BROADENING MULTILEVEL CONNECTIVITY BETWEEN GREECE AND NORTH MACEDONIA IN THE POST-PRESPA ENVIRONMENT

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GREECE-NORTH MACEDONIA CONNECTIVITY REPORT

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PREFACE

This study is the sixth in a series of joint research assessments compiled since 2017 as part of the research project entitled “Confidence Building Measures between North Macedonia and Greece” which has been implemented by the Analytica think tank and ELIAMEP and has received continued support and funding from the Ministry of Foreign Affairs of Sweden. This year's study provides a unique approach to assessing the multilevel connectivity between the two countries, with a special focus on the post-Prespa period.

The study was implemented jointly by the Analytica think tank and by ELIAMEP in May-December 2020. Analytica is the leading think tank organization from North Macedonia which focuses on issues of foreign and security policy. ELIAMEP is one of the oldest and largest social science research institutes in Greece, and a leading European think tank in foreign policy and public policy analysis.

Positive cooperation had already been established in the civil society in the period 2016–2018 within the framework of the “Confidence Building Measures, a view from civil-society” projects carried out jointly by Analytica in Skopje and ELIAMEP in Athens. Within the framework provided by these projects, in 2017 Analytica and ELIAMEP assessed cross-border cooperation in the fields of education and science as areas where cooperation is driven by civil societies and local authorities, and where the effects of cooperation are more tangible and visible not only to those that are directly involved, but also to the general public. In 2018, Analytica and ELIAMEP assessed cooperation under the “Confidence Building Measures in the fields of justice and home affairs” initiative, defined as “consultations between representatives of the competent ministries of the interior, border police, and customs administrations in order to exchange information and strengthen the fight against organized crime, corruption, terrorism, illegal migration, and drug trafficking”. This assessment study identified the main bureaucratic challenges to advancing good neighbourly relations and provided sound recommendations for the future of relations between the two countries. In 2019, the latest study to stem from this cooperation resulted in the first ever research report co-published by research organizations from Greece and North Macedonia. The document provides a comprehensive overview and analysis of cooperation in the areas of research, education, civil society and culture in the wake of the signing and ratification of the Prespa Agreement in 2018-2019.

This study, the fourth phase in the cooperation between Analytica and ELIAMEP, presents an assessment of, and strategic directions on, how the broadening of multilevel connectivity will increase the two societies’ capacity to work together, furthering cooperation in the post-Prespa environment. In this context, the study covers areas of connectivity extensively with a focus on physical-infrastructure, business-to-business,

civil society cooperation, and people-to-people connectivity. As a result, each section provides a qualitative and quantitative data analysis of the post-Prespa environment. The ultimate aim of this study is to encourage multilevel connectivity between North Macedonia and Greece, providing extensive opportunities to both countries to invest more in these areas in which the building of trusting relations will lead to a better future for both societies.

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EXECUTIVE SUMMARY

⟩ GENERAL

This report is the product of research conducted jointly by the South-East Europe Programme of the Hellenic Foundation for European & Foreign Policy (ELIAMEP) in Greece and Analytica in North Macedonia, within the framework of the project "Confidence Building Measures between North Macedonia and Greece", funded by the Swedish Ministry of Foreign Affairs. The project has run for four consecutive years (2017–2020), always with the generous support of the government of Sweden. This year's report is the second jointly produced and published by ELIAMEP and Analytica, and the sixth report produced in the context of the research project since 2017.

The main purpose of this report is to propose an innovative framework for assessing cooperation between the two countries in the context of the post-Prespa Agreement environment. Cooperation is approached through the dynamic concept of *Connectivity*, which includes both a descriptive dimension (i.e. the ways in which the two countries are connected across various fields) and an interpretative one (i.e. the idea that the multiplication of these connections will lead to more effective and beneficial cooperation). Thus, this report invites reflection on cooperation as a purposeful process as well as on its limitations and facilitating factors. Through Connectivity, this report touches simultaneously on the technical and material facets of connections and cooperation (i.e. infrastructure) as well as on more political, institutional and societal aspects (i.e. governments, stakeholders and civil society). The report seeks to function as a baseline for measuring the future pace of connectivity and cooperation between Greece and North Macedonia.

⟩ OBJECTIVES

a) To provide a general map of connectivity in several key policy/thematic sectors. For every sector, special attention is paid to the institutional framework in the form of recently-signed agreements and protocols, as well as to the recent progress made in the relevant area. Moreover, an assessment of the current state of affairs, and of the prospects for enhancing cooperation, is provided in each policy sector.

b) To enable a comprehensive and forward-looking reflection on bilateral cooperation. This report has the potential to generate awareness about the interconnectedness of various sectors (e.g. transport and the Port of Thessaloniki, people to people and transportation). This could contribute significantly to the development of strategies and synergies, both at the level of policy planning and in the prioritization of ongoing or soon-to-begin projects (e.g. road and rail infrastructure, construction of new border crossings).

c) To offer policy recommendations in all thematic areas. Policy recommendations are addressed to the governments of the two countries, the EU and all relevant stakeholders. They refer to specific projects and initiatives, as well as to policies that may be pursued in the near future.

⟩ POLICY AREAS EXAMINED

The report analyses Connectivity in the following policy areas/sectors:

- Government to government
- Business
  - Investment
  - Trade
- Energy
  - Electricity grid connections
  - Oil and gas
- Transport
  - Air
  - Rail
  - Road
- Internet and telecommunications
- Port of Thessaloniki connections
- Cross-border and transboundary connections
  - Border crossings
  - Water management
- People to people
  - Tourism
  - Academia, student exchanges and culture
- Civil society

KEY FINDINGS

⟩ GOVERNMENT-TO-GOVERNMENT CONNECTIVITY

The Prespa Agreement offers a comprehensive framework that not only settles the name dispute between Greece and North Macedonia, but also provides a positive agenda around which the two countries can build a future partnership. During the first period of enthusiasm, the two countries signed a significant number of bilateral agreements, laying the foundations for advanced cooperation in a number of policy areas. Still, a number of factors have served to slow down the pace at which bilateral cooperation is being built. Some factors have been objectively beyond the control of the two sides: for example, the elections in the two countries and changing policy priorities due to the public health emergency brought about by the coronavirus pandemic.

But others have stemmed more to the policy stances taken by the two sides. While the new Greek government that came to power after the July 2019 elections has decided to respect the Prespa Agreement, it is still clearly reluctant to fully engage with North Macedonia. Even though a number of bilateral visits and official and unofficial high-level meetings have taken place, the ambiguity of its stance can be seen in the small number of new bilateral agreements signed since July 2019, as well as in the slow pace at which existing agreements have been ratified. On the side of North Macedonia, the eagerness to build strong connections with Greece remains, but the government in Skopje is becoming increasingly disillusioned due to the obstacles that have repeatedly presented themselves during its EU accession process, as a result of which membership talks have still not commenced.

⟩ BUSINESS CONNECTIVITY

Economic cooperation, and private sector cooperation in particular, is often mentioned as one of the areas that has proved most resistant to the adverse political environment between Greece and North Macedonia. And economic ties have indeed grown quite strong, despite the tense relations prior to the Prespa Agreement, with further improvements in business connections possible in the near future, thanks to the foundations laid by the Prespa Agreement. It is logical to assume that the positive climate in the post-Prespa period will boost business ties. The Prespa Agreement provides all the tools required for the two governments to develop targeted actions, adjustments and improvements. Importantly, business connectivity is one of the non-politicised areas in which even opponents of the Prespa Agreement invite progress and a strengthening of relations.

Improving the political relationship between the two countries, and increasing opportunities for business-to-business contacts, will have a positive impact on invest-

ment. Moreover, understanding what has worked and what has not is critical for the delivery of tangible improvement in the investment environment. While the high-level political rhetoric is generally encouraging, it will be necessary to provide specific incentives to encourage commercial activity if the political momentum triggered by the Prespa Agreement is to last and translate into sustained investment and business cooperation.

The most impactful change to the existing trade relationship between the two countries would be North Macedonia becoming an EU member. Joining the EU Single Market would remove all the remaining barriers to bilateral trade with Greece (and all other EU member states). This is a longer-term goal, and cannot be relied upon to deliver immediate improvements in bilateral trade in the next 5–10 years. Thus, while the government of North Macedonia is working towards joining the EU as a key foreign policy priority, both governments will need to focus on interim goals and seek ways to encourage bilateral trade.

Working with local businesses and their associations, including harnessing bilateral chambers of trade and commerce, will help governments support cross-border business activities. Studying the evidence relating to what were the drivers and spoilers of trade and business activity across borders both before and after 2017 will be critical to designing the most impactful set of trade measures possible.

⟩ ENERGY CONNECTIVITY

Energy has been one area where there has been concrete government and business interest in enhancing bilateral cooperation and connectivity following the signing of the Prespa Agreement. At present, energy connectivity is limited to the interconnection of the two countries' electricity grids, but the (substantial) import of oil and oil products from Greece undoubtedly strengthens the overall energy ties between the two countries. Since June 2019, however, there has been a good deal of activity aimed at expanding energy connectivity: initial agreements on upgrading the connectivity capacity of the two countries' electricity grids, and connecting North Macedonia to the gas pipeline (TAP) crossing Northern Greece, which were made before the signing of the Prespa Agreement have provided the basis for further talks aiming at their implementation. Furthermore, North Macedonia has expressed an interest in participating both in the construction of the liquefied gas terminal in Alexandroupoli and, more recently, in the construction of a gas-powered power plant (again in Alexandroupoli).

Clearly, North Macedonia's connection to the TAP pipeline and its interest in participating in the liquefied gas terminal in Alexandroupoli would serve the nation's energy security by effectively reducing its dependency on Russian gas. For Greece, North Macedonia's connection to its gas network would not only strengthen bilateral ties, it would also enhance its position on the regional energy map. There is even an ex-

pectation that the improved political climate generated by the signing of the Prespa Agreement could lead to the reopening of the oil pipeline from Thessaloniki to Skopje, strengthening bilateral connectivity even further, with obvious economic and environmental benefits for both nations. The Prespa Agreement and the Action Plan agreed by the two governments in April 2019 have provided a sound basis for the development of bilateral energy cooperation. The advancing of North Macedonia's EU accession process would address another issue of concern: the need for North Macedonia's legislation to be further harmonized with the EU's acquis communautaire on energy.

⟩ TRANSPORT CONNECTIVITY

Transport connectivity relates to three key sectors: air, rail and road transport. Connections in these areas are certainly insufficient and much needs to be done to further improve the situation. Still, transport connectivity is a sector in which one finds concrete results in the post-Prespa environment. There have been a number of positive developments, such as the re-establishment of an air connection between Athens and Skopje, the planned reopening of the rail connection between Thessaloniki and Skopje via Idomeni-Gevgelija, and the re-establishment of a connection between Thessaloniki and Bitola. In the case of rail and road transport, one should also note the inauguration, via the Prespa Agreement and the subsequent memoranda, of a combined approach aimed at linking different sectors to serve more general purposes: the initiative to improve the road and rail infrastructure at existing and newly-established border crossings can be seen in this context. Other significant positive examples should also be highlighted, such as the good practices of cooperation in the context of EU-funded projects, and bilateral projects aimed at improving rail and road connections in order to boost tourism.

⟩ INTERNET AND TELECOMMUNICATIONS CONNECTIVITY

Developments in the Internet and telecommunications sector have drawn attention to the Prespa Agreement's positive impact on connectivity between the two countries. Despite its importance in the context of information society and the digital era, connectivity between the two countries had, prior to the Prespa Agreement, focused on rudimentary and technical aspects with an absence of proactive policies. Moreover, the two countries were largely integrated into two separate cross-border areas with limited to date inter-connection between the two: Greece in the integrated EU market and North Macedonia in the Western Balkans, an area which is becoming increasingly inter-connected thanks to the various agreements reached within the Berlin Process. As a result, communications between Greece and North Macedonia were costly and ineffective.

Following the Prespa Agreement, however, the two governments initiated a process that will pay dividends in the future in the form of closer Internet and telecommunications connectivity between the two countries. The Memorandum of Understanding for

the reduction of international roaming tariffs was the first agreement signed between Athens and Skopje after the ratification of the Prespa Agreement. This was a promising start, but much more needs to be done if convergence and closer cooperation is to be achieved in the field of digital policies. Importantly, with North Macedonia entering NATO, the two countries are likely to also increase their cooperation in the sphere of cybersecurity and the fight against cyber threats.

⟩ PORT OF THESSALONIKI CONNECTIONS

This section analyses the importance of the Port of Thessaloniki for bilateral economic and transportation relations. This epitomizes the two countries' need to collaborate in order to mutually maximize their benefits. The privatization of the port authority in 2018 has led to policies which seek to intensify cooperation with neighbouring countries including North Macedonia (the "dry ports" policy). The Thessaloniki Port Authority S.A. aims to make the port a top international and regional trade hub, while North Macedonia is a country situated at the intersection of major European transport corridors (IV and X). The Prespa Agreement and the Action Plan provide a solid framework upon which this cooperation can be founded and expanded. A concrete example of the post-Prespa environment is the Greek government's project to improve and upgrade the rail connection to the port. It is expected that connectivity through the Port of Thessaloniki will grow even stronger in the near future. This corresponds to the countries' respective needs—import and export for North Macedonia, the port as a regional and international trade hub for Greece—and will serve their mutual interests.

⟩ CROSS-BORDER AND TRANSBOUNDARY CONNECTIVITY

In terms of cross-border infrastructure (border crossing points), connectivity prior to the Prespa Agreement focused on the basics and was rather stagnant. Certainly, the two countries cooperated in upgrading such infrastructure within the EU's multilateral framework (cross-border cooperation projects), but there was a significant lack of bilateral cooperation in the form of targeted synergies, long-term goals and strategies. The Prespa Agreement set in motion a quantitative (increasing the number of border crossings) as well as a qualitative (improving road and rail access, committing to harmonize procedures and upgrade equipment) overhaul. The Prespa Agreement includes provisions that aim to increase the number of border crossings from four (1 rail, 3 road) to seven (2 rail, 5 road). This framework will certainly increase and upgrade connectivity; even more importantly, this upgrade will take place through continuous cooperation between the two sides in relation to timeframes, technical characteristics, and other relevant aspects of the infrastructure.

In the case of transboundary water management, our research shows that various connections that have existed at the EU multilateral level have not yet been transposed

into the bilateral one. However, there is great potential when it comes both to protecting the environment and cultural heritage, and to promoting tourism. To that end, the involvement of local stakeholders will be crucial.

⟩ PEOPLE-TO-PEOPLE CONNECTIVITY

In our report, people to people connectivity refers to the fields of tourism, academic and student exchanges, and culture. With the exception of tourism, these fields remain severely underdeveloped. Connectivity seems to hinge on a mutually accepted institutional framework (e.g. agreements between universities and bilateral agreements between states enabling various formats of cooperation). The Prespa Agreement has provided an overarching institutional framework that enables connections and cooperation initiatives at multiple levels. For example, the potential for enhancing synergies in higher education is high. This could take the form of signing memoranda between universities aimed at developing joint curricula, enabling joint applications for research funding, and increasing the number of student exchanges.

Though it has gone unnoticed, tourist flows between the two countries have grown steadily over the years. Still, they did not reach their full potential in the past, due to the political tensions. Recently-announced projects for enhancing bilateral tourist cooperation should be noted; regrettably, however, most have had to be put on hold due to the COVID-19 pandemic. Similarly, the health emergency has delayed cooperation in the fields of higher education and culture.

⟩ CIVIL SOCIETY CONNECTIVITY

This section takes a closer look at the connections between civil society organizations, with a particular focus on young people and recent initiatives for developing bilateral contacts, such as the Bilateral Youth Cooperation Office (BYCO). Connections in this field are under-developed and a long way still from reaching their full potential. Despite good intentions and a generally positive reaction to the Prespa Agreement, contacts at this level remain sporadic and typically lack both continuity and visibility. This is not to say that progress has not been made. Numerous civil society organizations have developed cross-border cooperation in previous periods, mainly at the multilateral EU level. However, the two nations face important challenges in this field, the most important being the viability of such associations. To these, one should add both the negative legacy of the name dispute and the overall persistence of prejudices and negative stereotypes, which hamper contact and genuine cooperation.

Still, effective connectivity between the two countries necessitates stronger ties at all levels, and the civic sector is central to this process. The Prespa Agreement can certainly help both in multiplying frameworks for cooperation and providing justification for as-

sisting this sector. Moreover, the improvement of cross-border civil society cooperation depends on multiplying contacts through a range of channels (at the bilateral, regional and EU levels), as well as on the viability of the relevant organizations.

When it comes to BYCO, it is commendable that Greece and North Macedonia have decided to adopt a model that has worked miracles in other contexts and helped bring about long-term reconciliation between formerly bitter enemies. Importantly, the government of North Macedonia seems to have fully committed to the idea; unlike most other political leaderships in the Western Balkans, it appears to appreciate novel and progressive ideas. However, despite the impetus from the side of North Macedonia, the idea has been slow to take off in Greece, due to the lack of political support and the general weakness of the stakeholders involved.

⟩ OVERALL CONCLUSION

The record of connectivity between Greece and North Macedonia before the Prespa Agreement was mixed, but overall relations were severely hampered by the name dispute. The Prespa Agreement not only settled one of the oldest bilateral disputes in the region, it also provided a comprehensive framework and positive agenda for building a strong partnership between the two countries in the near future. Post Prespa, there has already been a significant strengthening of the connectivity between the two countries in a number of policy areas. Progress has, however, been slower in other policy areas, while the COVID-19 pandemic has also reduced the pace at which new contacts are established and new cooperation developed. Importantly, if the potentially strong partnership between the two countries is to be realized, the two sides need to throw their full political support behind the idea of multi-level connectivity and enable various forms of cooperation to flourish. The institutional framework needs to be expanded with the signing of new bilateral agreements and memoranda. And the implementation of existing agreements needs to become a priority for both sides.

1. INTRODUCTION

How connected are Greece and North Macedonia with each other? What is the level of connectivity between the two countries, and between the two nations, in every field of life from physical infrastructure, to people-to-people contacts and cooperation? Assessments of the existing connectivity, and coming up with strategies for bringing the two peoples and economies closer and more connected to each other has become an important benchmark in assessing progress in implementing the Prespa Agreement of 2018, which ended the name dispute between the two countries. The goals laid down in the Prespa Agreement—which include strategic cooperation in all sectors (Article 9), people-to-people contact (Article 12), and cooperative synergies in the sphere of infrastructures connections (Article 14)—are impossible to achieve and sustain without strong bilateral connections at every level in the lives of the two peoples.

Connectivity, understood for this study as the ability of two societies to connect with each other, is a key driver of cooperation between those societies. The connectivity can have a big impact on people-to-people, business-to-business and government-to-government contacts and cooperation. Connectivity holds the promise of solving some of the most pressing issues between the two countries. This study assesses connectivity between Greece and North Macedonia, while providing a basis for strategies to move the relations and connections between the two peoples from first general relations, where the base is established for cooperation, to second general relations, where strong bonds are established ensuring a sustainable and functional framework in the post-Prespa environment. The study maps and analyses the existing connections between the two countries in almost every important walk of life. It maps and takes stock of the current status of and trends in interconnection, and provides evidence on how current connectivity works. In this way, the study also seeks to identify gaps that are hindering connectivity with the aim of facilitating the drawing up of a connectivity agenda by the governments, societies and businesses of both countries in the new era of relationship between the two countries. By addressing the issue of connectivity, the study seeks to strengthen and further intensify and enrich cooperation in the wake of the Prespa Agreement.

This study is prepared within the framework of the "Broadening multilevel connectivity between Greece and North Macedonia in the post-Prespa environment" project, funded by the Government of Sweden and implemented jointly by Analytica in Skopje and ELIAMEP in Athens. The aim of the project is to increase the benefits of connectivity, while ensuring its functional and policy framework in a post-Prespa environment. The project seeks to make the connectivity data available and accessible to a wider public, with the aim of accelerating strategic decisions on connectivity-linked solutions and investments for the benefit of the citizens of both nations.

The main thrust of this study is that connectivity is a way to maintain the spirit of

friendly relations, and accelerate cooperation, in post-Prespa contexts. The level of cooperation and relations depends on the connections. The higher level of connectivity the higher chances for stability and economic growth in wider South-East Europe and specifically in the relations between Greece and North Macedonia. Mapping the connections and connectivity potentially provides a useful relationship between infrastructure and cooperation. The connectivity agenda thus emerges as an important framework for assessing, on the one hand, and for furthering the relations and cooperation between the two countries, on the other.

⟩ THE NOTION OF CONNECTIVITY

It is noteworthy that the concept of "connectivity" does not commonly figure in more epistemological approaches which enumerate key concepts and notions in the field of international relations[i]. One could argue that "connectivity" is included by definition, since it is encompassed by the wider notion of "relations". And yet, in the course of the past decade (2010s), there has been a proliferation in academic literature that systematically employs the concept of "connectivity", particularly in relation to trade infrastructure; commercial, political and social relations among different countries and regions of the world; and, increasingly, aspects of people-to-people contact.

To begin with, the concept is not a novel one. According to George Angelopulo (2014), "connectivity" was introduced in the discussion on communication technology in the late 19th century, but remained relatively unknown until it was picked up again in the conversation on communication technologies, this time in the internet age (late 1990s, early 2000s). Communication theories remain one of the main fields of its application to this day, in relation to both technical (information and communication technology) and sociological (networks) aspects. According to Angelopulo (2014), connectivity as a concept is fundamental to communication (as a process and as a theory), since it refers to the flow of information. Building upon the notion of the "information-rich environment" enabled by connectivity, Hedrick-Wong and Angelopulo (2014) have pointed to connectivity's transformative and positive capacity at various levels (urbanization, governance, economic well-being, business friendliness, inbound travel, infrastructure, digital technologies, inclusive growth and development, and inclusive urbanization).

The term "connectivity" is widely used as a technical term describing connections between electronic devices. Increasingly, however, the concept is being used as a metaphor for intra- and inter-organizational interactions (Kolb, 2008). This research further explores the attributes of "connectivity" and its relevance to relations and cooperation between countries. In this framework, it is important to note that, in the field of political science and international relations (political and economic relations), the use of connectivity as a concept grew steadily through the 2010s. The importance which ASEAN (Association of SouthEast Asian Nations) assigned to the notion, which it used (2011) as a model for

regional integration in south-east Asia at various levels—sustainable infrastructure, digital innovation, seamless logistics, regulatory excellence and people mobility[ii]—may have been an important factor in this. According to Mueller (2019), the ASEAN initiative was pivotal in introducing infrastructure development as a new and distinctive policy area. As he explains (2019), while the concept seems to have broader uses in other contexts, including that of ASEAN, in a narrower manner it refers primarily to "physical links between states, including roads, ports and railroads". A more general definition of the concept is provided by Anthony, Zhou and Su (2020), who approach it as a twofold pattern of hard and soft components, and more specifically as a "spectrum of issues, including the improvement of the hard infrastructure of ports, railways, roads and pipelines and soft infrastructure through trade, financial cooperation and people-to-people exchanges" (ibid p.1).

