is concerned in these border regions. In addition, these Prefectures lack the transport infrastructure that could provide them with a direct exit to the Balkans,

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which is a constraining influence as far as future CBC efforts are concerned.

On the other hand, local authorities make a great effort to attract tourists in the wider area by promoting its rich natural resources, such as the waterfalls of Edessa and the surrounding mountain areas, while opportunities to take advantage of the know-how related to fruit-possessing and packaging procedures are also apparent. Of course, neighbouring a country of lower economic development (the f. Y. R. of Macedonia) is the most important source of competitive advantage for these Prefectures, because of lower labour costs, even though there are certain fields

the wider region. The activities of PPS also cover sustainable development and alternative forms of agricultural production.

The PPS is mostly funded by WWF-Greece, and to a lesser extent, the EU, the Greek State and private institutions. The EU funded LIFE initiative, as well as the Global Environment Fund (GEF) were mentioned as significant funding resources for the Society's activities. An interviewee pointed out that even though opportunities through the EU funded INTERREG programmes have not yet been exploited, the project's new programmatic period open new prospects for further cross border activities.

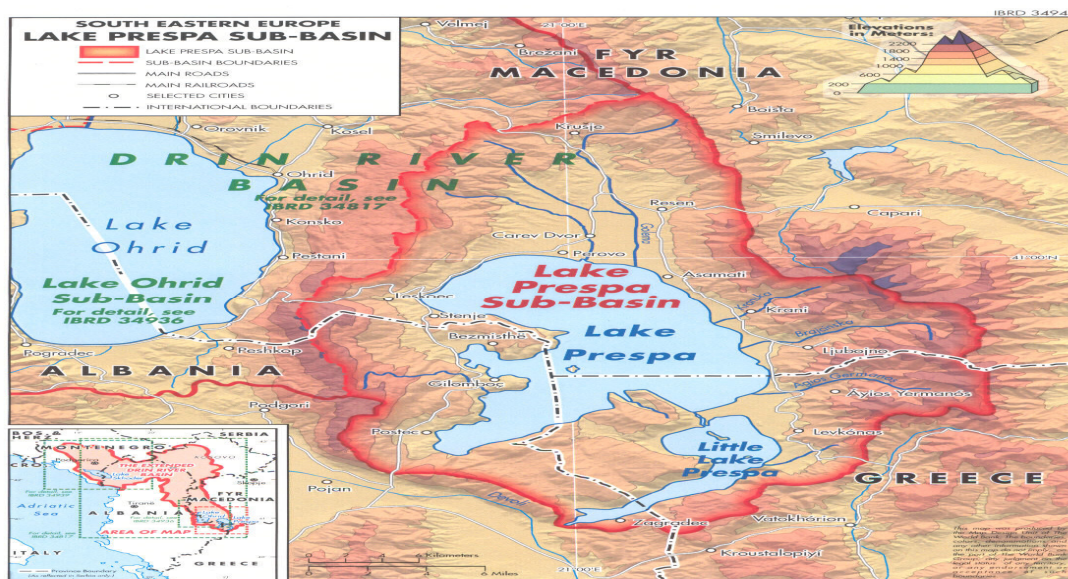


Figure 3. The Lake Prespa sub-basin

Source: Transboundary Water Information Exchange Network for South Eastern Europe, 2005

still left unexploited, owing to the national and political tension between the countries and alack of investment incentives available in the bordering areas.

### The Prespa Protection Society

The Prespa Protection Society (PPS) is one of the few good practices of CBC identified in the area of Florina and Pella. It is a Greek environmental NGO that regroups more than 10 Greek and foreign NGOs. The PPS is involved in preserving and protecting the unique local flora and fauna in the Prespa Lakes Area, situated in the western part of the Florina Prefecture and bordering with Albania and the f. Y. R. of Macedonia (see Figure 3). The geographic particularity of the region, as well as the increasing need for effective environmental policies constitute enabling factors for the promotion of cross border environmental policies in

It first began its activities in the early 90s (1990-91). As one member of the institution recounted, the first introduction of the EU funding programmes in the mid-80s involved infrastructure initiatives on behalf of local and national authorities, who had created serious issues concerning the environmental protection of the area. Activists, ecologists and scientists from all over Greece had then regrouped in order to reverse this situation. PPS members have been quite successful in overcoming the reluctance of the local Greek population to implementing small but useful projects in parallel with their environmental activities. The implications for the local community is a crucial factor influencing their attitudes. A water-dam project was mentioned as having significantly improved relations with local authorities and population, while the launching of an alternative agriculture project in 2003 brought together small producers from the area.

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Cross border cooperation with environmental actors from Albania and the f. Y. R. of Macedonia have undergone a significant improvement since the end of the 90s. Specifically, the signing of a tripartite agreement between the

in cooperation with a local NGO.