Independently of the definition applied, it does seem that China's foreign policies have played an important role in popularizing the concept of connectivity. Besides the elaborate and broad definition used in the ASEAN framework, there are at least another two major international initiatives involving China in which connectivity plays a central role: firstly, the "Belt and Road Initiative" (BRI) instigated by China in 2013 and involving 71 countries, and secondly the "EU-China Connectivity Platform" (2015). According to the EU Commission, the main objective of the latter is to

> "explore opportunities for further cooperation in the area of transport with a view to enhance synergies between the EU's approach to connectivity, including the Trans- European Transport Network (Ten-T)[iii] and China's Belt and Road Initiative. The EU-China Connectivity Platform is also used to work towards greater transparency, reciprocity in market access and a level playing field for businesses in the area of transport infrastructure development"[iv].

There are several other examples of the connectivity concept being applied as a general policy framework for political relations. One is the "Berlin Process", an EU-Balkans initiative launched following a proposal by Germany in 2014 which is dedicated to facilitating the accession of the Western Balkans to the EU. Since 2014, the Western Balkan countries, in collaboration with the European Commission, have conceived a "connectivity agenda" within the framework of the Berlin Process, with a focus on extending trans-European networks in the field of transport and energy into the Western Balkans region. The connectivity agenda benefits from the "Connecting Europe Facility", an EU funding instrument for promoting growth and competitiveness through infrastructure investments at the European level (Madhi, 2018; Zogjani et al. 2018; Hackaj and Hackaj, 2020; Minić, 2019; Nechev et al. 2018). In the context of the Berlin Process, "connectivity" is understood to mean the connecting and building of core transport and energy infrastructure as a means of bringing people and economies closer together within the

region of the Western Balkans and with the EU (European Commission, 2019). The EU has elaborated a comprehensive "connectivity agenda" which combines hard and soft components. The hard component relates to the funding of specific projects, or the setting of priorities for programming a series of projects that are pertinent to connectivity infrastructure[v]; the soft component relates to the development of synergies and joint actions at various levels in the governmental and business sector, with Civil Society Organizations, and in other key areas such as education.

If one considers the broad concept of connectivity, it becomes obvious that it is not only an ambitious policy framework; it is also significant in relation to modern-day challenges linked to globalization, and therefore to efforts being made to reduce inequalities, to promote sustainable and inclusive growth, a narrowing of the digital divide, and increased participation in the growing international networks of the digital economy and digital governance. The emphasis on synergies and the quest for mutual benefit can perhaps explain why the "connectivity agenda" has become so central, not only in the context of the Berlin Process and the accession of the Western Balkans to the EU, but also in the wider process of building connections and cohesion among European countries. Events have been organized in both the EU and the Western Balkans to develop "connectivity" links[vi]. Mueller (2019, 2020), who focuses on the concept of connectivity in the context of ASEAN, provides a critical approach to its outcomes on two levels: firstly, the extent to which development and growth are effectively shared by all participants and, secondly, the limits of connectivity as a framework for governance integration at a regional level. These questions assume considerable importance, as they raise the need to further define "connectivity" and its measuring and indexing.

Chen (2019) provides such an analysis in a study dedicated to the outcomes of connectivity in the context of the "Belt and Road Initiative". He distinguishes five separate policy areas and several connectivity indicators for each area. These are the following: 1. Policy coordination (key indicators: bilateral agreements, level of diplomatic relations); 2. Facilities (key indicators: air transport, railroad, road and telecommunications); 3. Trade (key indicators: net barter terms of trade index, bilateral trade volume, trade agreements and level of investments); 4. Financial (key indicators: currency swap agreement and total currency reserve amount); and 5. People-to-people (key indicators: cooperation among institutions/organizations and agreements). Though designed to measure the outcomes of connectivity in a particular region, this indexing model can also serve as a means to describe and set benchmarks for observing the evolution and development of bilateral and multilateral relations between and among countries in other regions of the world. It seems a good match for the region of the Western Balkans and South-East Europe in general, given the shared political and economic priorities of the nations in question, the most important of which are the EU processes, and these countries' desire to participate in new frameworks for cooperation. These same priorities are driving the process of cooperation between the south-east European countries of Greece and North Mace-

donia, which recently launched a new framework of cooperation in line with the Prespa Agreement of 2018 which both brought an end to the name dispute between them and launched a new vision of increasing the connections between the two countries (Armakolas et al. 2019).

Oscillating between broad and narrow conceptions, "connectivity" is very dynamic and ever-evolving. It is close to the concept of "relations", but refers not only to established and definite features, but also to the potential for their development. This research is an attempt to understand "connectivity" between Greece and North Macedonia and their peoples and societies in the post-Prespa environment. In this context, connectivity will be used as a guiding concept which draws attention to the need to conceive of cooperation between the two countries as broadly and comprehensively as possible.

2. METHODOLOGY

Since the end of the name dispute in 2018, the issue of the connections and connectivity between Greece and North Macedonia has been a crucial dimension in the study of the relations between the two countries and societies. The level of relations and connectivity between the two countries has become a crucial paradigm for studying relations among Southeastern European countries. Against this backdrop, this study comprehensively maps and analyzes the existing infrastructure and tools that connect the two peoples.

The study looks at gauging the level of relations between the two countries using the concept of "connectivity". Cordial post-Prespa relations have focused attention on better understanding how the people and businesses, civil society, academia and governments of Greece and North Macedonia are connected across their borders. The study posits that the higher the level of connectivity, the more potential there is for closer relations between the two societies thanks to an enhanced ability to deter threats and risks that may damage relations. Connectivity thus emerges as important, as the lack of the infrastructure that would link and connect the two societies becomes a barrier to sustaining the benefits of the Prespa Agreement. Once a connectivity infrastructure is in place, however, it becomes a trajectory that is difficult to reverse; with the connectivity infrastructure in place, a substantial change can occur in the relations between two counties.

We use a qualitative approach in this study, with considerable attention paid to concrete evidence including data, numbers and statistics collected from a range of data sources. We looked at all the available data, numbers and statistics related to how the two countries are connected in a series of sectors, including physical infrastructure such as transport and telecommunications, energy connections, cross-border crossings, Thessaloniki port access, water management; people-to-people contacts including academic contacts and tourism exchanges; business-to-business contacts; civil society-to-civil so-

ciety contacts; and government-to-government contacts.

All these sectors were chosen for study since they form an important dimension of "connectivity", and because they are explicitly mentioned in the Prespa Agreement of 2018 in provisions such as

> "The parties agree that their strategic cooperation shall extend to all sectors" (Article 9);
>
> "The parties are convinced that the development and strengthening of people-to-people contacts are essential for building friendship" (Article 12);
>
> "The parties shall promote, extend and improve cooperative synergies in the areas of infrastructures and transport as well as on a reciprocal basis, road, rail, maritime and air transport and communication connections, using the best available technologies and practices";
>
> "The parties shall seek to improve and modernize existing cross-border crossings";
>
> "The parties shall support the broadening of tourist exchanges" (Article 14).

Similar commitments were made in the Action Plan for intensifying and enriching cooperation between the countries signed in 2019, where commitments were made: for "promoting projects of common interest in the connectivity agenda"; for the "interconnection of Business Registers Interconnection System"; for "interconnecting start-up ecosystems"; to intensify cooperation in the areas of infrastructure, transport and logistics, as well as communication connections"; to "strengthen the interconnectivity of railway and road networks"; to "set again in operation the railway connection Florina-Bitola"; to " strengthen their cooperation in the field of energy, through the construction, maintenance and utilization of natural gas and oil pipelines interconnections"; for the "upgrade of the existing electrical interconnection"; and for the "opening of new border crossing points".

In identifying data, the study builds upon existing literature, statistics and research that are of relevance to this study. Desk research identified a series of sources, documents and other material related to connectivity between the two countries. After collecting the data for all sectors, for those sectors where data were found to be missing or incomplete, semi-structured interviews with relevant stakeholders were conducted in both Greece and North Macedonia in order to fill the gaps. Interviews were also conducted with a view to understanding the plans for investments in the connectivity infrastructure, but also to better understand the challenges that lie ahead. Twenty (20) detailed interviews were conducted with institutional actors who are directly or indirectly involved in managing or building the connectivity infrastructure in the sectors studied. The interviews were conducted in October-November 2020; a full list can be found in the references for this study.

All the interviews sought to find answers to a series of questions that were agreed at the beginning of the project. These questions included the following: "How do you evaluate the present level of bilateral connectivity in the specific sector?", "What are the problems bilateral connectivity faces in the specific sector? How should they be overcome?", "What are the plans and prospects for bilateral connectivity in the specific sector?", "What is the importance of advancing Greece—North Macedonia connectivity in the context of regional (Western Balkans) and European connectivity in the specific sector?".

3. GOVERNMENT-TO-GOVERNMENT CONNECTIVITY

⟩ GENERAL REMARKS

It would be fair to state that relations between Greece and North Macedonia since the signing of the Prespa Agreement have neither been linear nor free of hiccups and problems. After the prolonged period of ratification for the agreement, the two countries entered a period of intensive cooperation—indeed, the most intensive in the turbulent history of Athens-Skopje diplomacy. Both North Macedonia's government under Zoran Zaev and the Greek government under Alexis Tsipras excelled in their efforts to build solid foundations for the new partnership between the two countries. "To illustrate this hyperactivity, the number of documents signed in this period surpassed the number of documents signed between the countries in the past three decades".(Armakolas et al 2020, p.5)

However, the first six months of energetic diplomacy were followed by a long period of more lukewarm efforts. On the Greek side, the New Democracy government that came to power following the July 2019 elections took a far more ambiguous stance towards relations with North Macedonia, since it had been a fierce opponent of the Prespa Agreement while in opposition. And while the new government gradually came to appreciate the benefits of the agreement, the process was not without turnarounds, moves reluctantly taken, and a constant fear of intra-party and public opposition to 'warming up' to Skopje. (ibid pp.10-17)

When it comes to North Macedonia, the Zaev government continued to be a champion of the Prespa Agreement and the new partnership with Greece. However, this initial enthusiasm gave way to realism and later to disappointment and frustration, when it became clear that, despite the many painful compromises with Greece, North Macedonia was still far from its goal of starting EU accession negotiations. (ibid pp.5-9) In addition, as a result of the failure on the European front, North Macedonia entered a long period of political uncertainty; extended by the COVID-19 pandemic, this only ended with the July 2020 elections.

In this section, we focus on government-to-government connectivity, and more spe-

cifically on activity that either sets the broader aims of cooperation between the two countries, or implements parts of the Prespa Agreement and the Action Plan that are of official politico-diplomatic significance for the new partnership between Greece and North Macedonia as a whole. We do not offer details on thematic aspects of the implementation (e.g. the functioning of commissions foreseen in the Prespa Agreement) or on thematic policy areas that are covered in other parts of this report (e.g. energy connectivity). We will, however, make reference to all the bilateral agreements and memoranda that have been signed and put the framework in place for thematic cooperation. We will begin with the relevant provisions in the Prespa Agreement and the Action Plan. We will then provide a brief overview of the bilateral agreements that have been signed, before recounting the bilateral visits and meetings between the two governments over the last 18 months. We will end with a brief evaluation of the progress made in the European integration process and some concluding remarks.

⟩ INSTITUTIONAL FRAMEWORK: PRESPA AGREEMENT AND THE ACTION PLAN

The Prespa Agreement not only settles the name dispute, it also constitutes a comprehensive framework regulating relations between the two countries in various policy areas, as well as providing an overarching framework for the drawing up of a positive agenda that will shape the new partnership between Greece and North Macedonia.

- With regards to the framework for broader government-to-government connectivity and strategic partnership, the Prespa Agreement contains the following provisions:[vii]
- Article 12(2): Establishment of High-level Cooperation Council for effective implementation of this Agreement and the Action Plan.
- The Parties shall establish a High-level Cooperation Council ("HLCC") of their Governments, jointly headed by their Prime Ministers.
- Article 18(3): Agreements between Greece and the Socialist Federal Republic of Yugoslavia before the dissolution of the latter
- The Parties shall consult with each other in order to identify other agreements concluded between the former Socialist Federal Republic of Yugoslavia and the First Party that will be deemed suitable for application in their mutual relations.

Article 18(4): Efforts to conclude further agreements on cooperation between the two states

- The Parties commit to explore all possibilities to conclude additional bilateral agreements needed with regard to areas of mutual interest.

With regards to the ***Action Plan,*** leaving out thematic areas covered in other parts of this report, the following are the provisions most pertinent to government-to-government cooperation:[viii]

2. Cooperation in the context of International and Regional Organizations and Fora

- Stressing their commitment to promote multilateralism and a rules-based global order, and building on their already positive relevant experience, the Parties will intensify their efforts to mutually support candidatures in the context of International and Regional organizations in which they participate.
- The Parties value their participation and cooperation in regional organizations and institutions as well as comparative initiatives, such as the SEECP and the Thessaloniki Quadrilateral Cooperation Meeting, and will promote their collaboration in the context of other regional and multilateral organizations, institutions and initiatives, as appropriate.

3.Political Cooperation

a. High-Level Cooperation Council

- The Parties hereby establish in accordance with article 12 of the Agreement, a High Level Cooperation Council (HLCCC) of their Governments, jointly headed by their Prime Ministers, which will oversee and control the proper implementation of this Action Plan as well as the correct and in good faith implementation of the Prespa Agreement. The HLCC will take decisions and promote actions and measures for the improvement and upgrading of the overall cooperation between the Parties. The HLCC will convene at least annually, alternately in the territory of each of the Parties

b. Consultations

- The Parties will reinforce and further develop their political relations through regular visits, meetings and consultations at high political, diplomatic and experts levels. In addition to the visits and meetings of their political leaderships, the General Directors of the Ministries of Foreign Affairs will meet and discuss, at least annually, on a variety of thematic areas, including European Union matters and the Balkans. Political thematic consultations could be also held at the level of heads of Directorates of the Ministries of Foreign Affairs.

c. Cooperation in the field of diplomatic training

- Acknowledging the important role of cooperation in the field of diplomatic training for further strengthening relations between the respective Ministries of Foreign Affairs, and taking into account the successful completion of the "Training Programme on EU Affairs" hosted in Athens in January 2019, the Parties agree on the need, especially with regard to training on EU issues, to further implement the three Memoranda of Understanding between their Ministries of Foreign Affairs on Cooperation in the Field of Diplomatic Training done in Skopje on the 8th of August 2017. To this end, a meeting between the Directors of the Diplomatic Academies of their Ministries of Foreign Affairs will be held before summer 2019 with the aim to agree on the upcoming steps of cooperation.

4. Cooperation on EU matters

- Parties will sign a Memorandum of Cooperation between the Ministry of Foreign Affairs of the Hellenic Republic and the Secretariat for European Affairs of North Macedonia, with the aim to support the Republic of North Macedonia in its European integration process. The said Memorandum will provide the framework for cooperation in most of the Chapters of the Enlargement Negotiations and cooperation in a joint approach to the EU funds available.
- To this aim, the Parties will set up a Joint Committee in view to exchanging ideas and proposals, design specific support and assistance in the transposition of EU acquis, harmonization and development of institutional infrastructure, and capacity-building in the civil service through exchange and assistance of experts, training programs, joint studies and research.
- The Parties will also envisage the Detachment of official(s) of the Administration/ Government of the Hellenic Republic to the Government of North Macedonia (competent Ministries or Services) for assisting in the adoption and implementation of the EU acquis in selected areas. This would entail by preference sectoral Ministries, to be agreed between the Parties, following proposals by the Republic of North Macedonia, agreed by the Joint Committee to be established under the MoC between the two parties.
- The Parties will explore possibilities in order to benefit, to the maximum extent possible, from their cooperation in twinning and TAIEX programs, as well as from cooperation in the WBIF with a view to jointly promoting projects of common interest in the connectivity agenda.
- Partnership between the two parties will be extended through joint approach, cooperation and consultations in using other EU instruments and Funds, including

INTERREG, ESI, National IPA allocations and IPA Multi-country programmes, especially those strengthening our cross-border and regional cooperation, including Balkan-Mediterranean Programme and Adriatic-Ionian Strategy. Common promotion of joint actions and partnership on all levels under the Union programmes is also a potential to be used by both parties

9. Treaty Relations

- The Parties will pursue the discussions already undertaken in 2016 as part of the Confidence Building Measures, according to which the Legal Departments of the two Ministries of Foreign Affairs should examine the agreements concluded between the Hellenic Republic and the Socialist Federative Republic of Yugoslavia, in order to decide, which of these agreements could apply, in addition of the agreements already mentioned in article 18 of the Agreement between the Hellenic Republic and the Republic of North Macedonia.
- The Parties will also examine the bilateral agreements signed between them before the entry into force of the Prespa Agreement, in order to decide which of these agreements should enter into force after proceeding to the necessary adjustments.
- The Parties should also consider the possibility of concluding new agreements in the fields of common interest.

⟩ BILATERAL AGREEMENTS SIGNED

The following agreements between the two countries have been signed over the last two and a half years:

Prespa Agreement:

"Final Agreement for the settlement of the differences as described in the United Nations Security Council Resolutions 817 (1993) and 845 (1993), the termination of the Interim Accord of 1995, and the establishment of a strategic partnership between the parties"—agreed on 12 June 2018 and signed on 17 June 2018 in Prespa.

Action Plan:

"Action Plan on the intensification and enrichment of cooperation between the Hellenic Republic and the Republic of North Macedonia as provided for in the Prespa Agreement"—signed on 2 April 2019 in Skopje.

Bilateral agreements and memoranda:

1. "Memorandum of Understanding between the Ministry of Digital Policy, Telecommunications and Media of the Hellenic Republic and the Ministry of Information Society and Administration of the Republic of North Macedonia on Reduction of International Roaming Tariffs for Telecommunication Services"—signed on 19 February 2019.
2. "Agreement between the Hellenic Republic and the Republic of North Macedonia on the Establishment of one Border-Crossing point in the Prespa Lake Area"—signed on 8 March 2019 in Skopje.
3. "Agreement on Defense Cooperation between the Ministry of National Defence of the Hellenic Republic and the Ministry of Defence of the Republic of North Macedonia"—signed on 2 April 2019 in Skopje.
4. "Memorandum of Cooperation between the Ministry of Foreign Affairs of the Hellenic Republic and the Secretariat for European Affairs of the Republic of North Macedonia on the Acceleration of the Integration Process of the Republic of North Macedonia into the European Union"—signed on 2 April 2019 in Skopje.
5. "Memorandum of Understanding on the development of the "Thessaloniki- Skopje-Tabanovce" Road and Railway Connection between the Hellenic Republic and the Republic of North Macedonia ("Road and Rail Project")"—signed on 2 April 2019 in Skopje.
6. "Memorandum of Understanding between the Government of the Hellenic Republic and the Government of the Republic of North Macedonia concerning the establishment of a Steering Committee for Economic Cooperation"—signed on 2 April 2019 in Skopje.
7. "Memorandum of Understanding on Cooperation between the Ministry of Infrastructure and Transport of the Hellenic Republic and the Ministry of Transport and Communication of the Republic of North Macedonia"—signed on 2 April 2019 in Skopje.
8. "Agreement between the Hellenic Republic and the Republic of North Macedonia on the establishment of a new Border-Crossing Point between the two countries, connecting Promachoi, in the Hellenic Republic and Majden, in the Republic of North Macedonia"—signed on 2 April 2019 in Skopje.
9. Establishment of an Embassy of the Hellenic Republic in Skopje and an Embassy of the Republic of North Macedonia in Athens, as well as of the General Consulates of Greece and North Macedonia in Bitola and Thessaloniki respectively, 31 May 2019.
10. "Technical Agreement, within the framework of the Agreement of Defence Cooperation signed in April 2019, on the Air Policing of North Macedonia's air space by

the Greek Air Force"—signed on 30 September 2020 in Thessaloniki.

11. "Agreement in principle on the text of the Rules and Operation and Procedure of the Joint Experts Committee on the Establishment of one Border-Crossing Point in the Prespa Lake Area—signed on 31 January 2020 in Skopje.

The policy areas covered in the above agreements are the following:

- Diplomatic representations (1 agreement)
- Defence cooperation (2)
- Economic cooperation (1)
- Promotion of North Macedonia's EU integration (1)
- Road, Rail and general transport infrastructure (2)
- Telecommunications (1)
- Establishment of border crossings (3)

A number of interesting observations can be made on the bilateral agreements that have been signed. Amazingly, no fewer than six agreements plus the Action Plan for the implementation of the Prespa provisions were signed on just one day, 2 April 2019, during the historic visit of PM Tsipras and his government officials to Skopje. That visit became the single most important push in bilateral relations since the signing of the Prespa Agreement, and has not been repeated since.

Only three more agreements have been signed in the 20 months following the Greek delegation's milestone visit to Skopje in April 2019. Of these three agreements, two have been signed since the Greek elections in July 2019 and the changing of the guard in Athens. The 20 months of relative inactivity also include electoral rounds in both countries, a long period in which North Macedonia was ruled by an interim government, as well as the period of the COVID-19 pandemic. Nevertheless, the low number of new agreements signed also demonstrates the new Greek government's unease in relation to the 'hot potato' of the implementation of the Prespa Agreement, a document they fiercely opposed while in opposition. (Armakolas et al 2019b, pp.10-12)

The overall rate of ratification of individual agreements has also not been fast. Certainly, the elections in both countries as well as the COVID-19 pandemic have slowed things down. However, these challenges notwithstanding, it still seems that the process of ratifying important agreements has proved a challenge, due in particular to the ostensible reluctance of the Greek side to engage with North Macedonia after the 2019 elections. Three agreements that are still awaiting the green light to proceed through the ratification process in the Greek Parliament are a case in point. All three agreements are important for

the multi-level relationship and new partnership between the two countries; they are:

- The Memorandum of Understanding for forming a Coordinating Committee for Economic Cooperation (signed on 2 April 2019).[ix]
- The Memorandum of Cooperation between the Greek Ministry for Foreign Affairs and the Secretariat for European Affairs of the Government of North Macedonia for acceleration of North Macedonia's integration to the EU (signed on 2 April 2019).[x]
- The Technical Arrangement for the Air Policing of Skopje FIR (LWSS) by the Greek airforce (signed on 30 September 2019).[xi]

The Memorandum of Understanding for forming the Coordinating Committee for Economic Cooperation includes important provisions for the deepening of economic cooperation between the two countries. Part of the positive agenda of the Prespa Agreement, economic cooperation will ensure that the solution's positive outcomes to the name dispute and positive-sum agenda will spread to various policy areas. Economics is also one of the least 'politicized' policy areas, bypassing the disagreements over controversial political and identity-related provisions included in the Prespa Agreement. Importantly, deepening the economic benefits stemming from the new partnership is something that the newly-elected Greek government highlighted when speaking about relations with North Macedonia. However, while the Memorandum was signed in April 2019, it was only put before the Greek Parliament 17 months later, on 14 September 2020.

The Memorandum of Cooperation concerning North Macedonia's integration into the EU is of both practical importance and symbolic significance, especially for North Macedonia. The country has agreed to change its name and constitution, largely to achieve accelerated integration into NATO and the EU. And while its entry into NATO is now complete, the country's accession to the EU, which is of primary importance for ordinary citizens, remains stalled, with Skopje still unable to kick-start accession negotiations nearly two years after the ratification of the Prespa Agreement. Greece's help in the field of European integration is thus of paramount importance. In practical terms, given the numerous delays, North Macedonia needs all the help it can get from Athens to speed the process up once negotiations start. At the symbolic level, it will demonstrate Greece's unequivocal support for North Macedonia's EU accession process, and provide a boost of confidence for Skopje in the face of blockages by France (in 2019) and Bulgaria (in 2020). Nonetheless, despite its importance, the Memorandum of Cooperation was only put before the Greek Parliament 17 months after its signing, on 14 September 2020.

Finally, the Technical Arrangement for the Air Policing of Skopje FIR is important for both countries, since it will bring North Macedonia one step nearer a closer partnership with Greece and constitute one more instrument of cooperation with one of the key NATO countries in the region. From a Greek perspective, the air policing of Skopje FIR will provide an explicit benefit from a difficult agreement, in the sense that it increases

Greece's role in the region in a period when Athens is facing multiple political and military challenges from Turkey. As a result, the Greek air policing of North Macedonia's air space has been one of the strongest arguments put forward by those supporting the agreement as well as a point of consensus with those that opposed the Prespa compromise. This is reflected in the Technical Arrangement being one of only two agreements with North Macedonia which have been signed by the New Democracy government. Even then, the Technical Arrangement was put before the Greek Parliament on 15 September 2020, a full 12 months after its signing.

Still, the delays in introducing the agreements into the parliamentary procedure in Greece do not tell the full story of Greek reluctance. The Greek government started rethinking the timeframe for ratifying these agreements shortly after they were submitted to Parliament. Reportedly, the process stalled once again because the Greek government was worried that some of its own New Democracy MPs could break ranks.[xii] There were even reports claiming that the former Prime Minister, Antonis Samaras, was contemplating abstaining from the ratification vote to demonstrate his continuing opposition to the Prespa Agreement and to make a point about the approach he thought the New Democracy government should have followed.[xiii] Reportedly, the government was also considering using the MP Angelos Syrigos, a conservative university professor with impeccable 'credentials' of fierce opposition to the Prespa Agreement, as its rapporteur during the parliamentary debate in order to minimize dissenting voices.[xiv] Finally, even though the Spokesperson of the Greek Ministry of Foreign Affairs issued reassurances in late November that the ratification of the three agreements would go ahead,[xv] the issue remains in limbo as this report goes to print, a full three months after it was introduced into the parliamentary procedure.

⟩ BILATERAL VISITS AND MEETINGS BETWEEN GOVERNMENTAL OFFICIALS

The period since the signing of the Prespa Agreement has been one of intensive collaboration and visits between government officials on the two sides. As we saw above, this period of hyperactivity resulted in the signing of a number of bilateral agreements focused on specific policy areas. It is not the purpose of this report to provide an exhaustive list of the bilateral visits made during this period. We should, however, mention Alexis Tsipras' historic visit, the first ever by a Greek PM, to Skopje on 2 April 2019.[xvi] Tsipras was accompanied by 10 members of his government, state officials, and more than 100 prominent members of the Greek business community. PM Tsipras held meetings with PM Zoran Zaev and the President of North Macedonia's Assembly, Talat Xhaferi.

The visit signalled a new era of partnership between the two countries, following the resolution of the name dispute that had hampered bilateral relations for nearly three decades. The visit also provided the opportunity to hold the first—and, to date, only—ses-

sion of the High Level Cooperation Council (HLCCC) between Greece and North Macedonia, the platform stipulated in Article 12(2) of the Prespa Agreement as the driving force for the effective implementation of the Agreement and the Action Plan. During this session, the two sides continued their consultations on thematic policy areas and, importantly, signed a number of new bilateral agreements along with the Action Plan for the implementation of the Prespa Agreement.

The period after the first High Level Cooperation Council saw only a limited number of bilateral meetings and interactions. Greece entered a prolonged pre-election period in which the political focus returned to the domestic scene. The elections were won by New Democracy, a party that had opposed the Prespa Agreement, and the new government was therefore more ambivalent than its predecessor towards intensive cooperation with the government of North Macedonia. Despite the frostier atmosphere, the countries' leaders, or prominent members of their governments, met on occasions and had opportunities to 'break the ice' as well as to reaffirm their commitment to the implementation of the Prespa Agreement.

On 24 September 2019, Prime Ministers Mitsotakis and Zaev met for the first time on the sidelines of the United Nations General Assembly in New York. Mitsotakis reiterated the position of his newly-elected government that even though they did not agree with the Prespa Agreement, and would not have signed it if they had been in government, they would respect it, since it has been ratified by Greece. Mitsotakis called on Zaev to meet the obligations deriving from the agreement, especially those pertaining to the protection of trademarks. Zaev reaffirmed his government's commitment to implementing the agreement without delay.[xvii]

On 14 November 2019, Prime Ministers Mitsotakis and Zaev met again, this time on the sidelines of the Thessaloniki Summit. During the meeting, the two PMs discussed issues of EU enlargement into the Western Balkans, including the challenges presented to the process by the delays in opening accession negotiations for North Macedonia.[xviii]

On 20 November 2019, the Foreign Ministers of Greece and North Macedonia, Nikos Dendias and Nikola Dimitrov, met on the sidelines of the NATO Summit in Brussels. At a time when the French veto had presented a major obstacle to the start of EU accession negotiations for North Macedonia, Dendias reassured his counterpart that Greece would continue to support Skopje's EU aspirations.

On 26 November 2019, the Minister for Foreign Affairs of Greece, Nikos Dendias, together with the Deputy Minister for Economic Diplomacy, Kostas Fragogiannis, visited North Macedonia and were received by President Stevo Pendarovski, Prime Minister Zoran Zaev, and the Minister for Foreign Affairs Nikola Dimitrov.[xix] During the visit, the Greek ministers expressed Athens' support for North Macedonia's European perspective, but also highlighted Greece's interest in forging closer economic ties between the two countries.

In February 2020, the Greek government organized in Thessaloniki a summit for the European perspective of the Western Balkans entitled "From Thessaloniki to Zagreb". The summit was presided over by Greek MFA, Nikos Dendias.[xx] The aim of the Greek initiative was to stimulate the EU enlargement process in the region. North Macedonia's MFA, Nikola Dimitrov, gave a talk in which he explained his government's policy agenda and reminded the audience that a promise had been made to include the Western Balkans in the EU.[xxi]

On 15 May 2020, North Macedonia's Minister for Health, Venko Filipche, met his Greek counterpart, Vassilis Kikilias, in Athens. They discussed problems pertaining to the fight against the COVID-19 pandemic. The two sides also addressed the issue of opening the borders for the summer period and discussed the measures and protocols that would be required to facilitate cross-border travel.[xxii]

At the EU-Western Balkans Summit held in Zagreb (via teleconference) on 6 May 2020,[xxiii] Greek Prime Minister Kyriakos Mitsotakis emphasized that the European perspective of the Western Balkans, a perspective enshrined in the Declaration of Thessaloniki of 2003, had to be kept alive. He also asked North Macedonia to respect and fully implement the Prespa Agreement, since good neighbourly relations were "the only way leading to a European future" for the country.[xxiv]

On 15 July 2020, North Macedonia finally held its legislative elections, which had been postponed for several months due to the coronavirus pandemic. The elections were called by PM Zoran Zaev when his country failed to get the green light for accession negotiations in late 2019. Nearly one month after the elections, Zaev's SDSM had the opportunity once again to form a government in coalition with the main Albanian DUI party. The new government in Skopje reaffirmed its commitment to implementing the Prespa Agreement and to deepening multilevel cooperation with Greece.[xxv] On 29 July 2020, North Macedonia's Deputy Prime Minister and Minister for Defence, Radmila Šekerinska, and Foreign Minister, Nikola Dimitrov, spoke at the 22nd Symi International Symposium, held in Lagonisi, Attica. Their talks focused on the challenges presented for policy making in Europe by the coronavirus pandemic. On the sidelines of the symposium, Dimitrov met with the Greek Alternate Minister for Foreign Affairs, Miltiadis Varvitsiotis, and discussed policy issues of common interest.[xxvi] Nikola Dimitrov also held an unofficial meeting with the Greek Minister for Foreign Affairs, Nikos Dendias.[xxvii]

The Minister for the Environment and Physical Planning of North Macedonia, Naser Nuredini, attended the South-East Europe Energy Forum held in Thessaloniki on 11 September 2020. The Forum was organized by the American-Hellenic Chamber of Commerce. Minister Nuredini took part in a panel discussion with the Greek Minister for the Environment and Energy, Kostis Hatzidakis. The two Ministers spoke about projects relating to energy cooperation between the two countries.[xxviii]

In September 2020, Prime Minister Zoran Zaev and several members of his govern-

ment paid a two-day working visit to Greece. On 16 September 2020, the President of the Hellenic Republic, Katerina Sakellaropoulou, received Prime Minister Zaev and his delegation—the Deputy Prime Minister in charge of economic affairs, coordinating economic departments and investments, Fatmir Bytyqi, the Deputy Prime Minister in charge of European Affairs, Nikola Dimitrov, and the Minister for Foreign Affairs, Bujar Osmani. President Sakellaropoulou congratulated Zoran Zaev on his re-election and emphasized the importance of implementing the Prespa Agreement. She also stressed that bilateral relations between Greece and North Macedonia had "entered a new era".[xxix] Sakellaropoulou also reiterated Greece's support for North Macedonia's European perspective. Zoran Zaev saw the meeting as "another affirmation and contribution to improving relations and building trust between North Macedonia and Greece [and] as an example of good neighbourly relations in the region" and also emphasized that, with the Prespa Agreement, the two countries had "created an alliance and partnership, and [that] today Greece is a strong supporter of the Republic of North Macedonia in its EU integration process". He also "expressed confidence that Greece will be one of the main lobbyists for a successful start to the first intergovernmental conference [for the start of North Macedonia's accession negotiations] during the German Presidency".[xxx]

PM Zaev and his delegation also met with Greek PM Kyriakos Mitsotakis on 16 September 2020. Apart from issues of European integration, the two leaders discussed the implementation of the Action Plan, with a focus on the two joint commissions: the one for historical, educational and archaeological issues and the one for the trademarks. They also discussed economic cooperation, as well as issues relating to the challenges presented by the COVID-19 pandemic.[xxxi] PM Zaev also had the opportunity to discuss the changes brought about by the signing of the Prespa Agreement, and the country's prospects for accession to the Euro-Atlantic institutions, with the former Prime Minister of Greece and current leader of the opposition, Alexis Tsipras.[xxxii] Moreover, the Alternate Minister for Foreign Affairs Miltiadis Varvitsiotis met North Macedonia's Deputy Prime Minister for European Integration, Nikola Dimitrov. Following the meeting, Alternate Minister Varvitsiotis offered one of the most explicit statements to date in support of North Macedonia and the new partnership between the two countries:

> "Mr Dimitrov and I agreed that cooperation between Greece and North Macedonia in order to assist the accession process must be scaled up in the coming period.
>
> This means that the committees set forth in the Prespa Agreement must convene immediately in order to create a foundation to build on and, of course, to resolve pending matters.
>
> At the same time, we will submit the agreement for the provision of technical assistance to North Macedonia in its accession process to Parliament for ratification, and we will then head two large delegations, in mid to late autumn, in Skopje in order to send precisely this message—that the accession process did not stop but actually began in Zagreb during the March Summit, and that we are willing to help. Greece stands to benefit from North Macedonia's accession to the European Union and has much to contribute to this process. Its approach to this process is characterised by good faith, a spirit of cooperation, aiming—as always—at the proper implementation of the Prespa Agreement, but, above all else, at the development of bilateral economic and political relations, in order to truly see our neighbourhood flourish. Our country's strategic goal has always been to border European Union Member States, and we will achieve this goal by assisting the process of North Macedonia's accession to the European Union".[xxxiii]

On 28 September 2020, a delegation from the government of North Macedonia paid a working visit to Thessaloniki.

The delegation consisted of the Deputy Prime Minister in charge of economic affairs, coordinating economic departments and investments, Fatmir Bytyqi, the Deputy Prime Minister for the Fight against Corruption, Sustainable Development and Human Resources, Ljupco Nikolovski, and the Minister for the Economy, Kreshnik Bekteshi. The three government officials took part in a 'Regional Energy Cooperation' roundtable along with US Secretary of State Michael Popmeo, the Greek Minister for Energy, Kostis Hatzidakis, and the US Ambassadors to Athens and Skopje, Geoffrey Pyatt and Kate Marie Burns respectively. The officials from the government of North Macedonia spoke about energy connectivity between Greece and North Macedonia as well as the energy dimension of the region's EU accession process.[xxxiv]

On 12 November 2020, a teleconference to discuss energy cooperation was held between the Deputy Prime Minister in charge of economic affairs, Fatmir Bytyqi, and the Greek Deputy Minister for Foreign Affairs in charge of economic diplomacy, Kostas Fragogiannis. Other government officials present on the call were Ministers Bekteshi and Nuredini of North Macedonia, the Secretary General of Greece's Ministry of Energy, Alexandra Sdoukou, and officials from the energy business sector.[xxxv]

It seems that the two countries have finally agreed to hold a second session of the

High Level Cooperation Council. Although there have been no announcements from the Greek side, PM Zaev announced in an interview in September 2020 that the next intergovernmental conference would be held in the winter of 2020–21 in Athens, pandemic permitting.[xxxvi] Zaev also revealed that the two sides planned to sign an agreement for the avoidance of double taxation, an important step in strengthening economic cooperation and promoting business opportunities between the two countries. PM Zaev mentioned, too, that the two sides are making plans for advancing cooperation in the field of digitization and the digital economy. However, no official announcement has been made of the dates of the second High Level Cooperation Council as of December 2020, when this report was finalized. According to Article 3 of the Action Plan, the High Level Cooperation Council is supposed to convene at least annually, but 20 months have already elapsed since the milestone first session was held.

⟩ EUROPEAN INTEGRATION

For North Macedonia's political elites and citizens alike, a core incentive for agreeing to the name change and signing the Prespa Agreement was the prospect of revitalizing the country's European perspective. There was a justified expectation that North Macedonia would start its long-awaited EU accession negotiations very soon. The harsh reality, however, was that the road to the negotiations was anything but wide open after their compromise with Greece. More obstacles would not be placed in North Macedonia's path. The Zaev government had, with good reason, expected Greece to become a powerful advocate and a "lobbyist" that would "fight" (to use Zaev's own words) for North Macedonia's integration into Europe.[xxxvii]

And although Greece has indeed supported North Macedonia's accession prospects, that support had ebbed and flowed. The first serious test came a few months after the new Greek government came to power in the summer of 2019. The new Mitsotakis government remained lukewarm towards the government of North Macedonia and uncertain how to handle the "hot potato" of the Prespa Agreement. (Armakolas et al 2020 pp.11-12) The new Greek government wanted to see Skopje implement the agreement, but remained uncertain about the extent to which it adhered to the idea of a close partnership with North Macedonia; it certainly did not want to be seen domestically to be overly friendly towards the Zaev government. Still, when France threatened to block Skopje's (and Tirana's) accession process in order to convince EU member states that the enlargement methodology needed revamping, Athens mobilized. Even if the French had good arguments and Paris remained Greece's main EU ally in its brawl with Turkey, Athens saw a broader threat to its national interests in the potential lull in the accession process.

The predicament galvanized Greece to offer ideas on how to progress from there and, more importantly, how to team up with other pro-enlargement Member States. (ibid) The spokesperson for the Greek MFA announced on 21 November 2019 that Greece would be

undertaking several diplomatic initiatives in response to the deadlock in the EU enlargement process. These included a quadrilateral meeting between Greece, Bulgaria, North Macedonia and Albania, an EU-Western Balkans Summit early in 2020, a working breakfast in Brussels, and visits by the Greek MFA to Skopje and Tirana.[xxxviii] Subsequently, Nikos Dendias hosted on 9 December 2019 in Brussels a working breakfast to which the Ministers for Foreign Affairs of both North Macedonia and Albania were invited. Over 20 Ministers of Foreign Affairs took part in the discussion, in which ideas for promoting the agenda of EU enlargement in the Western Balkans, and coordinating efforts, were discussed.[xxxix] Greece was, however, unable to prevent Paris blocking the process, and North Macedonia had to wait until the new methodology for enlargement was introduced in early 2020, before it could hope once again for its accession negotiations to commence.

The decision to greenlight the accession negotiations came only a few months after the French veto. The European Council decided in March 2020 that the first intergovernmental conference should take place once the framework for the North Macedonia negotiations had been adopted by the European Council.[xl] Justifiably, Skopje anticipated this happening soon, during the German Presidency of the EU Council in the second half of 2020. But in the months that followed, North Macedonia was in for another big surprise: Bulgaria decided to veto the start of accession negotiations. Their justification for doing so was that North Macedonia was allegedly not implementing the bilateral friendship agreement which the two countries had signed in 2017. Sofia also presented a number of demands pertaining to recent history, identity and language, which Skopje would have to meet before it could start talks with the EU.[xli]

Amidst widespread frustration, there was likely a perception in North Macedonia that Greece could do more to help. But unlike the time of the French veto, Greece remained largely silent on the issue, with the exception of the standard reaffirmation of its long-term priority for all Western Balkan countries to eventually join the EU. The initial response of the Greek government expressed by spokesperson Stelios Petsas—namely, that Greece would continue to support the European perspective of the region, but that no one could prevent an EU Member State from raising issues with candidates during the accession process—raised eyebrows in Skopje.[xlii] There was probably some measure of frustration felt by the government of North Macedonia, though this dissatisfaction was not openly expressed. A more recent statement made by the spokesperson of the Greek MFA was more careful, but still illustrated Greece's unwillingness to intervene in the dispute between Bulgaria and North Macedonia along with its not being ready to express an opinion on the risks that Sofia's veto posed for the EU enlargement process.[xliii] The Greek government was subsequently criticized for not being vocal in its support of North Macedonia and for allowing other EU member states to exert a greater influence over the enlargement process.[xliv]

⟩ ASSESSMENT

The Prespa Agreement, the Action Plan and the other agreements signed form an extremely positive institutional framework upon which the two countries could base a new partnership for the future. However, realizing this potential remains a challenge, due to a number of domestic and international obstacles and factors that complicate relations between the nations.

Certainly, the legacy of opposition to the Prespa Agreement on the part of New Democracy, the party that came to power in Greece in the summer of 2019, makes Greece's moves both more reluctant and more ambiguous. The unpopularity of the Prespa Agreement remains high in Greek society. And within the ranks of New Democracy, both prominent officials and the rank and file are not ready to see their own government befriend North Macedonia. Hence Greece's "cold feet" every time Zoran Zaev and his ministers call for stronger ties and the quick "roll backs" every time a New Democracy official displays anything more than a moderate desire to engage with North Macedonia. For its part, the government in North Macedonia remains powerfully interested in building this bilateral friendship. However, the repeated "slaps in the face" the country has received in its dealings with Brussels, and the reluctance it sees on the Greek side, may cause this interest to wane in the near future.

Overall, what may be concluded from the above analysis is that, after an enthusiastic and hyperactive start, government-to-government connectivity between the two countries is now restricted and measured. This may, of course, be a considerable improvement on the hostile relations of the preceding three decades. But it is still far from the promise and potential of partnership offered by the Prespa Agreement. The two governments' collaborative efforts have been lacklustre: bilateral visits may have been frequent, but few new agreements were signed after the initial period of enthusiasm, the High-level Cooperation Council has still to hold its second session, the rate of bilateral consultations remains far from intensive, and the political and diplomatic activity has given rise to few initiatives and innovative new ideas. What's more, in the field of European integration, which remains of crucial importance to North Macedonia, Athens has failed to offer much assistance, especially North Macedonia's recent squabble with Bulgaria.

4. BUSINESS CONNECTIVITY

⟩ INVESTMENTS-GENERAL REMARKS

Economic cooperation, and private-sector cooperation in particular, is often mentioned as one of the areas that proved most resistant to the adverse political climate between Greece and North Macedonia before the resolution of the name dispute. Since the late 1990s, Greece has been among the top investors in North Macedonia, and despite the trade embargo of the early 1990s, trade between the two countries increased significantly after the 1995 Interim Accord.

Generally speaking, investment activity is sensitive to political risk, and bilateral disputes tend to scare investors away from projects that are vulnerable to political interference. While not all investors are deterred equally by such risks, political disputes and negative local attitudes to investors do tend to dampen investment overall. That Greece has remained among the top foreign investors in North Macedonia is therefore remarkable.

However, it is important to examine this within the wider economic and political context in both countries. To a large extent, perceptions of and opportunities for foreign investment are shaped by domestic economic performance and external economic circumstances. We can therefore expect the difficult economic situation in both North Macedonia and Greece over the past decade, with economic growth below regional averages in both countries, to have had a negative impact on foreign investment. And it is almost certain that investment flows from Greece to North Macedonia and vice versa would have been greater, had the European economic crisis not had such a devastating impact on the Greek economy. In looking to re-ignite cross-border economic activity and increase investment through greater business-to-business connectivity, we need to consider how investment flows can be increased to pre-2008 levels—and potentially beyond, given the encouraging current political climate.

Since the mid-1990s and the normalization of bilateral relations that followed the signing of the Interim Accord (September 1995), North Macedonia has been one of Greece's most important trade partners in the Balkan Peninsula and a favourite destination for Greek investments.[xlv] In 2018, Greece was the second most important foreign investor in North Macedonia with investments worth almost 1 billion euro. Companies of Greek or mixed ownership are among the most important in the country in terms of various criteria (annual turnover, profitability, contributions to the export sector). Some of these companies play a central role in the economy or have become household names: "ΟΚΤΑ", for example, which is owned by the Hellenic Petroleum Group (ΕΛΠΕ), "EDS", an electricity provider owned by the Greek Public Power Corporation (ΔΕΗ), "Veropoulos Dooel" and "Pivara Skopje", owned by the Coca Cola Hellenic Bottling Company—Heineken. One could add

many more examples of successful Greek investments and businesses in North Macedonia, such as "Stopanska Banka", a subsidiary of the National Bank of Greece, which leads the 15 banks operating in the country in terms of annual turnover, and AKTOR (ΑΑΑΩΑ), the Greek construction company, which has been particularly active in the construction of highways in the Balkans, including North Macedonia.[xlvi]

However, though Greece has consistently ranked among the top five investors in North Macedonia, this does not mean that Greek investment flows have not been adversely affected by the political dispute between the two countries. It is plausible that in a counterfactual scenario in which there was no dispute, Greek investment would have been even higher than the levels we have witnessed over the past three decades. So, in looking for ways to expand bilateral investment flows, political elites in both countries can look beyond existing investment levels to encourage greater economic activity and cooperation.