Despite the recent deterioration in the two countries' relations, trust is shared by all participants, who maintain their cross border cooperation. Consequently, the PPS



#### Strategic vision View of Micro Prespa

Source: The Mediterranean Initiative of the Ramsar Convention on Wetlands, 2005

Prime Ministers of the three countries in 2000 gave an important symbolic and practical impetus to both official and unofficial CBC. As a result of this meeting, the creation of the Prespa Transboundary Park was decided. The Prespa Park regroups environmental actors, local representatives, as well as state officials from Albania, Greece and the f. Y. R. of Macedonia. The Prespa Protection Society is one of the most active Greek participants in the Park's Coordinating Committee, as well as a member of its Secretariat.

An important feature that renders the Coordinating Committee functional and effective is the combined use of both formal and informal ways of communicating and exchanging experiences. Moreover, the adoption of a unanimity clause helped all three parties feel secure, especially during periods when interstate crises had arisen (such as the dispute between Greece and the f. Y. R. of Macedonia on the use of the term 'Macedonia').

One of the most significant interstate projects is the joint Strategic Action Plan for the Sustainable Development of the Prespa Park. This plan was prepared and submitted to all three member States under the supervision of the PPS in 2002. Besides trilateral cooperation, the Institution is also involved in bilateral cooperation, such as setting up a developmental project on the Albanian side in cooperation with a local women's association and protecting various endangered species on the f. Y. R. of Macedonia side

plans on continuing and further strengthening its cross border environmental and developmental projects in the future.

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## Cross Border Cooperation and Entrepreneurship Development

International Scientific Conference, to be held on 2—4 July 2008, Varna, Bulgaria

### Objectives

- To analyse how the EU enlargement affects the statutes of the EU internal and external borders;
- To discuss the roles of the local actors (entrepreneurs, authorities, policy makers, citizens) in border regions in cross border cooperation and entrepreneurship development;
- To present the recent findings achieved in the frame of the GFP CBCED Project;
- To discuss the possible recommendation to the EU, national, regional and local policies aimed at improving cross border cooperation and entrepreneurship development.

### Who should attend this conference?

Researchers    Consultants    Entrepreneurs    Policy-makers

### Topics

The leading topics of the conference will be:

- EU enlargement and the Border Changes;
- Entrepreneurship Development in Cross Border Regions;
- The Roles of Identity, Historical and Cultural Background in Cross Border Cooperation;
- Learning and Trust in the Context of Entrepreneurship Development;
- Policies and Practices in Cross Border Cooperation and Entrepreneurship Development



### Abstracts and papers submissions

One-page abstracts giving a clear indication of the contribution to a sub-theme are expected by 31 March 2008. Feed back from organisation committee will be notified one week later. Full papers (maximum 15 pages) are expected by 15 June 2008.

### Conference Venue

The Conference will be held in Gladiola Star Hotel in the Golden Sands sea resorts close to the city of Varna.



	before 15 May 2008	after 15 May 2008
Active Participants	€ 200	€ 250
Passive Participants	€ 350	€ 450

For more information, please visit: [www.crossbordercoop.net](http://www.crossbordercoop.net)

To contact  
Project  
Coordinator

Professor David  
Smallbone  
Kingston University  
Business School  
Kingston Hill  
Kingston Upon Thames  
Surrey  
United Kingdom  
KT2 7LB

E-mail:  
D.Smallbone@kingston.ac.uk

[www.crossbordercoop.net](http://www.crossbordercoop.net)

Project Partners

Contact details of the Project Partners

**Kingston University Business School (United Kingdom)**

**Professor David Smallbone**

E-mail: [D.Smallbone@kingston.net](mailto:D.Smallbone@kingston.net)

<http://business.kingston.ac.uk>

**Lehrstuhl PRO KMU, University of Siegen (Germany)**

**Professor Dr. Friederike Welter**

E-mail: [welter@uni-siegen.de](mailto:welter@uni-siegen.de)

<http://www.prokmu.de>

**Academy of Management, Lodz (Poland)**

**Professor Dr. Anna Rogut**

E-mail: [rogut@uni.lodz.pl](mailto:rogut@uni.lodz.pl)

<http://www.swspiz.pl>

**Turku School of Economics and Business Administration  
(Finland)**

**Professor Kari Liiheto**

E-mail: [Kari.Liiheto@tukkk.fi](mailto:Kari.Liiheto@tukkk.fi)

<http://www.tukkk.fi>

**Institute for Entrepreneurship Development at  
the University of National and World Economy (Bulgaria)**

**Professor Dr. Kiril Todorov**

E-mail: [ktodorov@unwe.acad.bg](mailto:ktodorov@unwe.acad.bg)

<http://www.edinst.org>

**Department of Business Administration,  
Tallinn University of Technology (Estonia)**

**Professor Urve Venesaar**

E-mail: [venesaar@tv.ttu.ee](mailto:venesaar@tv.ttu.ee)

<http://majandus.ttu.ee>

**University of Macedonia of Economics and Social Science  
(Greece)**

**Professor Lois Labrianidis**

E-mail: [loisl@uom.gr](mailto:loisl@uom.gr)

<http://afroditi.uom.gr/rdpru>