⟩ INSTITUTIONAL FRAMEWORK

The Prespa Agreement relates not only to the will of the two countries to develop their economic cooperation further in the fields of industry, investments and trade (Articles 14.1); it also stipulates the following in Article 14.9:

> "The Parties shall establish a Joint Ministerial Committee ('JMC') in order to attain the best possible cooperation in the above mentioned sectors of economic partnership, including through the organization of joint business fora. Convening at least once a year the JMC will steer the course of bilateral economic cooperation, the comprehensive implementation of the relevant sectoral actions, agreements, protocols and contractual frameworks as well as future relevant agreements. The parties encourage the closest possible interaction between their chambers of commerce".

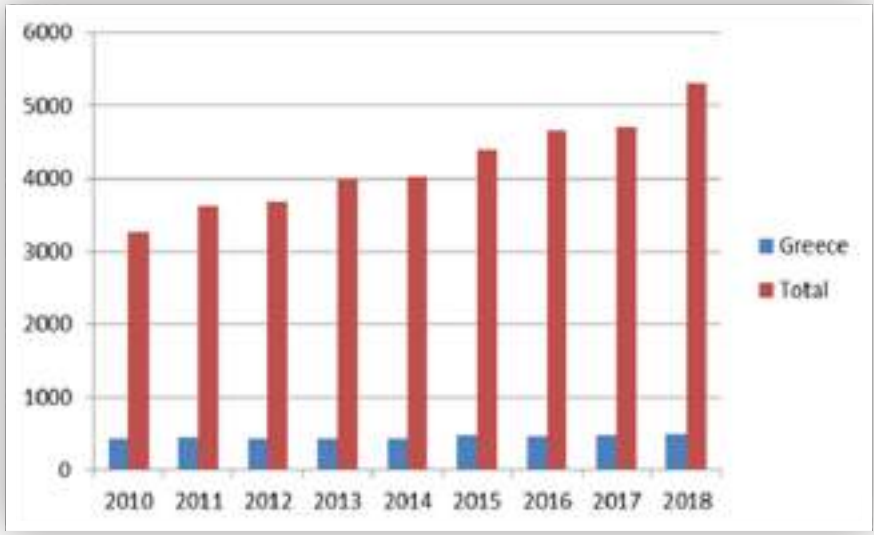
The Action Plan is even more detailed on how the two sides should proceed—however, it would appear that very few things, if any, have materialized in that respect. Section 5, which is dedicated to economic cooperation, contains several key provisions: (5a) section of the Action Plan is another confirmation of the commitment to create a Joint Ministerial Committee (JMC). (5b) states the intention of establishing a steering committee on economic cooperation:

> "A Steering Committee on Economic Cooperation will be established with the participation of government officials and institutional representatives of the private sector, in order to accomplish and to promote the economic partnership between the Hellenic Republic and the Republic of North Macedonia. For this purpose a Memorandum of Understanding will be signed by the competent Ministries".

Furthermore, in (5d), the two countries express their will to strengthen cooperation in the field of Small and Medium Sized Enterprises (SMEs), in particular in the following areas: 1. exchanging information and organizing events (B2B); 2. interconnecting their start-up ecosystems; 3. exchanging know-how in the SME sphere; 4. facilitating SMEs participation in EU programmes and cross-border initiatives with Greek support; 5. broadening cooperation in the areas of standardization, accreditation, certification, metrology, laboratory testing and conformity assessment; 6. sharing Greece's expertise in business innovation and EU policies on the digital transformation of industry, circular economy, intellectual property rights, and the participation of enterprises in value chains.

⟩ INFORMATION AND DATA/ SPECIFIC PROJECTS

The data from the past two decades support these arguments, to a certain extent (see Figure 1). Overall, it appears that Greece is consistently among the top investors. A closer look at the numbers suggests that levels of Greek investment in North Macedonia have been relatively constant over the past decade, levelling out at around EUR 400–500m per year. While this puts Greece comfortably among the top investors, the flat trajectory is puzzling. Since overall foreign investment in North Macedonia has increased consistently over the past decade, and consecutive governments have taken active measures to improve the business and investment environment, the flat rate of Greek investment in North Macedonia suggests that Greek investors have not responded to the incentives as much as other investors. Whether that is due to domestic economic difficulties or to political factors, policymakers in both countries need to encourage bilateral investment growth.



(Figure: Total and Greek investment, 2010–2018. Source: Mitevski et al. 2020)

⟩ EXPLAINING GREEK INVESTMENT TRENDS

Over the past decade, consecutive governments have taken substantial measures to increase North Macedonia's attractiveness to foreign investors. Interventions in the business and tax regulations have made investing in the country easier and less costly (World Bank 2019), though other obstacles such as corruption, poor rule of law, and weak infrastructure persist.

Given the improving business environment, the volume of foreign investment could be expected to increase. And in aggregate terms, overall foreign investment in North Macedonia has indeed increased during this period, as Figure 1 shows. However, Greek investment in North Macedonia did not increase over the past decade. Other major investors in North Macedonia, such as Austria and the UK, saw the level of their investments increase significantly. And since Greece was in a particularly good position to benefit from North Macedonia's new measures, since it had already invested in the country and is geographically close to it, the lack of investment growth, which continued after 2017, is potentially concerning. Understanding why Greek investment has not grown would help the political elites identify how to address the problem and, ultimately, to reverse the stagnating trend.

We can propose a few hypotheses here, but it would be worth investigating this issue in a future publication. For instance, we can suppose that most Greek investment in North Macedonia took place before 2008, when bilateral relations took a turn for the worse after the Bucharest NATO summit, but also the year in which the VMRO-led government launched the pro-business reforms.

Then, if investment plateaued after 2008, it could be argued that politics had an adverse impact on business relations. By extension, we should expect to see an increase in Greek investment after 2017, when the political environment in both countries improved. But while it might still be too early to substantiate this through hard data, anecdotal evidence gathered from speaking to investors and businesses might indicate a positive change in how they feel about investing across the border.

An alternative explanation concerns the nature of Greek investment, with key Greek investments in North Macedonia seemingly unlikely to benefit from government measures to improve the investment environment. For example, companies bidding for major government procurement contracts (AKTOR), privatizations (Stopanska Banka) and acquisitions (OKTA) may not have benefited as much as other enterprises from investment incentives introduced by the government. Rather, such companies may have benefited more from political links to previous governments through less competitive processes. In such cases, regulatory and policy changes aimed at encouraging investment and opening up the economy will not impact positively on strategic investment. The fact that greenfield Greek investment did not increase over the past decade could be seen to

confirm that the bilateral dispute did impede investment.

Finally, fluctuations within investment flows provide further insights into potential links between political and business relations. The flat line of Greek investment over the past decade does not necessarily indicate a fall in investment, and many Greek companies could have continued to invest across the border. However, this may be obscured by several large divestments in some areas, notably the sale of ONE by OTE to Slovenian Telecom and the sale of Alpha Bank to Silk Road Capital. These divestments could be related to the challenging political relations between the two countries, but could equally well be the result of poor connectivity infrastructure between the two countries or the difficult economic environment in Greece. Many Greek companies sold non-core assets during the economic crisis in their country, and these would have included their investments in North Macedonia.

⟩ ASSESSMENT

Improving the political relationship between the two countries and increasing opportunities for business-to-business contacts will have a positive impact on investment. Moreover, understanding what led to more investment and what did not is critical if tangible improvement are to be achieved in the investment environment. While the high-level political rhetoric is generally encouraging, providing specific incentives that will encourage commercial activity will be needed if the political momentum triggered by the Prespa Agreement is to persist and translate into sustained investment and business co-operation.

4.2 TRADE

⟩ GENERAL REMARKS

Concerning bilateral trade, Greece has been one of North Macedonia's most important trade partners since the second half of the 1990s. Bilateral trade was worth 506,215,000 euro for the period January-July 2019, which accounts for 6% of total Greek trade and constitutes an increase of 3.6% over the period January-July 2018. Total Greek exports to North Macedonia over the same period were worth 391,562,000 euro, an increase of 5.8% over the period January-July 2018. North Macedonia's exports to Greece were worth 114,653,000 euro, a fall of 3.5% in comparison with 2018. Greece had a trade surplus with North Macedonia of EUR 276,909,000[xlvii].

Although they remain minimal, there have also been investments from North Macedonia in Greece. These were worth three million euro in 2015, four million in 2016, and two million in 2019[xlviii]. However, in the tourism sector, North Macedonia makes a far from negligible contribution to the Greek economy, especially in northern Greece. The number of border crossings in 2018 was 1,071,645, with a small fall of 0.1% in 2017 (1,072,882) after increases over the previous two years. Visitors from North Macedonia visit Thessaloniki for weekends or during national holidays, and go to Halkidiki, Pieria and the island of Thasos for their summer holidays. A growing number of tourists from North Macedonia also visit other areas in Greece, including the remaining islands[xlix].

Given the extent of economic relations between the two countries, one would have assumed that the Thessaloniki Chamber of Commerce and Industry (Εμπορικό και Βιομηχανικό Επιμελητήριο Θεσσαλονίκης) would have established institutional relations with its counterpart in Skopje following the signing of the Prespa Agreement. In fact, while the Thessaloniki Chamber has signed cooperation and assistance agreements with various counterparts in neighbouring countries—in Tirana (1998 and 2011), Bucharest (1998, 2006 and 2017), Izmir (2000) and Istanbul (2008)—it has still to do so with a chamber of commerce and/or industry from North Macedonia.[l]

Like investment, trade is seen as relatively resistant to political disputes between Greece and North Macedonia. This assessment is not entirely correct, however. Trade was used as a political tool in the dispute, with Greece imposing a trade embargo on North Macedonia in the early 1990s as a means of increasing pressure on the government in the name dispute. Inevitably, during the embargo period, trade volumes between the two countries declined. The impact on North Macedonia was significantly greater, as the country was dependent on imports from Greece at this time. Moreover, the effect of the Greek embargo was exacerbated by the international trade embargo on Yugoslavia then in force, which further reduced trade channels for North Macedonia. Trade relations were restored after the 1995 Interim Accords, but the precedent remains.

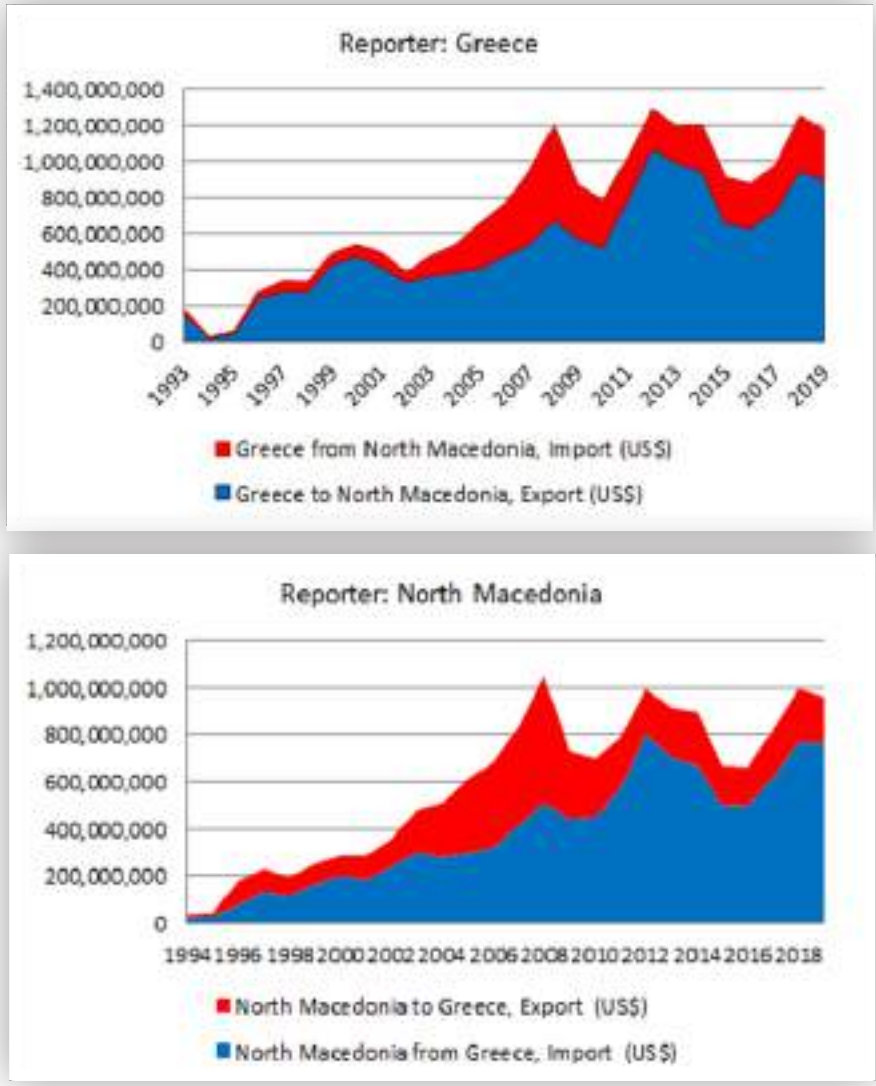
After 1995, trade between Greece and North Macedonia grew and the two countries figured among each other's key trade partners. This is a positive outcome in itself, especially when considered against the background of the trade embargo and difficult diplomatic relations.

Nonetheless, several structural factors favour strong bilateral relations. In particular, geographical proximity and infrastructure dictate that Greece and North Macedonia should be good trade partners. Of course, regulations also play a significant role, and trade between the two countries is constrained by Greece being an EU member state while North Macedonia remains outside the bloc. EU membership (which, for the purposes of this paper, we can consider in terms of membership of a single market) will continue to constrain trade between the countries, regardless of how good bilateral relations become. However, within these structural constraints, politics, infrastructure and pro-trade regulations should encourage trade growth.

The provisions of the Action Plan (section 5) emphasize the need for the two countries to increase their bilateral trade volume and support cooperation between their business communities, including chambers of commerce. There are also provisions regarding the protection of intellectual property and consumer protection, which accord with their national—and, more importantly, international and EU—obligations. Moreover, the two countries committed to negotiating one MoU to strengthen trade flows in the agro food industry and another to boost the interconnection of their Business Register Systems in an effort to combat illegal trade, and especially cross-border transactions.

⟩ INFORMATION AND DATA / SPECIFIC PROJECTS

Recent research has confirmed some of these broad arguments. Investigating the economic, political and cultural presence of other countries in North Macedonia, the latest International Impact Index (2019) indicates that Greece has maintained a significant economic presence in North Macedonia (Stojkovski et al 2020 pp.10-11). Because North Macedonia mainly imports oil and oil derivatives from Greece, the volumes of trade between the two countries have remained relatively unaffected by political developments. As oil and oil-related products are not as sensitive to political and social changes as people-oriented commercial activities, the adverse impact on this sector has been limited. This is substantiated by the bilateral trade data as laid down in the Figure 2:



(Figure 2: evolution of trade (imports/exports) between Greece and North Macedonia since the early 1990s. Source: Mitevski et. al 2020)

The aggregate data provides relatively neat backing for the 'trade follows good politics' argument. While it is not a straight upward-sloping line, the curve suggests that Greek exports to Macedonia have been increasing in recent years after a dip in 2015–16. What is particularly illuminating is the sharp increase in trade after 2017, which helps us isolate a positive impact of the Prespa Agreement. Notwithstanding a likely drop in 2020 due to Covid-19 restrictions, a continued and sustained increase in trade volume will provide additional evidence that the resolution of the name dispute between the two countries has had tangible positive impacts on bilateral trade.

Conversely, exports from North Macedonia to Greece reveal no similar trajectory. After a high in 2008, Macedonian exports to Greece have not recovered and have remained relatively stable for more than a decade. There has been a small increase since 2017, but it is probably not very significant.

Trade, like all economic activity, is negatively impacted by the overall economic situation and the external environment. Therefore, given the considerable impact the global and European economic crises have had on both North Macedonia and Greece, but especially the latter, we can expect the trade volumes between the two countries to have been suboptimal over the past decade, despite increases over the past two or three years. Recent research on the topic does indeed suggest that trade levels between Greece and North Macedonia should be 25% higher (at the 2018 level) (Mitevski et al. 2020). This finding indicates that there is untapped trade potential which could be developed in future—an opportunity the governments of and business communities in both countries should seek to exploit.

⟩ ASSESSMENT

The most significant change to the existing trade relationship between the two countries would be brought about by North Macedonia becoming an EU member. Joining the EU Single Market would remove the remaining barriers to bilateral trade with Greece (and all other EU member states). This is a longer-term goal, however, which cannot be relied upon to deliver immediate improvements in bilateral trade over the next 2–5 years. While the government of North Macedonia is working towards joining the EU as a key foreign policy priority, both governments will need to focus on the interim and seek ways to encourage bilateral trade.

Working with local businesses and their associations, including harnessing the potential of bilateral chambers of trade and commerce, will help governments support cross-border business activities. The evidence on the drivers and spoilers of trade and business activity across borders both before and after 2017 will be crucial to designing the most impactful set of trade measures possible.

5. ENERGY CONNECTIVITY

⟩ GENERAL REMARKS

Energy infrastructure is critically important to economic development, particularly for countries that are poor in natural resources, like Greece and North Macedonia. How easy or difficult it is to produce, import or trade in energy is a crucial factor in growing and maintaining a resilient national economy. Energy connectivity between these two neighbouring countries is therefore essential for strengthening overall economic connectivity. The two countries participate in various regional and pan European energy cooperation schemes—the Central and South-Eastern Europe energy connectivity initiative (CESEC), for example, and the European Union Strategy for the Adriatic-Ionian region (EUSAIR), and have been part of the EU Energy Community since 2005, which includes EU member states and neighbouring countries from Southeast Europe (data provided in the interview with by an official at the Greek Ministry of the Environment and Energy).

In practice, the bilateral cooperation and connectivity between the two nations in the energy sector centres on electricity (the two national grids are connected) and the import by North Macedonia of oil and oil products from Greece—80% of the country's total imports come from Greece, while 70% of oil by-products are provided by Hellenic Petroleum, which enjoys a dominant position in North Macedonia's market (data provided in the interview with an Hellenic Petroleum official).

⟩ INSTITUTIONAL FRAMEWORK

Both the Prespa Agreement and the Action Plan include specific provisions for intensifying bilateral cooperation in the energy sector. According to Article 14.4 of the Prespa Agreement:

> "The Parties shall develop and boost their cooperation, with regard to energy, notably through the construction, maintenance and utilization of interconnecting natural gas and oil pipelines (existing, under construction and projected) and with regard to renewable energy resources, including photovoltaic, wind and hydroelectric. Possible pending matters will be addressed promptly by reaching mutually beneficial settlements taking into serious consideration the European Policy on Energy and the acquis communautaire. The First Party shall assist the Second party with appropriate transfer of know-how and expertise".

The Action Plan is even more detailed, providing a road map for the development of cooperation in the fields of oil, gas and electricity connectivity:

> "Both Parties will strongly support initiatives towards the diversification of energy sources, routes and fuels enhancing energy security and energy connectivity in the region, in accordance with the EU acquis and the third Energy Package. Both Parties will strengthen their cooperation in the field of energy, through the construction, maintenance and utilization of natural gas and oil pipelines interconnections, as well as through the transfer of good practices and exchange of expertise between relevant bodies and corporations. The Parties strongly support the planned interconnection of their national natural gas systems and welcome the coordination and cooperation efforts between the two competent National Natural Gas Transmission System Operators. This support could be further detailed in a relevant Intergovernmental Agreement".

Furthermore, the Action Plan underlines the need to break the stalemate affecting the operation of the VARDAX oil pipeline from the port of Thessaloniki, an issue which is of particular concern to the Greek side. As it states:

> "Additionally, the Parties urge for the restart of the operation of the VARDAX oil pipeline for the benefit of both of them and its possible expansion to South-East Europe. In this respect, both Parties encourage a swift settlement of the long-standing dispute".

The Action Plan also includes references to the possibility of investment by major Greek companies in the electricity field:

> "The Parties will enhance their cooperation in the electricity sector through the establishment of technical working groups among the relevant Independent Power Transmission Operators. The upgrade of the existing electrical interconnection as well as the possibility for investments in the Republic of North Macedonia electricity market by IPTO/ADMIE will also be examined".

Lastly, the Action Plan contains a rather elaborate description regarding the prospects of cooperation between the two countries with regard to renewable energy:

> "A special focus will be given to cooperation in renewable energy sources and the increase of energy efficiency, taking into account the strong willingness of both Parties to contribute to the design and implementation of climate change policies with regard to the energy sector. In this respect, cooperation areas may include: Decarbonization technologies (photovoltaic, solar, wind, hydroelectric energy production and biomass utilization), Energy planning (including assessment of RES potential), Energy efficiency in the building, industrial and transportation sector, Introduction of innovative technologies and training of professionals, the design and implementation of Energy poverty policies, Financing schemes. Further MoUs between research institutions with expertise on the above themes will be signed to accelerate the implementation of the Action Plan".

The Action Plan has been described by a Greek official at the Ministry of the Environment and Energy as providing "a wide, satisfying and implementable framework for energy cooperation, based on current evaluations and future projections".

Meetings that have taken place since July 2019 between officials from the two countries have concentrated on: i) upgrading the capacity of the electricity grid connecting the two countries, ii) implementing the interconnection of the national gas systems of the two countries, and iii) restarting the VARDAX oil pipeline. In addition, officials from North Macedonia have expressed an interest in participating in the construction of the liquefied gas terminal in Alexandroupoli, as well as in the construction of a gas-based power plant producing electricity.

Another issue of concern that has emerged from the research is the need for North Macedonia's legislation to be further harmonized with the EU's acquis communautaire on energy.[li]

5.1 ELECTRICITY GRID CONNECTIONS

⟩ INFORMATION AND DATA/ SPECIFIC PROJECTS

Both Greece and North Macedonia are members of the Union for the Coordination of Production and Transmission of Electricity European Interconnection (UCPTE), which ensures interconnection compatibility with European electric power systems. At present, there are two 400 KV (kilovolt-ampere) electricity interconnections between North Macedonia and Greece; they are used for trade and security of supply purposes between: i) Thessaloniki and Dubrovo and ii) Florina (Meliti) and Bitola.

With regard to technical data on electricity interconnection between the two countries, our research established that: the nominal capacity of the interconnectors amounts to 1632 MW; the actual electricity flows in 2017 (exchanged flows in GWh (Gigawatt hours) were 422 from Greece to North Macedonia and 1718 from North Macedonia to Greece; in 2014, North Macedonia imported 23 GWh from Greece and exported 2632 GWh to Greece; in 2017, the scheduled commercial flows (in GWh) were 929 from Greece to North Macedonia and 2095 from North Macedonia to Greece[iii].

In Greece, the total consumption of electricity is 56.89 billion kWh per year. Per capita, this is an average of 5,309 kWh (World Data, 2020). Greece can provide 91% of this with electric energy facilities that can produce 52 billion kWh. The rest of the energy has to be imported from abroad. Alongside pure consumption, production, imports and exports also play an important role.

In North Macedonia, the total consumption of electricity is 6.42 billion kWh per year. Per capita this is an average of 3,081 kWh (World Data, 2020). North Macedonia can also provide part of this with self-produced energy totalling five billion kWh, which equals 84% of the country's usage. The rest of the energy it requires is imported from abroad. Alongside pure consumption, production, imports and exports also play an important role. The electricity generation capacity in North Macedonia is 2,589.92 kWh per inhabitant, which compares with 4,857.08 kWh in Greece (World Data, 2020). Both countries are net importers of electricity, as their production capacities do not cover their consumption needs.

Both countries import and export electricity from each other; Greece imports electricity from North Macedonia as well as Italy, Albania and Bulgaria. North Macedonia imports electricity from Greece, as well as Bulgaria and Serbia. Cross-border high voltage connections are needed. The two countries could develop a high-voltage transmission line between themselves. Such a development could lead to investment opportunities. A high-voltage transmission line would help to forefront the idea of renewable-based energy production in discussions (Mangalagiu et. al. 2016).

According to media reports the two sides had begun discussions under the previous Greek administration concerning the upgrading of the existing Florina-Bitola interconnection. In March 2018, representatives of Greece's Independent Power Transmission Operator (Ανεξάρτητος Διαχειριστής Μεταφοράς Ηλεκτρικής Ενέργειας, abbreviated to ΑΔΜΗΕ/ADMIE) and Electricity Transmission System Operator (MEPSO) met with representatives of North Macedonia's state-owned transmission system operator company in Athens to discuss upgrading the existing connectivity between the two countries.[liii] In September 2019, Greek Minister Kostis Hatzidakis and his counterpart from North Macedonia met to discuss upgrading the electricity grid linking the systems of the two countries on the eve of the international trade fair in Thessaloniki.[liv] Then, in February 2020, the President of ADMIE, Manos Manousakis, said in an interview that upgrading the Florina-Bitola interconnection had been incorporated into ADMIE's Ten-Year Network Development Plan, and that ADMIE and MEPSO had agreed on the timeframe for its implementation.[lv]

5.2 OIL AND GAS CONNECTIVITY

⟩ INFORMATION AND DATA/ SPECIFIC PROJECTS

In 1999 the company "EL.P.ET.—BALKANIKI, SOCIETE ANONYME PETROLEUM TRADING AND INVESTMENT"—a member of the Hellenic Petroleum Group—acquired 81.51% of OKTA, the biggest fuel supplier in North Macedonia. In July 2002 a 213-km oil pipeline with a capacity of 2.5 million tonnes per year connecting the oil storage facilities in the Greek port of Thessaloniki with OKTA's refinery outside Skopje was officially launched—an investment, worth over 100 million USD. Through its company "ELPET Balkaniki", Hellenic Petroleum owns 80% of the capital in VARDAX SA, the company that manages the pipeline; the remaining 20% is owned by North Macedonia.

In early 2013, the pipeline was taken out of service when the refinery stopped production. Major investment projects were initiated with a view to converting the existing crude-oil pipeline into a product pipeline that could transfer diesel directly to OKTA's installations. The pipeline cleaning project was completed and left "awaiting licensing from the authorities"[lvi]. However, no licensing was provided, with the Hellenic Petroleum Group accusing the government which "at that time was led by VMRO-DPMNE and DUI, that they won't allow a permit for putting the pipeline into use even though it would be useful for the Macedonian citizens and the economy as it would secure safe and quality transportation of diesel which is by far the most used type of fuel in our country"[lvii]. The Hellenic Petroleum Group became locked in a legal dispute with the government of North Macedonia over the unfulfilled contract for the purchase of heating oil produced by OKTA: in 2016, it initiated arbitration proceedings against the government of North Macedonia in the International Chamber of Commerce (ICC), claiming USD 32.6 million

in damages arising from the non-absorption of minimum contracted quantities of fuel oil for the period 2008-2011.

The government of North Macedonia at the time claimed that the contract was not aligned with the EU Energy Community's rules on competition. Specifically, energy infrastructure should not be for the exclusive use of a single operator, in this case Hellenic Petroleum Group through Vardax SA, but be available to other potential users for fair fees. As this was not the case, the government of North Macedonia was looking to find a solution to the oil pipeline dispute within the multilateral framework of the Energy Community, rather than through international arbitration. A solution compliant with energy competition rules would not only enable the pipeline to continue to operate, it could also help North Macedonia import oil from other potential suppliers through the Port of Thessaloniki, reducing its dependence on the Hellenic Petroleum Group.

The Prespa Agreement provided renewed momentum to solve the oil pipeline dispute. In April 2019, following the ratification of the agreement, the two sides began talks aimed at ensuring the pipeline would "reopen in the coming months"[lviii]. The chair and CEO of Hellenic Petroleum, Efstathios Tsotsoros, confirmed "the advanced stage of the talks on the reopening of the Thessaloniki-Skopje pipeline" to the AMNA News Agency, estimating that this will be possible later this year: "As is well known, there is an issue with the reopening of the Thessaloniki-Skopje cross-border oil pipeline for the transport of diesel oil products. There have been a series of discussions in relation to this issue with top executives from North Macedonia under the supervision of the political leadership, with discussions focusing in particular on identifying the actions required by our company, VARDAX SA, which operates the pipeline; on identifying the documents requested by North Macedonia; on naming all the authorities competent to issue the relevant licences, and on working out a new pipeline operating schedule. These discussions are at a very advanced stage, and we hope that all the procedures will be completed within the next two months. We expect the pipeline to start operating again within the year", said Tsotsoros[lix].

However, the pipeline has still to reopen. In an interview with the Greece investors Guide group on 21 February 2020, George Alexopoulos, Hellenic Petroleum's General Manager for Group Strategic Planning and New Activities and an Executive Member of the Board of Directors, stated that "Regarding the Thessaloniki-Skopje pipeline operation, we are also in touch with the government of North Macedonia and expect to be able to restart the pipeline in the near term"[lx]. In North Macedonia, there are demands to bring the pipeline back into operation. In April 2020, the president of the Macedonian Chamber of Commerce, Branko Azeski, stated that the re-opening of the pipeline with Greece would be beneficial for the economy, as it would most likely reduce the price of diesel and/or other oil products, while also reducing pollution and road congestion resulting from oil being transported by road from Thessaloniki to Skopje.[lxi]

With regard to gas connectivity, there is no interconnection at present between the

Greek and North Macedonia gas systems. However, an initial memorandum on the construction of a gas pipeline (called 'Thessaloniki—Negotino') was signed on 14 October 2016 by DESFA (Hellenic Gas transmission System Operator) and North Macedonia's state-owned Energy Resources Utilization Corporation (MER JSC). A series of meetings between representatives of the two companies followed to promote the project[lxii]. DESFA has already been granted conditional approval (probably by its shareholders) for a ten-year development plan covering 2017 to 2026, which includes the construction of the gas pipeline from Nea Mesimvria (**Νέα Μεσημβρία**), Thessaloniki, to Gevgelija in North Macedonia, a project budgeted at EUR 48.7 million. In the meantime, the Greek Regulatory Authority for Energy (RAE) has reviewed and approved two applications submitted respectively by Windows International Hellas (an enterprise controlled by the Russian entrepreneur Leonid Lebedev) and DESFA for the development of a gas pipeline running from Thessaloniki to North Macedonia[lxiii]. The pipeline would connect North Macedonia with the Greek section of the Trans Adriatic Pipeline (TAP) whose construction phase is completed and is expected to become operational soon.[lxiv]

Developing gas interconnections is a key priority for the government in North Macedonia, which currently can only import gas from Russia through Bulgaria. A gas pipeline connecting North Macedonia and Greece would enable North Macedonia to reduce its dependence on Russian gas supplies and benefit from access to other gas suppliers—from Azerbaijan, for instance, through the TAP pipeline that runs through Greece, or LNG gas imported into the port of Thessaloniki. Earlier in 2020, the initial stages of the environmental and social impact studies for the project were under development at the Hellenic Ministry of Environment and Spatial Planning[lxv], while the government was also seeking to secure the budget for construction with additional funding from international donors and development finance institutions.

DESFA and MER JSC held a series of meetings in North Macedonia on 19-20 February 2019 with the aim of further promoting the joint implementation of the "Pipeline Nea Mesimvria-Skopje" project. According to media reports, "MER's representatives assured DESFA's representatives that no other similar project has received licence by the competent authorities in the territory of North Macedonia. In parallel, they highlighted that the project is a top priority for their country, as it will offer an alternative source of natural gas supply, aiming at the diversification of energy sources and energy security. They also referred to another dimension of the project, which is related to the supply of other Balkan countries. Specifically, MER informed DESFA that a Memorandum of Understanding (MoU) has already been signed with the competent authorities of Kosovo on the interconnection of the systems of the two countries"[lxvi]. According to media reports, the current Greek Minister, Kostis Hatzidakis, and his counterpart from North Macedonia were going to discuss the issue (the construction of a gas pipeline connecting the two countries), on the eve of the international trade fair in Thessaloniki, in September 2019[lxvii].

During his visit to Greece, in September 2020, North Macedonia's Prime Minister Zoran Zaev expressed his country's interest in participating in the construction of a liquefied natural gas terminal in the northern Greek port city of Alexandroupoli. During his meeting of 16 September 2020 with Christos Copelouzos—the CEO of the Copelouzos Group, which set up Gastrade, the company that is constructing the liquefied natural gas terminal—, Zaev reportedly "expressed his interest" in North Macedonia participating in the project[lxviii]. The project already has a regional dimension: it was agreed recently that the Bulgarian company Bulgartransgaz would participate in the project with a 20% share[lxix]. Zaev also discussed North Macedonia's interest in the project during his meeting with the Greek Prime Minister, Kyriakos Mitsotakis. As Zaev puts it: "It's fine if we have a 2% or a 20% participation, because being part of a regional gasification project improves the country's image [...]. Over 70% of the national gas pipeline has been completed [...]. Our cities will be supplied with gas and it is nice to have options"[lxx].

On 12 November 2020, a teleconference on energy connectivity took place with the participation of Kostas Fragogiannis, Deputy Minister for Foreign Affairs, Fatmir Bytyqi, Vice President of the government of North Macedonia, K. Bekteshi and N. Nuredini, Ministers of the Economy and the Environment respectively, and representatives of DESPA and ELPE. Fragogiannis emphasized "the benefits arising from closer cooperation for the economy, the environment and for energy security", while Bytyqi stated that his own participation and that of the other two ministers in the teleconference underlined "his government's willingness to achieve fast progress".[lxxi]

In another development, on 23 November 2020, during an energy forum in Skopje, the executive director of АД ЕСМ announced that North Macedonia "would abandon its interest in investing in the Belene Nuclear Power Plant" in Bulgaria and instead concentrate on participating in the construction of a liquefied natural gas terminal in Alexandroupoli, as the Alexandroupoli gas project had "better construction prospects", whereas from the Bulgarian side "we have seen delays and postponements".[lxxii]

⟩ ASSESSMENT

Energy has been one area where, following the signing of the Prespa Agreement, there has been concrete interest on the part of both governments and business communities in enhancing bilateral cooperation and connectivity. For now, energy connectivity is limited to the interconnection of the electricity grids of the two countries, while the (substantial) import of oil and oil products from Greece undoubtedly strengthens the overall energy ties between the two countries. However, since June 2019, there has been an obvious appetite for expanding energy connectivity: initial agreements completed before the signing of the Prespa Agreement concerning upgrading the connectivity capacity of the electricity grid of both countries and connecting North Macedonia to the gas pipeline (TAP) crossing northern Greece have formed the basis for further talks aiming at im-

plementing these agreements with the support of the two governments. Furthermore, North Macedonia has expressed its interest in participating both in the construction of the liquefied gas terminal in Alexandroupoli and, recently, in the construction of a power plant (again in Alexandroupoli) producing electricity based on gas.

Clearly, North Macedonia's connection to the TAP pipeline and potential participation in the liquefied gas terminal in Alexandroupoli would enhance its energy security by effectively reducing its dependency on Russian gas. For Greece, North Macedonia's connection to its gas network would not only strengthen bilateral ties, it would also enhance its position on the regional energy map. There is even an expectation that the improved political climate ushered in by the signing of the Prespa Agreement could lead to the reopening of the oil pipeline from Thessaloniki to Skopje, strengthening bilateral connectivity still further, with obvious economic and environmental benefits for both sides[lxxiii]. Both the Prespa Agreement and the Action Plan agreed by the two governments in April 2019 have provided a sound basis for the development of bilateral energy cooperation. The advancement of North Macedonia's EU accession process would address another issue of concern that has come up: the need for North Macedonia's legislation to be further harmonized with the EU's acquis communautaire on energy.

6. TRANSPORT CONNECTIVITY

6.1 AIR TRANSPORT

GENERAL REMARKS

Air transport and the development of air links between the two countries appear "disadvantaged", given the close geographical proximity between the two countries and the fact that the bulk of the passenger traffic between the two countries occurs by road—for instance, the tourism flows to Halkidiki. Still, with the signing of the Prespa Agreement, air links between Athens and Skopje were re-established, after a 12-year hiatus[lxxiv].

⟩ INSTITUTIONAL FRAMEWORK

Both the Prespa Agreement (2018) and the subsequent agreements relating to specific fields (2019) seem to have upgraded and updated the institutional framework for cooperation in air transport. In particular, one finds three articles in the Prespa Agreement regarding transport, and air transport in particular:

> "The Parties agree that their strategic cooperation shall extend to all sectors, such as [...] transport" (Article 9);

> "The Parties shall further develop their economic cooperation in all areas. Particular emphasis shall be placed on the strengthening, enhancement and deepening of their bilateral cooperation on [...] transport";
>
> "The Parties shall promote, extend and improve cooperative synergies in the areas of infrastructures and transport as well as on a reciprocal basis, road, rail, maritime and air transport and communications";
>
> "The Parties shall cooperate closely in the fight against organized and trans-border crime, terrorism, economic crime, having regard in particular to crime related [...] to offences against civil air transport" (Article 16).

A second major frame of reference is the "Action Plan on the intensification and enrichment of cooperation between the Hellenic Republic and the Republic of North Macedonia, as provided for in the Prespa Agreement", which was signed by the two countries on 2 April 2019. In it, one finds a strong commitment to creating and updating cooperation in the field of transport, including air transport. As it states in the Action Plan:

> "Both Parties will intensify cooperation in the areas of infrastructure, transport and logistics, as well as communication connections"; and "The Parties agree to set, renew and update all the agreements relevant to the transport sector (rail, road, air) on a basis of reciprocity and mutual respect. Priority will be given to the rail cross-border cooperation, the international road freight and passenger transportation, as well as the cooperation between the Civil Aviation Authorities in accordance with the multilateral agreement ECAA between the European Community and its Member States and, amongst others, the Western Balkan Countries".

⟩ INFORMATION AND DATA/ SPECIFIC PROJECTS

The Greek carrier Aegean Airlines flies from Athens to Skopje three times a week. Direct flights between Athens and Skopje resumed in November 2018, following the suspension of the air link in 2006 over the name dispute (Smith, 2018). Since 2018, the flights have been interrupted as a result of the coronavirus pandemic, but are expected to start up again when the emergency is over.

Unfortunately, there is insufficient data to establish a benchmark against which to measure the evolution of cooperation, and more specifically connectivity, between the two countries. For instance, it is difficult to establish the exact number of passengers that travel between the two countries on a weekly, monthly and yearly basis. The available data are not helpful. The statistical data provided by the Greek Civil Aviation Authority (Statistics Section) for 2019 makes no mention of countries, only the number of passen-

gers[lxxv]. The data provided for 2019 by Fraport Greece, which runs Eleftherios Venizelos airport in Athens, makes no mention of North Macedonia. In the category "Other Countries", the number of passengers given for 2019 is 3,637 (which gives us an initial indication of the small number of passengers flying between the two countries).[lxxvi] The same difficulty applies to the amount of air freight transport between the two countries, as well as the amount of mail transport by air.

⟩ ASSESSMENT

The field of air transport appears to have benefited substantially from the Prespa Agreement since, perhaps for the first time, the two countries can refer to a specific framework for further developing their cooperation and potential connectivity policies and projects. Our report notes the importance of the re-opening of the air connection after a 12-year hiatus. Given the importance of tourism and commercial transport in the context of the two countries' economic relations, one can expect cooperation in air transport to intensify.

6.2 RAIL TRANSPORT

GENERAL REMARKS

At the present time, the railroad connection between Greece and North Macedonia is served by one operational line connecting the two countries: the Thessaloniki-Idomeni-Gevgelija branch line (which runs parallel to the European Corridor X). Currently, this line is used for freight transport alone, not passengers. In periods in the past (i.e. the 1970s and 1980s), there was a second line connecting Thessaloniki-Edessa-Florina-Neos Kafkasos-Kremenica-Bitola. Greece and North Macedonia have agreed to re-open this second railroad connection, which was taken out of operation in the 1980s.

The railroad connection has been severely affected by the growing financial problems of the OSE (the Hellenic Railways Organization). For instance, during the 2010s, passenger connections operated only intermittently, and did not run between 2011 and 2014; they have also been closed since 2016). In contrast, the freight connection has been more stable[lxxvii]. In 2017, TRAINOSE SA, the main operator of OSE SA, was acquired by the FSI (Ferrovie dello Stato Italiane Group)[lxxviii].

According to information provided by TRAINOSE SA, passenger transport was scheduled to resume in the summer of 2020. However, the COVID-19 pandemic has forced the reopening to be postponed until an unspecified date[lxxix]. In spite of the economic difficulties, the Prespa Agreement has acted as a catalyst for upgrading the institutional framework through bilateral agreements and, more generally, for committing both governments to the carrying out of necessary improvements to the railroad network.

There are many indications that the railroad connections are viewed as part of the broader network of transport connectivity between the two countries which also includes improving access to the Port of Thessaloniki, upgrading the cross-border crossings and, more generally, facilitating contacts and the movement of passengers and commodities. This is stated in several agreements recently signed by the two countries.

⟩ INSTITUTIONAL FRAMEWORK

Following the Prespa Agreement (2018) and the Action Plan (2019), which contain general references and guidelines on how the two countries will strengthen cooperation in several sectors, including transport, Greece and North Macedonia signed more targeted bilateral agreements in this field. Such was the "Memorandum of Understanding on Cooperation between the Ministry of Infrastructure and Transport of the Hellenic Republic and the Ministry of Transport and Communication of the Republic of North Macedonia" (2 April 2019).

On the same day, the two countries also signed a memorandum dealing specifically with the upgrading of their rail and road connections: "Memorandum of Understanding on the development of the "Thessaloniki- Skopje-Tabanovce" Road and Railway Connection between the Hellenic Republic and the Republic of North Macedonia ("Road and Rail Project")". With this agreement, the two countries:

> "emphasise their common objective to develop the 'Road and Rail Project', a road and railway connection between Thessaloniki-Skopje-Tabanovce and the future extension to Belgrade and Budapest, which is of common and international interest given its considerable strategic and economic importance for the citizens and economies of the two parties"[lxxx].

The agreement sets the specific objective of "developing a sustainable: a) motorway dual carriage two lane plus emergency lane per direction and b) double- track, electrified railway corridor with modern ERTMS, connecting Thessaloniki with Skopje and Tabanovce"[lxxxi]. The Agreement does not set a date for the completion of the project. It states that a task force will be created containing experts and relevant officials from both countries; the task force will subsequently set a timeline for the phases of the project along with the corresponding dates.

In addition, Greece's National Transport Strategic Frame (Εθνικό Στρατηγικό Σχέδιο Μεταφορών), published in 2019 by the Greek Ministry of Transport, states that both connections between Thessaloniki and North Macedonia (Thessaloniki-Idomeni-North Macedonia and Thessaloniki-Florina-North Macedonia) will be upgraded and improved for both passenger and freight transport[lxxxii].

More generally, the National Transport Strategic Frame provides a specific rationale

for improving rail as well as road connections with North Macedonia. As it states:

> "Greece has important land borders with Albania, North Macedonia and Bulgaria and two crossings with Turkey (Kastanies and Kipoi). Taking it into account that all the borders are outside the Schengen Zone, and also that they are external borders for the EU (with the exception of those with Bulgaria), there seem to be important challenges to face when it comes to cross-border commerce. However, the synergies at the level of the commercial and social sectors on both sides of the border appear to be hampered by insufficient infrastructure and the difficult border crossing procedures. This pillar thus primarily includes the infrastructure that seeks to improve the interaction at international borders—something that will improve cooperation and increase commercial activity in the future"[lxxxiii].

⟩ INFORMATION AND DATA / SPECIFIC PROJECTS

In search of examples and precedents of cooperation between the two countries in the railway field, we must begin with the multilateral-EU framework, and in particular the IPA-CBC; a number of projects dealing with the upgrading of the railroad networks in the two countries have taken place, mostly during its first period (2000–2006). Another multilateral-EU and regional framework was the Stability Pact for South-East Europe. Although the Stability Pact included the field of transport, including railways, among its activities, in the context of its "regional approach" and the effort to promote and stimulate cooperation between the countries in the region (Pandurevic 2001), it is difficult to pinpoint a particular initiative or project which relates to the framework.

It was actually in the mid-2010s, and in the context of China's plans to upgrade the railroad network from Thessaloniki to Budapest (Greece, North Macedonia, Serbia and Hungary), that references to cooperation between countries in the region became public[lxxxiv]. This project was certainly part of China's Belt and Road Initiative, and recent reports have highlighted difficulties faced in its implementation, with the exception of the connection between Budapest and Belgrade and regular weekly freight rain transport that has been established between Piraeus port near Athens and Skopje (data provided from interview with shipping company official in Skopje). Another multilateral framework which provides an example of cooperation—albeit indirect-is the upgrading and modernization of North Macedonia's railway infrastructure with funds provided by the EBRD and the EU through its Western Balkans Investment Framework (WBIF)[lxxxv]. It can also be said that concrete frameworks for bilateral cooperation in general—and in the field of transport and railroads, in particular—have emerged in the wake of the Prespa Agreement.

When it comes to current cooperation between the railroad operators in the two countries (Trainose and Macedonian Railways-Transport), we can mention reports published in news media in North Macedonia in February 2019 concerning a project entitled "Coffee in Thessaloniki"[lxxxvi]. According to information provided by the Meta News Agency in North Macedonia, this project set out to introduce new departures from Skopje to Thessaloniki and other tourist centres in regions such as Pieria in Northern Greece[lxxxvii]. As the name suggests,

> "the Coffee in Thessaloniki project will provide daily railway connections between Skopje and North Macedonia's favourite shopping destination. MZ-Transport says that in the summer months, the train will travel to Neoi Poroi and, in cooperation with travel agencies, will transport groups to several coastal destinations in the north of Greece via our railroad. According to MZ-Transport, talks are underway about introducing connections to the Bitola-Lerin train to the railway, which was completely reconstructed at the end of last year. Local cross-border trains are also expected to travel to Serbia; negotiations are underway with the local state railways"[lxxxviii].

We were unable to acquire information on this project from the competent Greek authorities (the Greek Ministry of Transports, Trainose) or the news media. However, the information provided by the Meta News Agency confirms that the upgrading of the two railroad branches on the Greek side will certainly benefit and facilitate such projects. In fact, the implementation of this project will, irrespective of its final form, constitute a drastic improvement to the current situation, where there are only two regular passenger land connections (road and railroad) between the two countries[lxxxix]. Lastly, it should be noted that there appears to be a lack of data, on the part of the competent authorities in Greece at least, when it comes to developments in international passenger transport between the two countries. There seems to be more data relating to railroad freight transport, probably due to the volume of commodities transported by rail is one of the key indicators the Port of Thessaloniki uses to estimate the development and growth of its activities.

⟩ ASSESSMENT

Any attempt to assess the level of cooperation between the two countries in the field of railroads must include several factors and elements. The first relates to the importance of cooperation in this field for both countries. Like many other landlocked countries, North Macedonia faces important and additional challenges in its efforts to integrate into the international trade system. Apart from internal constraints, these commonly include a lack of cooperation with neighbouring countries (Woodburn, Allen, Brownem Leonardi 2018). For its part, Greece is intent on achieving a much more dynamic presence within

the international trade system, primarily through the activities of its two main ports: Piraeus and Thessaloniki. In other words, Greece also needs cooperation with neighbouring countries. Both Greece and North Macedonia are situated on Corridor X, which is of crucial importance for their transport connections and economic relations with Central and Western Europe. As elsewhere, the challenges facing the two countries can best be addressed via a twofold approach combining international and bilateral agreements (Woodburn, Allen, Brownem Leonardi 2018). When it comes to the specific field of railroad networks, such agreements are linked to issues such as the compatibility of infrastructures, safety issues and, most importantly, procedures and investments that upgrade and maintain the network (Woodburn, Allen, Brownem Leonardi 2018).

And yet, despite the importance of railroads in their respective development strategies, cooperation between the two countries is both minimal and very recent. However, the striking lack of bilateral cooperation should not be blamed on the negative impact of the name dispute alone. Particularly in the case of Greece, one has to take into consideration the very poor evaluation which the country received from the EU in 2017 in 30 different transportation categories; indeed, Greece shared bottom place with Romania[xc]. In the railroad field specifically, there are several structural factors that may have made cooperation with neighbouring countries more difficult, including a lack of investment and competition, and an absence of long-term and comprehensive strategies linking the railways to wider objectives.

As has been shown, the two countries recently adopted a concrete framework for bilateral cooperation in the field of railroads and transport in general. This framework is set by the Prespa Agreement, the Action Plan and the Memoranda of Understanding which cover several fields, including railroads. It is very encouraging that there are already specific references to the need to upgrade and improve the transportation infrastructure in extremely policy-relevant documents such as the National Transport Strategy of Greece (2019). It is also very promising that both countries would seem to have acknowledged the importance of intensifying cooperation in the fields of railroad connections (and transport infrastructure more generally) as a major component in a comprehensive strategy which impacts on other spheres of cooperation like commerce and the economy (Port of Thessaloniki, tourism, border crossing stations). There is a very concrete example of such a rationale in the Action Plan, and more specifically in Cooperation Priority no 5 (economic cooperation) section “h” (infrastructure and transport). Indeed, this part of the Action Plan clearly correlates the upgrading of the railroad connection with the more effective operation of the ports of Piraeus and Thessaloniki.

From this point of view, all the necessary elements are in place for intensified cooperation to bear fruit. One major component that is still missing, however, is the implementation of specific projects, beginning with the reactivation of passenger transportation via Idomeni-Gevgelija and Neos Kafkasos-Kremenica. Once the Covid-19 pandemic has

become more manageable, the progressive normalization of transportation will certainly bring with it multiple opportunities to build upon the promising framework that is already in place. In effect, the railroad connections—and transports connectivity infrastructure in general—between the two countries attests not only to the compatibility but also—and more importantly—to the complementarity of the two countries' ambitions and objectives. In our globalized landscape, passenger—and, more importantly, commodities—transportation is strongly linked to efforts to secure a place on international tourist and trade routes. Greece and North Macedonia have every reason to pursue this objective on the basis of synergies and joint actions.

6.3 ROAD TRANSPORT

GENERAL REMARKS

There are three road connections between Greece and North Macedonia. The first is the A1 highway connecting Thessaloniki to the Evzoni-Bogorodica border crossing, the second the A27 highway connecting Thessaloniki to the Niki- Medžitlija border crossing, and the third the road connection leading to the Doirani- Dojran border crossing near lake Doirani. On the Greek side, this road connection runs parallel and very close to the A1 (Thessaloniki- Evzoni). As a result of the Prespa Agreement, the Action Plan and the Memoranda, two new road connections will be established, creating two new border crossings: one between Promachoi (Pella, Greece) and Majden (North Macedonia), the other between Laimos (Florina, Greece) and Markova Noga (North Macedonia).

All three existing road connections are very important to both Greece and North Macedonia for both domestic and international transportation. In particular, the A1 highway is situated along Corridor X, which links various parts of South-East to Central and Western Europe. In the case of Greece, the A1 links Thessaloniki to the border station at Evzoni-Gevgelija to the north, and from there with North Macedonia; to the South, it becomes the major highway linking Thessaloniki to Athens. In North Macedonia, the A1 runs through the country, linking the Gevgelija border station with Greece to the South with the Tabanovce border station with Serbia to the North. In Greece, the road connections are vertically linked to the Egnatia Corridor, which connects North Western Greece and the Ionian Sea via Thessaloniki to North-Eastern Greece and the borders with Bulgaria and Turkey. In North Macedonia, the Niki-Medžitlija road connection is close to the A3 and A2 highways linking the Ohrid region to the border crossing with Bulgaria at Kriva Palanka, thus linking the west to the east of the country. This particular highway lies along European Corridor VIII, which connects the Albanian Port of Durres on the Adriatic to the Bulgarian Port of Varna on the Black Sea, passing through Skopje, Sofia, Dimitrovgrad and Burgas on the way.

⟩ INSTITUTIONAL FRAMEWORK

The signing of the Prespa Agreement and the other subsequent Memoranda introduced for the first time a solid framework of reference for the enhancement of cooperation in road transport[xci]. The Action Plan refers explicitly (Section 5: economic cooperation) to the need for both countries to intensify cooperation with a view to improving connectivity through road networks. The same provision is found with even greater emphasis in the Memorandum of Understanding signed by the two countries (April 2 2019) as part of their joint "Road and Rail Project".

Furthermore, in the two Memoranda signed in March and April 2019 respectively regarding the establishment of two new border crossings connecting Promachoi (Greece) with Majden (North Macedonia) and Laimos (Greece) with Markova Noga (North Macedonia), respectively, the two countries state their commitment to improving and upgrading the corresponding road connections:

> "Each party shall construct, or reconstruct and upgrade, within its territory, the appropriate road network as well as all other necessary infrastructure for the functioning of the border crossing point mentioned in Article I. The size of the facilities and the standards applying to road connections relating to the border crossing point shall be agreed upon during the sessions of the Joint Experts Committee provided for in Article III".

Lastly, the National Transport Strategy of Greece (June 2019) specifies that all highways and road connections between the two countries will be upgraded at least in part[xcii]. In particular, the 3d Pillar (Building Stronger International Land Connectivity) refers specifically to the plan to upgrade the A27 north to the border with North Macedonia (Section: Ptolemaida-Florina)[xciii]. The same holds for the A1 motorway on its Thessaloniki-Evzoni-Gevgelija stretch.

⟩ INFORMATION AND DATA / SPECIFIC PROJECTS

Despite the importance of road connections for both countries, it is difficult to pinpoint specific examples of bilateral cooperation in this field. As in other sectors, the IPA-CBC played a very important role, particularly in 2000–2006, as literally dozens of projects sought to improve and upgrade the road infrastructure in border regions. Another example of cooperation in the context of the private sector is the construction of an important part of the A1 highway in North Macedonia, specifically the Demir Kapija-Smokvica motorway (28 km), by the Greek construction company Aktor[xciv].

With regard to progress made in building, reconstructing and upgrading the road connections and infrastructure leading to border crossings (existent and forthcoming),

little information is available (as of November 2020). However, in January 2020, the vice regional governor of the regional unit of Pella, Iordanis Tzamtzis, sent a letter to the Greek Minister for Transport, Konstantinos Karamanlis, asking about progress made on the project[xcv]. According to a Greek news site (Pella News), Iordanis Tzamtzis requested "the upgrading of the road network in Pella as this relates to the progress made by the joint committee of experts in establishing two new border crossings at Laimos-Markova Noga and Promachoi-Majden, respectively. As it says in Mr Tzamtzis' letter, the upgrading of the road network is important for the transportation of passengers, commodities and even metallurgy products"[xcvi].

⟩ ASSESSMENT

The importance of transport infrastructure is perhaps self-evident with regard to a country's integration into the international tourist and trade flows. Nevertheless, it is useful to recall a rationale provided by the EU which relates to ways in which "poor infrastructure hampers a country's growth and ability to trade in the global economy", as well as the ways in which improving connectivity leads to growth, employment and multiple opportunities for rural and peripheral regions[xcvii].

To evaluate relations between the two countries in the sphere of road connections, one must take into account several elements and, still more importantly, reflect upon the broader cooperation framework. In this respect, cooperation between Greece and North Macedonia in terms of the existing road connections seems to echo cooperation in terms of railroad connections: namely, there is a significant lack of bilateral cooperation in the form of concrete projects. It is indicative that concrete plans for such projects emerged in the wake of the Prespa Agreement, and that, being so recent, they contrast significantly with long-standing EU policies on connectivity infrastructure.

As early as 1996, the EU introduced the TEN-T (Trans-European Transport Network) as an ongoing project for improving transport infrastructure and connectivity (roads, railroads, airports and water infrastructure) both between Member States and in the context of EU enlargement[xcviii]. An important TEN-T objective is to have the majority of the important nodes along the main transport corridors completed by 2030[xcix]. There is clear evidence that improvements to these networks has already led to a significant increase in the GDP of many countries. An application of this premise is to be found in Greece with the construction of the Egnatia Corridor between 1994 and 2014, with signs of rising GDP in regions adjacent to the corridor already evident by the mid-2000s (Panebianco 2001). This trend was confirmed again in the mid-2010s[c]. However, more still needs to be done as Greece seems to be lagging behind the EU average on the transport infrastructure index. In 2019, Greece ranked 20th in the EU's index of satisfaction with transport infrastructure quality, with its railroad infrastructure receiving one of the worst rankings of any country. In contrast, its road infrastructure received a better ranking, which could

well be linked to the construction of the Egnatia Corridor and the major improvements made along the A1 highway between Thessaloniki and Athens[ci]. The same benefits will certainly apply in the case of North Macedonia.

Like the railroad connectivity between the two countries, road connections play a pivotal role in their efforts to facilitate and enhance visitor/tourist and commodity flows. They are also very important in allowing a country to become a more dynamic presence in the international, European and global trade system. Despite factors such as the insufficient bilateral cooperation—before the signing of the Prespa Agreement, at least—or certain deficiencies in their respective national policies, all the necessary elements now seem to be in place to usher in a more intense and fruitful cooperation in road connectivity. The institutional framework is already very clear and up-to-date (Bilateral Protocols and National Strategies). Hopefully, both countries will now be even more aware of the mutual benefits stemming from transport connectivity (road, railroad and air).

7. INTERNET AND TELECOMMUNICATIONS CONNECTIVITY

GENERAL REMARKS

Before the Prespa Agreement, cooperation in the area of telecommunications and electronic communications between the two countries had been largely at the technical level. Increasing connectivity in electronic communications did not appear to be a priority on the political agenda of either government. Although the quality and availability of good telecommunications and internet networks is becoming an ever more salient issue for consumers, the political importance of increasing technical connectivity with neighbouring countries has tended not to receive as much attention.

⟩ INSTITUTIONAL FRAMEWORK

As a result, until recently there were very few bilateral and regional frameworks to regulate this area in cross-border cooperation between North Macedonia and Greece. The few that did exist, included:

1. Multilateral Framework Agreement between the administrations of Albania, Austria, Bosnia and Herzegovina, Bulgaria, Croatia, Greece, North Macedonia, Hungary, Montenegro, Romania, Serbia, Slovenia, Turkey and Ukraine on the frequency plan for the future digital terrestrial television in the frequency band 470–694 MHz.
2. Agreement regarding the new DTT frequency plan in the frequency band 470 -694 MHz between the Administration of North Macedonia and the Administration of the Hellenic Republic.

These are voluntary frameworks indicating general coherence in the area of electronic communications and do not bind the two governments to specific courses of action. They cannot be legally enforced.

Following the signing of the Prespa Agreement, however, Greece and North Macedonia initiated a process aimed at updating and substantially upgrading their bilateral cooperation. In February 2019, they signed a Memorandum of Understanding on the mutual reduction of roaming charges.[cii] According to Damjan Manchevski, North Macedonia's Minister for Information Society and Administration, the agreement will contribute to the reduction of roaming charges at the EU level.[ciii] The two countries have been party to different roaming-related frameworks since before the signing of this agreement: Greece is party to the EU Roaming Regulation[civ], which abolished roaming charges for phone calls and data use across the EU, while North Macedonia is party to the regional agreement to regulate roaming charges in the Western Balkans, which was signed in April 2019.[cv] This agreement reduces, and in some cases abolishes, roaming charges among the countries in the Western Balkans. This agreement sees all roaming charges in the Western Balkans abolished as of July 2021.

The two agreements are not mutually integrated. Although the Western Balkans regional agreement is part of the EU's Digital Agenda for the region, it does not foresee the removal of roaming charges between the EU and the region. The signing of this memorandum between Greece and North Macedonia thus appears to have been the most effective way to override the incompatibility of the relevant regulations. As a result, roaming charges for calls and data use for the citizens of both countries are expected to fall significantly in the near future. This will certainly benefit connectivity between the two countries, both in the area of the internet and telecommunications, but also at a wider societal level, since it is the people who travel, visit and do business across the border who are most impacted by the current charges.

Closely related to internet and telecommunication connectivity is bilateral cooperation on cyber and cybersecurity issues. Cooperation in this area is critical for ensuring that people from both countries can use internet and mobile telecommunication services across the border both safely and ethically. Formally, there is limited direct cooperation between Greece and North Macedonia on cybersecurity issues. Officials from the organizations in North Macedonia which are involved in cybersecurity indicated that they do not enjoy close relationships with their Greek counterparts. Thus, while there is growing cooperation among cybersecurity professionals in the Western Balkans, this is not currently the case with Greece.

This is partly due to Greece being an EU member and participating as a result in broader European cybersecurity networks to which North Macedonia does not currently have access. However, multilateral structures which both countries are members of could help strengthen the bilateral relationship in the future. For example, since early 2020, when

North Macedonia became a full NATO member, both countries have been able to use the alliance's information and intelligence sharing tools to exchange information about potential threats and incidents affecting internet and telecommunications infrastructure.

8. PORT OF THESSALONIKI CONNECTIONS

GENERAL REMARKS

Thessaloniki is the second largest port in Greece after Piraeus. The port processes all kinds of cargo including passenger traffic, with a focus on dry bulk and general cargo. The Thessaloniki Port Authority (Οργανισμός Λιμένος Θεσσαλονίκης) was established in 1970 as a public entity; in 1999, it took the form of an incorporated company bearing the name "Thessaloniki Port Authority SA" (ΟΛΘ Α.Ε.). In 2018, 67% of the Thessaloniki Port Authority SA was privatized and sold to the "South Europe Gateway Thessaloniki" consortium[cvi].

The port is equipped with six piers. The construction of the sixth pier was completed in the 1990s. One can distinguish three main activities. First, the port is used in a conventional manner for various types of vessels (i.e. berthing, water supply, power/telecommunications supply, waste and residue management, towage)[cvii]. Second, there are cargo services for both conventional cargo and containers. Third, there are passenger services, which currently relate mainly to cruise ships. In 2015, the passenger services were interrupted with the exception of ferries that can carry vehicles and connect Thessaloniki to the islands of the Northern Aegean. However, the number of visits by cruise ships has been on the rise since 2012 (Sismanis 2016). According to information provided on the Thessaloniki Port Authority SA website, the authority also manages on-site parking services and event spaces .

Undoubtedly, the volume of trade, and of containers in particular, is an important indicator of the growth and development of the Port of Thessaloniki. The data for the 2010s show a definite increase in international transit shipments, although the bulk of this activity still relates to the internal Greek market (ibid). In other words, it seems that the Port of Thessaloniki has not fully realized its potential to function as an important regional (South-East European and Mediterranean) hub and gateway for East-to-West or South-to-North commercial activities.

Certainly, the port has a number of competitors in the region: namely the ports of Durres (Albania), Bar (Montenegro) and Burgas (Bulgaria). According to Manolis Mertzanidis (2019), the Port of Thessaloniki, despite its high prices, has established itself as the first choice for the container trade, due particularly to its policy of further upgrading its capacities to service both a growing volume and—more importantly—larger containers. Another important element that safeguards the importance of the Port of Thessaloniki is its geographical position, and in particular its proximity to most, if not all, South-East European capitals and other ports.

Furthermore, the Thessaloniki port presents the advantage of being close to two major European Corridors (IV and X), and in general to major road and rail networks: the Egnatia Corridor in Greece and direct railroad connection for international transportation, both passenger and freight, via Thessaloniki Railway Station.

Geographical positioning of Thessaloniki.



(Source: Savvas Sismanis, 2016)

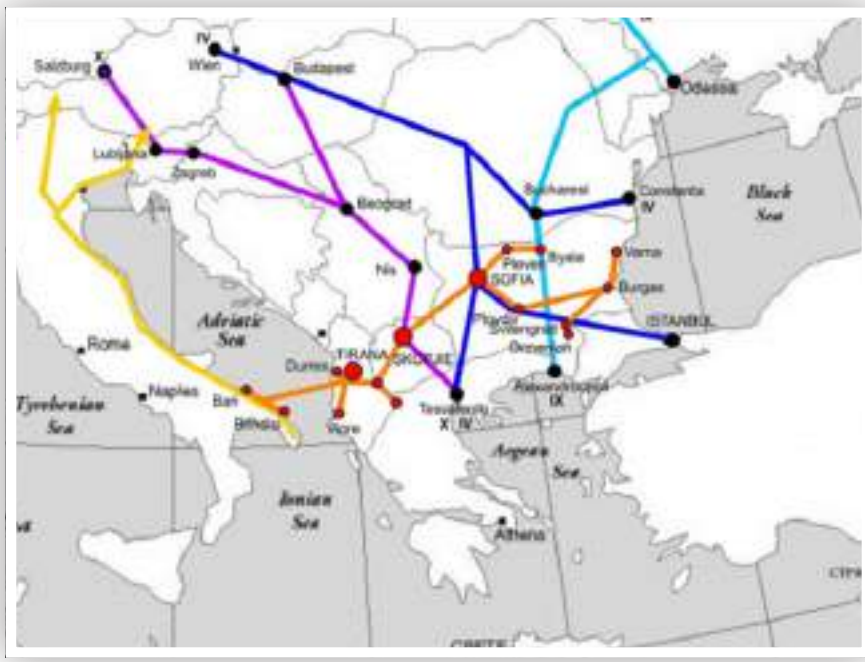
Distance of major south-east European cities from Thessaloniki.

PORT	TIRANA	SKOPJE	SOFIA	BELGRADE	NIS	PRISTINA	PODGORICA
Thessaloniki-GR	**416 (2)**	**240 (1)**	**294 (1)**	**641 (3)**	**410 (1)**	**330 (2)**	**565 (2)**
Piraeus-GR	735	707	799	1109	877	797	858
Durres-AL	36	330	539	732	502	264	166
Rijeka-CR	881	986	950	555	789	1076	721
Koper-SL	954	1064	1021	1105	865	1153	799
Trieste-IT	950	1055	1010	619	859	1141	790
Constanza-RO	1131	832	578	828	753	922	1099
Burgas-BG	935	637	382	785	557	727	961
Varna-BG	988	690	506	838	610	780	1014

(Compiled on the basis of the distance in km)

Furthermore, the Thessaloniki port presents the advantage of being close to two major European Corridors (IV and X), and in general to major road and rail networks: the Egnatia Corridor in Greece and direct railroad connection for international transportation, both passenger and freight, via Thessaloniki Railway Station.

Map 2: European road and rail corridors connecting with Thessaloniki.



(Source: EU Commission)

⟩ INSTITUTIONAL FRAMEWORK

The bilateral framework for cooperation with regard to the port of Thessaloniki has been updated and upgraded through the Prespa Agreement (2018), the Action Plan (2019), the Memorandum of Understanding on Cooperation in the area of Transports (2019), and lastly the National Transport Strategic Frame of Greece (2019). The Prespa Agreement includes the following references: 1. The application of the United Nations Convention on the Law of the Sea in the case of landlocked countries like North Macedonia[cviii] (Article 13) and 2. The need to improve, extend and promote cooperation in the areas of infrastructure and transport, including ports (Article 14).

In the Action Plan, the section dedicated to infrastructure and transport states that:

> "The Parties will strengthen the interconnectivity of railway and road networks, putting emphasis on the upgrading of the (Piraeus) Thessaloniki-Skopje-(Belgrade) railway and road connections that will provide South-East Europe with efficient connections between the Port of Piraeus and Thessaloniki and the Central European Markets, via the Republic of North Macedonia, to the benefit of multimodal transport and the overall people and trade movement in the region".

The Memorandum of Understanding on Cooperation in the area of Transport (April 2019) emphasizes the two countries' desire to develop cooperation, exchange information, provide technical support and assistance (particularly on the Greek side, with a view to facilitating North Macedonia's EU integration process) and participate jointly in EU programmes.

Lastly, the National Transport Strategic Frame (June 2019) clearly builds on all these provisions by emphasizing the need to drastically improve the railroad and road connections between the Port of Thessaloniki and North Macedonia. As it notes:

> "After the recent privatization of the Thessaloniki Port Authority SA and given that commercial transportation towards neighbouring Balkan countries and countries of Central Europe is an important objective for the Port of Thessaloniki, it is necessary to improve the connections of the Port facilities with road and railroad networks. However, the development of this commercial transportation is hampered today by the insufficient land connections between the Port and its inland"[cix].

It should be noted that commercial transport to Balkan countries (freight transport via railroad) has continued without interruption during the Covid-19 pandemic; international passenger transport was, of course, affected.

⟩ INFORMATION AND DATA/ SPECIFIC PROJECTS

Greece provides North Macedonia's main access to the sea through the port of Thessaloniki. From an historical perspective, one of the first frameworks regulating relations between North Macedonia and the Port of Thessaloniki can be traced back to the creation (1923) and operation (1929–1975) of the "Yugoslav Free Zone of the port of Thessaloniki". According to information provided on the website of the Thessaloniki Port Authority SA:

> "The Yugoslav Free Zone of the Port of Thessaloniki was established in order to provide services to the Yugoslav transit trade, and it took over the Management of a section of the port of Thessaloniki: more precisely pier two and the land area behind it. Its operation began in 1929 and was terminated in 1975"[cx].

In more recent times, the connection—and, more generally, the relations—between the Port of Thessaloniki and North Macedonia has been regarded as very important for both sides. From the perspective of North Macedonia, the port is one of the key natural gateways to the Mediterranean, particularly with regard to its import and export activities. Inversely, North Macedonia is located in an area that the Thessaloniki Port Authority SA has described as a "direct market" (Sismanis 2016, Theofanis 2019) in the context of its "Hinterland and Extended Gates Strategy". In line with this concept and strategic objective, the Thessaloniki Port Authority SA has set itself the goal of making the Port of Thessaloniki the first choice for the whole of the South-East Europe region as far afield as Croatia, Hungary, Romania and Moldova. In terms of this strategy, North Macedonia is thus part of the direct market, along with Bulgaria, Albania, Montenegro, Kosovo and Serbia—a region with a total population of 20 million. Bosnia and Herzegovina, Croatia, Hungary, Romania and Moldova constitute the secondary market.

Another element of this strategy is the creation of so-called "dry ports" in the countries of the direct market, in particular Serbia and North Macedonia. In a visit to Serbia in November 2019, Sotirios Theofanis, a former Chair of the Thessaloniki Port Authority S.A, described the concept of "dry ports" thus: "We wish to invest in so-called 'dry ports' in Serbia, namely container terminals that would actually be the gates of the Thessaloniki port in the region"[cxi]. In March 2019, Sotirios Theofanis visited North Macedonia and met with the Deputy Prime Minister of the country, Mr Koco Angjushev. According to the press release of the Thessaloniki Port Authority SA the main topic of the discussion

> "was the Development Plan of ThPA SA in the Balkan area and, in this context, the potential investment for the creation of a dry port in the neighbouring country. The meeting was held in a very good spirit and both sides agreed to continue contacts for the further maturity of this prospect"[cxii].

The same press release emphasizes the importance of the port for North Macedonia:

> "[...] most of the imports and exports of the neighbouring country, using containers, are made through the port of Thessaloniki. At the same time, for ThPA SA, the major industries of the Republic of North Macedonia are key customers of the Conventional Cargo sector of the Port, as the raw materials and the final products are transported through the port to these industries"[cxiii].

Maersk Line, the International shipping company, has opened a dry port in Skopje. The launch of the facility shortens to several hours from a few days the time needed to ship goods from Skopje to the Greek port of Thessaloniki, cutting costs for local importers and exporters. Blue Bell Maritime, another shipping company, operates a shipping depot

in Gevgelija on the North Macedonia-Greek border.

At a more general level, it can be seen that the Thessaloniki Port Authority SA's South-East Europe strategy is one of its key long-term priorities. North Macedonia is emphasized. In a press release on the presentation of a review of the activity of the new management in its first year (June 2019):

> "According to the data presented, the increase in throughput at the Container Terminal is due to the increase in Greek exports and the significant presence of the company in the "transit" markets of Bulgaria, the Republic of North Macedonia and Serbia. Equally important is the presence on the "transit" market of the Republic of North Macedonia when it comes to conventional cargo, while ThPA SA has also expanded into new markets such as Kosovo"[cxiv].

At the same event, Sotirios Theofanis also presented the key objective of the policies adopted by the new management towards South-East Europe and neighbouring countries:

> "To make the Port of Thessaloniki an international transport hub for South-eastern Europe and the Balkans, contributing decisively to the development of the economy of Thessaloniki and the wider region. (...) By building on the synergies that have been developed over the past few years in the neighbouring Balkan countries, ThPA SA will focus on working with existing dry ports or creating new ones, consolidating the leading role of the port in South-eastern Europe, while enhancing the commercial and business value of the Port, not only for the majority shareholders, but also for the entire business community involved in business activities directly or indirectly connected to the port"[cxv].

The intensification of relations with North Macedonia was recently confirmed in the context of the Covid-19 pandemic. As already noted, commercial transport (rail freight) to and from North Macedonia continued without interruption—a success valued by both the authorities of North Macedonia and the Thessaloniki Port Authority SA An article in the Greek daily Kathimerini had this to say on the matter (31 March 2020).

> "The government of North Macedonia multiplies its imports from Thessaloniki, including the import of pharmaceutical products to combat Covid-19 pandemic. [...] The railroad connection of the port to Skopje is part of a wider strategy: it is one of the components of the network that is under formulation in the wider region and that is connected to the development of strategic partnerships and addition-

> al investments in the neighbouring countries (Bulgaria, North Macedonia, Serbia and Southern Romania) which are considered to be the natural hinterland of the port of Thessaloniki"[cxvi].

Finally, the data on the volume of trade to and from North Macedonia which passes through the Port of Thessaloniki also confirm that activity has intensified in recent years, and in particular during the 2010s. Companies from North Macedonia accounted for nearly 44% of the total conventional cargo throughput of the Port of Thessaloniki in 2010. The port's total conventional cargo throughput amounted to 4.5 million tonnes in 2010, including 1.9 million tonnes that originated in North Macedonia. The main companies from North Macedonia which generate cargo flows through the Greek port include the forwarding firm Fersped and steel producers FENI, Makstil, Skopski Leguri, and ArcelorMittal Skopje.

⟩ ASSESSMENT

There are three elements that need to be taken into consideration when interpreting the key role of the Port of Thessaloniki in the future relations between the two countries. The first element is the importance of geographical proximity. More than anything else, perhaps, the port of Thessaloniki epitomizes the need for both countries to work together for their mutual benefit. For North Macedonia, the port is very important when it comes to imports and exports, and the same is true for Greece, especially in the context of its ambition to transform itself into a regional and international hub.

The second element is the positive impact of the Prespa Agreement and the Action Plan that followed it. In many ways, the Agreement provides a solid framework for cooperation which can be further specified in more specialized bilateral memoranda and protocols. The third element relates to the policies of both the private consortium that manages the Port of Thessaloniki and the central governments in both countries. In this respect, the policies announced to date have been very encouraging. The Thessaloniki Port Authority has announced concrete plans and frameworks to intensify cooperation with its neighbours, and with North Macedonia in particular. So far, the logic seems to have embraced synergies and collaboration aiming at maximizing the benefit for both the Port of Thessaloniki and Greece's neighbouring countries. At the same time, the governments of both countries have placed an important emphasis on improving their road and railroad connections, which will undoubtedly maximize the positive impact the Port can have on strengthening their economic relations and cooperation. Everything is thus pointing in a very promising direction.

9. CROSS-BORDER/TRANSBOUNDARY CONNECTIVITY

9.1 CROSS-BORDER CROSSINGS

GENERAL REMARKS

Border crossings between the two countries are of key importance to both for several reasons at a bilateral and a regional and international level. Most, and the crossing at Evzoni-Bogorodica in particular, are situated along Corridor X, which connects South-East Europe with Central and Western Europe. In the more specific bilateral level, the crossings guarantee North Macedonia's commercial connection with the port of Thessaloniki (imports, exports, cargo, freight, visitors, tourism) and with the regions of Chalkidiki and Pieria, which rank among the top destinations for tourists from North Macedonia. From the Greek viewpoint, the crossings guarantee the commercial flow out from the Port of Thessaloniki towards Eastern, Central and Western Europe. They have also proved of key importance in the development of Greek investment and tourist/visitor flows from Greece to North Macedonia in recent years.

Greece and North Macedonia share a border that extends over 228 km. From the Greek side, the regions adjacent (from West to East) to the border are Florina, Pella, Kilkis and Serres. In North Macedonia, the regions adjacent to the border (from West to East) are the Southwestern region (Jugozapaden), Pelagonia, Vardar and the Southeastern region (Jugoistocen). Note that the border between the Southwestern region (North Macedonia) and Florina (Greece) runs through the Great Prespa lake.

The two countries share four operational land border crossings (three by road and one by rail):

1. Medžitlija (North Macedonia)-Niki (Florina, Greece),
2. Gevgelija-Bogorodica (North Macedonia)-Evzoni (Kilkis, Greece),
3. Dojran (North Macedonia)-Doirani (Kilkis, Greece), and
4. Gevgelija (North Macedonia)-Idomeni (Kilkis, Greece).

Of these, the border at Gevgelija-Idomeni can only be crossed by rail. Another railroad border crossing between Kremenica (North Macedonia) and Neos Kafkasos (Florina, Greece) was operational in the past and is expected to become operational again. Part of the railroad network linking Thessaloniki and Bitola, this connection point was important for communication and transport between Greece and the Socialist Federal Republic of Yugoslavia, but it ceased to operate in the 1980s.

⟩ INSTITUTIONAL FRAMEWORK

The landmark Prespa Agreement (signed 2018, ratified 2019) undoubtedly introduced a very comprehensive framework for upgrading the border crossings between the two countries. The Action Plan, signed in early April 2019, stated that the two parties would "also set again in operation the railway connection Florina-Bitola, which will contribute to the cross-border regional cooperation and development"[cxvii].

With regard to border crossings that will become operational in the near future, the two countries decided to create one between Promachoi (Pella, Greece) and Majden (North Macedonia) in an agreement signed in April 2019[cxviii]. A second new crossing will be established between Laimos (Greece) and Markova Noga (North Macedonia) near the Great Prespa lake (Agreement signed in March 2019)[cxix]. Thus, while the two countries relied on four border crossings between 1991 and today, another three are expected to be added in the wake of the Prespa Agreement (2018), bringing the number of land border crossings up to seven. Five of these border crossings are and will be destined for vehicles and commercial transport (i.e. cars, buses and trucks); the remaining two will be for railroad transport (passengers and freight).

The Prespa Agreement (2018), the Action Plan, and the Memoranda of Cooperation signed in the aftermath of the ratification of the Agreement (2019) constitute the primary institutional framework that describes and regulates cooperation between the two countries with regard to border management and cooperation. First, though, let us consider the evolution of cooperation between the two countries in this field since the 1990s.

⟩ INFORMATION AND DATA/ SPECIFIC PROJECTS

Previous studies on the evolution of bilateral and multilateral cooperation between Greece and North Macedonia (Christidis Paschalidis, 2018; Armakolas, Kreci, Christidis, Paschalidis, Jusufi, 2019) reflect on the traits of cross-border cooperation during specific time periods. The first period, 1991–1995, was marked by considerable tension in the relations between the two countries, as well as by a 19-month trade embargo imposed by Greece on North Macedonia in 1994–1995. The second period, 1995–2015, began with the 1995 Interim Accord that permitted the progressive normalization of diplomatic and political relations between the two countries. Following the Accord, at least two other Protocols relating to border cooperation were signed: 1. A Protocol for Customs Regulations (1995), and 2. A protocol for Economic and Border Cooperation (1998) (Pitsavas, 2017; Christidis and Paschalidis, 2018). It is unknown whether these protocols came into force, since it is likely they were not ratified by the Greek Parliament due to the name dispute, as was the case with other protocols signed by the two countries in the late 1990s and early 2000s (Pitsavas, 2017; Christidis and Paschalidis, 2018). Nevertheless, they attest to the positive climate introduced by the Interim Accord, which the two countries maintained until at least the mid-2000s.

This period was marked by two developments strongly related to cross-border cooperation: 1. the intensification of cooperation at the multilateral (regional and EU) level, and 2. the intensification of economic and other forms of cooperation at the cultural and societal level. Special attention must be paid to the multilateral EU framework (IPA CBC Greece-North Macedonia), because it managed to sustain and upgrade cooperation between the two countries in a period of acute political tensions (mid to late 2000s-2015). This framework in itself may be the most pertinent and relevant example of cross-border cooperation, even if the vast majority of programmes did not specifically deal with border infrastructure, border management or accessibility. It managed to promote a culture of dialogue, mutual knowledge and institutional respect (municipalities, civil society, chambers of commerce) between the two countries (Christidis and Paschalidis, 2017), which is a prerequisite for a border that functions as a bridge rather than a wall.

Furthermore, there were many programmes within the IPA-CBC framework which dealt specifically with border infrastructure (i.e. border stations) or the upgrading of their management. For instance, in the first period (2000–2006), one notes numerous programmes aimed at improving the road networks leading to the border crossing points and/or their facilities and infrastructure. Similar programmes also ran in the second period (2007-2013): the "Border.IN" programme, for instance, dealt with the development of border infrastructure between Greece and North Macedonia. In its rationale, the programme mentions a series of factors that complicate border management on both sides[cxx] offices and control rooms arranged in a non-functional way, old technological equipment, a lack of sufficient lighting in the road and customs area, narrow and poorly maintained road, and damaged electronic traffic barriers. The programme also sought to develop and improve the customs services and facilities at both stations.

In a similar vein, the "We Cross Borders" programme run during the 2014–2020 period adopted a comprehensive approach to upgrading border management on both sides[cxxi]. As it states in the programme's description:

> "The global objective of the project is also to develop the management of the border by using it as a tourist attraction factor and a safety establishment. It shall improve the effectiveness of tourism activity and safety, in managing the organization and valorisation of these assets".[cxxii]

Another important aspect of the programme is that it includes the transfer of knowledge between the two sides. Which is to say that the two border stations will work jointly to improve and upgrade their facilities with a common and shared perception of the challenges facing them.

The third period, 2015-2018, begins with the adoption of CBMs (Confidence Building Measures) by the two governments in 2015. The CBMs included provisions relating to bor-

der cooperation and management. This period also featured the signing of the Prespa Agreement and all the subsequent agreements and memoranda aimed at promoting bilateral—including cross-border—cooperation.

In an effort to achieve a more systematic understanding of the role of cross-border crossings between Greece and North Macedonia, we must bear in mind that borders serve a dual function: they are simultaneously a connection point—a bridge—and an element which highlights and generates differences between distinct social, political, economic and cultural contexts. One could refer to several types of people who travel beyond borders: consumers, tourists, migrants/refugees, and people travelling for professional purposes (i.e. business people) (Donnan, Wilson, 1999). According to Vatsou (2015), cross-border mobility can be divided into three categories: 1) long-term (i.e. immigration) for economic purposes, 2) short-term (i.e. tourism for recreational purposes, professional purposes and health reasons), and 3) daily travel, also known as cross-border shopping (i.e. consumption, services). To these categories, one could add cross-border cooperation as a stand-alone feature which includes, on the one hand, cooperation and contacts between the authorities (i.e. customs, police) of two neighbouring countries with a view to safeguarding the effective operation of a border crossing and, on the other, the various forms of cooperation that take place in a specific context among institutions, organizations or authorities from the two countries (i.e. IPA-CBC framework of the EU, civil society, municipalities).

Decades of experience relating to integration into and enlargement of the EU (i.e. Schengen Treaty) indicates that there is a direct correspondence between the progress of these two processes, and that borders are functioning more as bridges and connection points than closed structures hampering exchanges. For this to take place, a number of key criteria must be met including bilateral relations, a transportation infrastructure and cooperation between the authorities of the two countries that are at least satisfactory. In principle, the evolution in relations between Greece and North Macedonia over the past 30 years seem to suggest that their borders functioned in limited ways in the direction of openness and convergence. By all accounts, it was primarily the name dispute that hampered and delayed the development of effective, multi-layered bilateral cooperation, as well as perpetuating a climate of suspicion which may have had a negative impact on cross-border contacts, communications, and transport.

Nevertheless, a number of elements support the idea of the border also functioning as a bridge. If one takes into account the road and railroad networks and infrastructure leading to the border crossing points, it can be seen that substantial progress has been made in terms of accessibility to the borders between the countries. In the case of Greece, all of the border crossings are connected vertically to the Egnatia Corridor, the motorway that links Western, Northern and Eastern Greece via Thessaloniki. In the case of North Macedonia, too, the extensive reconstruction of the A1 motorway (Gevgelija-Sko-

pje) as part of Corridor X has improved the connections between the country's cities and its border crossings. This has contributed significantly to the accessibility of the border and the reduction in the time needed to travel between Skopje and Thessaloniki. In the Greek context, the continuation of the A1, the Evzoni-Thessaloniki motorway, clearly requires improvement.[cxxiii]

Another factor that has been crucial in facilitating cross-border contacts is the 2009 decision by the government of North Macedonia to allow all citizens from EU-Schengen countries to enter its territory with their national identity card alone. Of course, this practice was adopted before that, but the decision to make it official facilitated even swifter processing of visitor flows at the borders. This shows that North Macedonia has facilitated cross-border movement, even though it is not yet an EU member state.

At the level of cooperation between the two countries' authorities at the border stations, important signs of improvement were evident even before the Prespa Agreement. According to Chupeska-Stanishkovska and Christidis (2018), the common challenges facing both countries during the refugee and migrant crisis of 2015–2016 seem to have triggered a different approach with an emphasis on cooperation which includes border management. This paradigm shift was then given a much more definite form by the Prespa Agreement, and more significantly still by the Action Plan of 2019 and the numerous memoranda of cooperation, all of which include provisions designed to improve cross-border movement.

⟩ ASSESSMENT

In summing up, it should be noted that cross-border contacts and movement between the two countries has grown steadily, despite a number of counter-productive factors including the tense political relations until 2015 and even the failure to upgrade the border stations themselves and/or the motorways and networks leading to them. Moreover, as Vatsou (2015) notes, there are many indications that the border between Greece and North Macedonia has functioned more as a bridge than a wall. In her study, Vatsou compares perceptions on the Greek side (visitors and key informants with knowledge of the borders) concerning the openness or closedness of the border with North Macedonia and Bulgaria. She concludes that, although North Macedonia is not an EU Member State, its border with Bulgaria recalls in practice both the experience and the concept of an open border. This is a very encouraging finding, since it implies that the foundations are in place for ever more intense cross-border contacts and visitor flows.

As in other areas of interest, border cooperation has also been affected by the fraught relations between the two countries for the most part of the period since 1991. Yet, unlike in other fields that will perhaps need longer to yield more concrete frameworks and instances of cooperation (bilateral agreements →institutions and networks→ projects and programmes), border cooperation and cross-border contacts in general have shown very

promising and encouraging results. It is perhaps the very nature of a border and its ability to function as a bridge, if various conditions are met, that permits such an outcome. It is also a further indication that both societies found a way to carry on and strengthen their relations, escaping the prolonged limbo of the name dispute. In any case, it is certain that the effort invested in improving border cooperation at all levels (border stations, infrastructure, accessibility and management) has laid the foundations for further connectivity between the two countries.

9.2 WATER MANAGEMENT

GENERAL REMARKS

Awareness of the importance of managing transboundary water resources (i.e. rivers and lakes) more effectively continues to grow, especially in relation to the protection of the environment and ecosystem (i.e. measures to limit pollution), the prevention of disruptive phenomena (i.e. floods), and the exploitation of those water resources for economic purposes (i.e. fishing). One can refer to this framework of cross-border cooperation as "hydrodiplomacy" or "environmental diplomacy". Its basic principles are effectiveness, efficiency, equality, equivalence and equity (Mylopoulos et al. 2008).

Greece and North Macedonia share three main water resources:

1. The Vardar/Axios river. The Vardar river originates in North Macedonia and flows into the North Aegean Sea as the Axios river in Greece. Vardar is the longest and largest river in North Macedonia (302.6 km). The Vardar's source is in the Shara massif near Vrutok/Gostivar. The capital Skopje and several large industrial cities—Gostivar, Tetovo, Veles and Gevgelija—are located along the river.
2. Lake Dojran/ Doirani. Lake Dojran, located in the southeast of North Macedonia and the northwest of Greece, is a lake with an area of 43.1 km2 which is shared between North Macedonia (27.3 km2) and Greece (15.8 km2). The city of Nov Dojran (Нов Дојран) stands to the west of the lake, the village of Mouries to the east, Mount Belasica/Beles to the north, and the Greek town of Doirani to the south. The lake has a rounded shape, a maximum depth of 10 m, and a north-to-south length of 8.9 km; it is 7.1 km across at its widest point.
3. Lake Prespa. Lake Prespa is a freshwater lake shared between North Macedonia, Greece, and Albania. Of the total surface area of the lake, 176.3 km2 belong to North Macedonia, 36.4 km2 to Greece, and 46.3 km2 to Albania.

⟩ INSTITUTIONAL FRAMEWORK

Both the Prespa Agreement (2018) and the Action Plan (2019) contain references to co-operation between the two countries with regard to cross-border water management. In Article 14 of the Prespa Agreement, the emphasis is on environmental protection:

> "The Parties shall take measures to ensure the protection of the environment and the preservation of the natural habitat in the trans-border waters and the surrounding space, and shall cooperate in seeking to reduce and eliminate all forms of pollution".

Similar and more elaborate environmental protection provisions are found in the Action Plan. In addition to enumerating the specific objectives, the agreement also refers to the necessity of adjusting to the international and EU frameworks for water management and environmental protection. Specifically, the agreement stipulates the following:

> "The Parties will take measures to ensure the protection of the environment and the preservation of natural habitats in the trans-border water bodies and the surrounding areas, and will cooperate in seeking to reduce and eliminate all forms of pollution. They will strive to develop and harmonise strategies and programs for regional and international cooperation for the protection of the environment. In particular, transboundary water management, water pollution prevention and water quality monitoring. Both Parties will cooperate for the sustainable management of transboundary waters in accordance with applicable international agreements and requirements of EU law. In this context the Parties will strive to develop a joint management and monitoring Plan for Dojran/Doirani Lake and a coordinated River Basin Management Plan for the Vardar/Axios River Basin, to improve water quality across the river in both Parties and in the recipient water bodies (Thermaikos Gulf)";

> "Adaptation to European legislation/EU acquis: Exchange of know-how and good practice in the fields of waste management, environmental licensing/permits, water management and wastewater treatment can be pursued by both Parties".

⟩ INFORMATION AND DATA/ SPECIFIC PROJECTS

An initiative entitled "Prespa Park" has been launched by Civil Society Organizations from Greece and North Macedonia. Its aim is to establish a transboundary park in the region surrounding Lake Prespa, which is shared by Greece and North Macedonia as well as Albania. It was established in 2000. The Park aimed to establish transboundary cooperation focused on conservation and sustainable development priorities. The Park initiative demonstrates that even when a region is engulfed in uncertainty and political tension, the potential for cooperation can emerge in other policy fields that are considered 'de-politicized', such as, conservation and sustainable development. On the Macedonian side, an alliance of 25 small local NGOs has been participating in the Prespa Park process; the Greek side has been represented by the Society for the Protection of Prespa (SPP) and by WWF-Greece. The initiative has been funded by the two governments and WWF-Greece, along with GTZ from Germany and the MedWet Initiative. This effort has paid off, as the Prespa municipalities have begun to communicate directly among themselves, holding cross-border meetings and attending each other's events (Armakolas et al, 2019).

Furthermore, the two countries have cooperated—and continue to cooperate—on projects in the field of transboundary water management within the EU's multilateral IPA-CBC framework since 2000. The first project was entitled "TRABOREMA" (Interreg, period 2000–2006) and focused on stabilizing and reinforcing research potential in the field of integrated management and regional water resource planning and policy in the transboundary lake region between Albania, North Macedonia and Greece (Mylopoulos et al. 2008). The second project was entitled "Holy Water" (IPA-CBC, period 2014–2020) and focused on "enhancing the cultural touristic product of the cross-border area of Prespes through the promotion of the natural and cultural heritage".[cxxiv] A third project from the same 2014–2020 period is entitled AQUA-M II, and its main objective is the "effective and continuous monitoring of the water quality management of Axios river through the application of joint monitoring and management systems and the strengthening of cooperation among responsible stakeholders and authorities".[cxxv]

⟩ ASSESSMENT

Our research indicates that cooperation in the field of transboundary water management has been growing since the early 2000s. There are many indications that, from the 1990s until the signing of the Prespa Agreement and the Action Plan, this cooperation took place mainly within the multilateral EU framework. This is yet another confirmation of the importance of these agreements for creating a solid framework for enhancing bilateral cooperation.

However, there were initiatives in the 1990s, too. For instance, in the case of Lake Doirani, there was contact and cooperation among fishery experts in the two countries

aimed at setting common quotas and protecting the reproduction of fish populations (Mylopoulos et al. 2008). In fact, North Macedonia appears to have submitted a protocol for cooperation on fishery issues during that period (Mylopoulos et al. 2008); however, it seems it was never going to be ratified by Greece, due to the name dispute then.

Such initiatives attest to the important potential for establishing common perceptions in border regions—particular in the case of transboundary water management. From this standpoint, the recent introduction of a bilateral framework could amplify this potential. As has been shown, the objectives of transboundary water management extend beyond environmental issues and have economic, tourist and cultural components.

10. PEOPLE-TO-PEOPLE CONNECTIVITY

10.1 TOURISM EXCHANGES

GENERAL REMARKS

Tourism is one of the most dynamic and promising fields in terms of development and growth in the wider context of relations between Greece and North Macedonia. Furthermore, it is a sector in which relations and contacts continued to progress, even when tensions due to the extended name dispute (1991–2018) put bilateral relations under intense strain. Various data confirm very strong, constant and reciprocal tourist flows. This flow has certainly been beneficial to both countries, and can be characterized as satisfactory with significant margins for improvement. As will be shown, there are indications that the name dispute and political tension may have slowed these relations down during certain periods.

⟩ INSTITUTIONAL FRAMEWORK

It should be noted that the Prespa Agreement includes tourism as a sector in its preamble, and in particular in the last paragraph which refers to the will of the two countries to "reinforce and broaden their bilateral cooperation and to upgrade it to the level of a strategic partnership".

⟩ INFORMATION AND DATA/ SPECIFIC PROJECTS

Undoubtedly, the tourism sector is of vital importance when it comes to annual economic growth and the sector's participation in GDP. In the case of Greece, SETE (The Greek Tourism Confederation) has estimated that the participation of tourism in Greek GDP reached 20.8% in 2019[cxxvi]. In the case of North Macedonia, the participation of tourism in GDP is clearly increasing, from 5.5% in 2005 to 7.2% in 2018).[cxxvii]

Efforts to obtain a systematic view of the evolution of the tourist flow between Greece and North Macedonia at a macroscopic level (i.e. in the 2000s and 2010s) are partially obstructed by the lack of systematic data on the Greek side relating to arrivals from Balkans countries, particularly in the 2000s. According to Alexis Hatzidakis (2011), the methodology employed by the Greek Statistical Authority (ΕΛΣΤΑΤ) for most of the 2000s did not permit a systematic view of the evolution of tourist flows from neighbouring Balkan countries, including North Macedonia. New tools for collecting data employed from 2007 on permitted a clearer view of this flow. As Alexis Hatzidakis notes: "The total sum of the arrivals from the five neighbouring countries (Albania, Bulgaria, Romania, Serbia and Montenegro and North Macedonia) made up, in 2007, for 23.3% of the total amount of arrivals of foreign citizens in Greece, whilst in 1998 it was only 10.3%" (ibid p.30). These figures confirm the important increase in the tourist flow from neighbouring Balkan countries into Greece since the early 1990s. This trend applied to North Macedonia, with Albania presenting the most important increase.

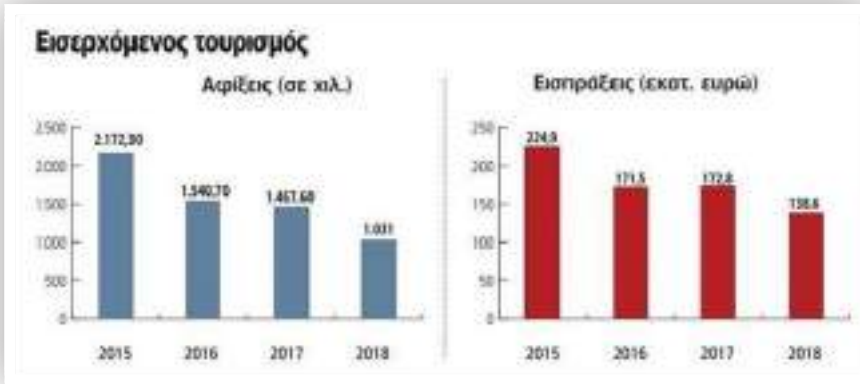
For the 2010s, multiple datasets are available for measuring the tourist flows between the two countries. There is a general assumption that these flows are crucial, and that they have increased. In 2018, the Greek Embassy in North Macedonia published a memo entitled "The tourism sector in the Former Yugoslav Republic of Macedonia".[cxxviii] The text focuses on the tourist flow from Greece to North Macedonia, and indicates that: "Traditionally, the tourists in the Former Yugoslav Republic of Macedonia come mainly from Turkey, Greece, Serbia, Bulgaria, the Netherlands, Albania and Germany".[cxxix] For the year 2017, Greek tourists in North Macedonia amounted for 7.1% of the total amount of tourist arrivals in the country (4th larger group behind Turkey- 20,6%, Serbia- 8,4%, Bulgaria- 7,3%). The memo also refers to the characteristics of the tourists from Greece: "To a large extent, the motives of Greeks for visiting the country relate to shopping and also dentist services and also the casinos in the south of the country".[cxxx]

When it comes to arrivals from North Macedonia in Greece, the memo notes that the citizens of North Macedonia visit Greece:

> "frequently, on weekends or holidays, particularly during summer. Their main destinations are the beaches of Northern Greece (Halkidiki and Pieria). However, in more recent years they choose to visit other regions in Greece, including the islands. They also make one-day trips to Thessaloniki for shopping. These visits are very important for our country; they function as indirect exports and revitalize local economies. The improvement of the road network in the Former Yugoslav Republic of Macedonia along the Corridor X will certainly help to increase the flows from both sides of the borders".[cxxxi]

With regard to the evolution of the tourist flow from North Macedonia to Greece in the 2010s, one can refer to two periods with different characteristics. Thus, it can be seen that from 2010 to 2015 there was an extremely marked increase in arrivals from North Macedonia to Greece. According to data published by the Greek economic daily Naftemporiki (January 2019), in 2015 the citizens of North Macedonia were the most important group of foreign visitors to Greece, with 3,023,059 arrivals, ahead of Germany with 2,810,350 arrivals.[cxxxii] Over the period in question, the flow increased an impressive rate of 173,7%.[cxxxiii] However, the data from 2015 indicates a clear decrease in the number of tourists from North Macedonia to Greece in the second period from 2016–2020. For instance, in 2018, according to data published by the Bank of Greece, there was a decrease of 50% in the number of visitors from North Macedonia.[cxxxiv]

The decrease in the number of tourists and the corresponding incoming tourists from North Macedonia to Greece between 2015 and 2018 in millions



(Source: Naftemporiki)

One can only speculate as to the reasons for this decrease. According to INSETE (Institute of the Greek Confederation of Tourism), it may be related to the political uncertainty and the polarization and tensions stemming from the name dispute.[cxxxv] Still, in 2016, Greece remained the most popular destination for the citizens of North Macedonia, especially in the context of "road tourism".[cxxxvi]

In the context of Covid-19 and the restrictions imposed on air travel as a result of the pandemic, the Greek government has stated the optimistic view that an increase in "road tourism", particularly from neighbouring Balkan countries, could counterbalance the fall in arrivals from other destinations. According to the Greek Minister for Tourism, Charis Theocharis (May 2020): "We have developed all the necessary health protocols for the points of entry by road into the country, and we are doing the best we can to facilitate the flows from the Balkans".[cxxxvii] Along with Serbia, Romania, Bulgaria, Turkey and Albania, North Macedonia is one of the most important countries of origin for tourists arriving

in Northern Greece by road. In 2019, a total of 8 million tourists arrived in Greece by road, with 7 million heading for Northern Greece.[cxxxviii] Visitors from North Macedonia were an important part of this flow.

A macroscopic view of the evolution of the tourist flow between Greece and North Macedonia must also reference the numerous tourism-related projects that have been—or are still being—implemented within the EU multilateral IPA-CBC framework. In the current period alone, there are six (6) different projects underway, with the projects "CINECULTURE", "CONNECT", "HOLY WATER", "I-TOUR", "TERRA VINO" and "ToCulter" all seeking to "improve the attractiveness and promote tourism in the cross-border area as well as to enhance employment in tourism".[cxxxix] All these projects fall under the priority axis "development and support of the local economy".

Another aspect that must be mentioned is "casino tourism". This is a particular type of tourism based on the provision of services and activities relating to the functions of a casino. It is generally a short-term activity (one to a few days) and involves other types of services (hotels, restaurants and transportation). There is a general perception that it mainly concerns people with a middle to higher income. Furthermore, casino tourism can also be combined with visits to the area around the casino (Vogiatzi 2018). The academic literature that has examined the economic and social impact of casinos for particular regions and local economies in North Macedonia has confirmed their beneficial role in terms of economic development and rising investment, as well as—crucially—a high employment or, inversely, low unemployment rate, and a high degree of satisfaction among local citizens with their living standards. This is particularly true of the Gevgelija region, which continues to receive a highly significant number of visitors from Greece.

Table 3. Average number of visitors in one day at the hotel-casinos in Gevgelija.

Year	Average number of visitors in one day
2006	900
2007	920
2008	920
2009	600
2010	1800
2011	1850

(Source: Gjorgievski et al 2013)

The above data indicate that daily visits to the hotel-casinos of Gevgelija (where the vast majority of visitors come from Greece) more than doubled between 2006 and 2011. In addition, it can be calculated that the hotel-casinos in Gevgelija accommodated around 670,000 visitors from Greece in 2011.

⟩ ASSESSMENT

Our study indicates that there are many positive and promising elements pertaining to the relations between Greece and North Macedonia in the field of tourism. Firstly, it is clear that, despite the long-standing name dispute, there has been a constant, dynamic and reciprocal tourist flow between the two countries. Secondly, they already have practical, hands-on experience of cooperation in this field, primarily within the EU multilateral IPA-CBC framework. Thirdly, perhaps for the first time, a bilateral framework has now been put in place, by the Prespa Agreement, upon which further bilateral cooperation can be based and developed.

10.2 ACADEMIC / STUDENT EXCHANGES AND CULTURE

GENERAL REMARKS

In the field of education, cooperation between the two countries reveals a pattern found in other fields, too: namely, a long-standing lack of bilateral cooperation for most of the period since the early 1990s. According to studies which set out to explore the characteristics of cooperation in education (Armakolas et al 2019a, Christidis, Paschalidis, 2017), the name dispute did have a very negative impact in this field. For instance, the students from North Macedonia who have come to Greece in the past for their studies, and who are studying in Greece now, generally attend private-sector institutions of higher education. While Greek public universities do appear to have cooperated with universities and research institutions in North Macedonia, this has mainly been in the context of the EU multilateral framework (IPA CBC, 2000–2006, 2007–2013, 2014–2020).

Another element of note is that Greek Universities have signed Memoranda of Cooperation and Agreements with universities from North Macedonia (relating inter alia to joint participation in research programmes, student exchange schemes, and the creation of joint post-graduate curricula) starting as far back as the early 2010s. However, the vast majority of these agreements were never implemented, though they have been signed and in some cases renewed. Clearly, one of the main reasons for this has been uncertainty stemming from the name dispute, especially with regard to bureaucratic procedures.

⟩ INSTITUTIONAL FRAMEWORK

The first important deviation from this pattern came in June 2015 with the signing of the CBMs between the two countries. In particular, Section B is dedicated to Education and Culture and includes measures such as “cooperation between Universities, Research Centres and Institutes, exchange university students’ scholarships and encouraging

measures for mutual cooperation and exchange". With the signing and ratification of the Prespa Agreement (2018 and 2019) and the Action Plan (2019), the two countries established a solid framework for intensifying bilateral cooperation. The Prespa Agreement includes two relevant articles (8 and 15): Article 8 refers to the need for scholars, researchers and scientists from both countries to collaborate with a view to achieving a more objective and scientific interpretation of historical events—something which could also be reflected in school textbooks and ultimately used to combat the negative stereotypes that hamper better mutual knowledge between the two societies. Article 15 specifies a wide range of sectors for cooperation in education, science and research and technology which include the exchange of information, documentation, access to databases, joint programmes, international conferences, and the use of technology.

Adding to this, the Action Plan (2 April 2019) reinstates the general premise of the need to intensify cooperation in the field of education and science, but goes on to state that the two countries are willing to sign an Agreement on education. To the best of our knowledge, such an Agreement has yet to be signed. If it is signed, however, it would provide a far more concrete framework for bilateral cooperation, particularly if it includes references to specific programmes or sources of funding.

⟩ INFORMATION ON DATA / SPECIFIC PROJECTS

It is clear that in the period following the signing of the Prespa Agreement, many universities in both countries either signed for the first time or renewed pre-existing cooperation agreements. Although the ongoing Covid-19 pandemic has clearly slowed down the implementation of such agreements, some examples include: 1) Two Memoranda of Understanding (types of cooperation: research and academic exchanges etc.) which the School of Economic and Regional Studies of the University of Macedonia (Greece) signed with the Institute of Social Sciences and Humanities and Saints Cyril and Methodius University, respectively, in Skopje (North Macedonia); 2) Two similar Memoranda which were renewed (late 2019-early 2020) between the Aristotle University at Thessaloniki (Greece) and St. Kliment Ohridski University, Bitola, and Saints Cyril and Methodius University, Skopje (North Macedonia); 3) A Memorandum signed in 2018 between the Agricultural University of Athens (Greece) and Saints Cyril and Methodius University (North Macedonia).[cxl] In addition, St. Kliment Ohridski University in Bitola (North Macedonia) has recently developed bilateral cooperation with the University of Western Macedonia in Kozani and the Alexander Technological Educational Institute, Thessaloniki, respectively (Greece).[cxli]

In the field of culture, the lack of bilateral cooperation seems to be even greater than in the fields of education. According to Armakolas, Kreci, Christidis, Jusufi & Paschalidis (2019), the existing framework is very weak and heavily dependent on the EU's multilateral framework (IPA-CBC), particularly in the period since 2007. However, concrete examples of cultural cooperation do appear to have occurred in the 2010s (museum exhibi-

tions, participation of artists and novelists in several events, workshops). In addition to the EU framework, regional (South-East European) initiatives have also played an important role in establishing contacts and channels for cooperation. The Action Plan (April 2019) emphasizes the need for both countries to improve cooperation in several fields, namely: dance, film, music, theatre, and combating the illicit trafficking of intellectual property in the context of UNESCO. However, it did not include a commitment from both parties to build their cooperation upon a bilateral agreement. This may be something that needs to be addressed in the near future.

⟩ ASSESSMENT

It is noteworthy that in the fields of education and culture, too, the assessment and evaluation of the experience of cooperation by stakeholders in both countries has been overwhelmingly positive (Armakolas et.al. 2019; Christidis, Paschalidis, 2017). In other words, despite the lack of long-term cooperation, a highly positive legacy is already in place that can be built upon. However, there is also a serious lack of more systematic cooperation at the bilateral level, largely due to the long-lasting impact of the name dispute. The Prespa Agreement and the Action Plan removed such barriers, and the two governments, along with other relevant stakeholders (i.e. universities, museums), must prioritize the implementation of joint projects. Only thus can a new dynamic be achieved in people-to-people connectivity.

11. CIVIL SOCIETY CONNECTIVITY

GENERAL REMARKS

The beginning and development of a joint presence at the level of civil society in Greece and North Macedonia should be examined in parallel with the growth of the life-long learning programme launched by the European Commission and now widely known as 'Erasmus Plus'. Participants from Greece and North Macedonia participate in international projects such as youth exchanges, training courses, study visits and seminars, where they can mingle and cooperate. However, care has to be taken to ensure that projects do not touch upon issues related with identity, history and ethnicity. Identity and historical narratives have been taboo issues at international meetings, too, where references to national symbols have tended to provoke dissatisfaction and objections from both sides.

Despite their geographical proximity and the recent settlement of the name dispute in 2018, relations between the civil society and youth of Greece and North Macedonia remain limited and superficial, lacking regular engagement or concrete follow-up activities. While there have been sporadic efforts over the last decade to promote intercultural dialogue and closer cooperation, the most notable initiative being the setting up of

a Bilateral Youth Cooperation Office in Valandovo (North Macedonia) and Thessaloniki (Greece), these efforts have been hindered by a number of factors which have taken their toll on how the two societies view one another. Indeed, unbridled stereotypes, often amplified by ignorance and intolerance as well as institutional weakness, have characterized contact between North Macedonia and Greece at the level of civil society. Lack of recognition, competition among Civil Society Organizations (CSOs), and dependence on short-term, donor-agenda-driven projects has worsened the problem further.

In countries like Greece and North Macedonia, the third sector is largely dependent on external donors. Project managers interviewed for this research stressed that they mould the thematic priorities and consequent activities of their organizations each year to match those topics they consider more likely to receive funding. To most regional organizations, EU and international grants are usually much more than a boost; they are factors on which their institutions' very survival hangs. Once this funding is received, what matters is how the donor envisions the project: the 'when, where, how and with whom' usually depend on what the donor considers important, relevant and timely.

Evidently, this has greater long-term implications for projects which impact on youth and education. In the early 2000s, Despina Syrri highlighted the importance of buttressing the role of civil society, claiming this "contributes to the strengthening of democracy, acting as a buffer mechanism against the pressures exerted by state bodies and institutions" (Syrri 2005: 318). More than a decade later, we see that the weaknesses identified by Syrri persist, while many good opportunities have been lost. The implications of the regional CSOs' dependence on international funding has been addressed by recent reports and papers,[cxlii] many of which point to the same conclusion: the future of the region is being shaped by the values and ideology promoted by the principal and most powerful donors, with all the implications this may have for democracy, culture and political orientation.

In Greece and North Macedonia, civil society is usually perceived as the 'non-governmental' or 'social sector'. Regional CSOs are exposed to a number of institutional, social and technical diversities. On the one hand, being continuously dependent on donor-driven projects, CSOs face constant, serious issues of survival and sustainability which inevitably take their toll on the quality and efficiency of the work they do (Drosopulos 2020). Moving in parallel with the formal educational system and the labour market, but rarely enjoying productive or sustainable interactions and synergies, civil society is often depicted as a separate universe within the polysystem of each society, with all the advantages and disadvantages this implies. People and organizations in the region which fall into the civil society category often have to put on different hats to justify their existence and have a say in political and social developments.

On the other hand, the lack of institutional, educational and social recognition in many spheres of civil society makes the work of CSOs both less effective and highly dependent on volunteers. In this sense, civil society in the region does not quite resemble

the 'good society' that Michael Edwards alludes to in his seminal book (2014), but rather the 'volunteerland' described by Adam Jezard (2018), in which CSOs' activities are largely implemented and disseminated by volunteers who provide unpaid services in exchange for making contacts, sharing experiences, and building capacity—all of which are important assets in the search for a job or academic position.

⟩ INSTITUTIONAL FRAMEWORK

The institutional framework for cooperation at the level of civil society—including youth organizations—has been substantially upgraded by the provisions of both the Prespa Agreement and the Action Plan. In all probability, this is the first time the countries have had such a comprehensive framework at their disposal at the bilateral level. In particular, that part of the Prespa Agreement which pertains to political and societal cooperation includes the following provisions:

> "The Parties are convinced that the development and strengthening of people-to-people contacts are essential for building friendship, cooperation and good neighbourliness between the Parties and their peoples. They shall support and encourage contacts and meetings between their citizens at all appropriate levels" (Article 12(4))

> "The Parties shall support and encourage contacts between their civil societies, as well as their institutions and local authorities, including youth and student cooperation activities and exchanges, with a view to developing better understanding and cooperation between their peoples" (Article 12(5)).

The Action Plan focuses in greater detail on the ways in which the two countries can promote stronger ties at the level of civil society. In the section on "cooperation priority", which deals with "education, science, culture, research, technology, health and culture", the following specific action is proposed (par. d, "Youth"):

> "The Parties shall support all forms of youth cooperation in order to tighten the bonds and foster relations between young people in both countries; To this effect, both Parties will invest efforts to establish a "Greece- North Macedonia Youth Office" as a body/platform that will work on improving ties between young people in both countries, strengthen their mutual understanding and promote, encourage and facilitate meetings and exchanges between young people".

⟩ INFORMATION ON DATA/ SPECIFIC PROJECTS

Focusing on civil society cooperation from 2010 on, we have explored the contribution of youth-targeted initiatives such as the EU Commission-launched "Youth in Action" and "Erasmus" projects. Prior to 2000, and during the first years of the new millennium, civil society initiatives between the two countries were mainly humanitarian in nature and sought to address needs born of the Yugoslav wars. These initiatives, which were organized by NGOs, but also by individuals who often travelled independently to the neighbouring country to provide food and first aid, laid the foundations for mutual trust and possible future cooperation (Syrri 2005:335). However, history has shown that nationalism and politics have always impeded meaningful cooperation.

Humanitarian help provided in a period of crisis is a human act of solidarity which appeals to a deeper human need to be 'a good person' or 'a good citizen'; for more religious individuals, altruism can also be an expression of their inner calling to be 'a good Christian'. It is precarious, however, to speak of 'mutual trust' in extreme situations such as war and poverty, where one side enjoys the superiority of being in the position of offering help to the Other. Interviews conducted as part of this research with Greeks, especially those of an age that allows them to recall the war in Yugoslavia, indicate that at a deeper level Greeks still associate North Macedonia (and other countries that arose out of the collapse of Yugoslavia) with trauma, poverty and conflict. Subconsciously or not, this image evokes in older generations at least a feeling of superiority over the neighbouring country, but also over the Balkans as a whole, which is seen as a region of constant conflict and division.

Greeks do not always see that there is anything to gain—any 'prestige', to quote one of the respondents—from collaborating on joint projects with either North Macedonia or any other country in the Western Balkans, with the exception perhaps of Serbia, which has traditionally been depicted as a 'brotherly state'. Greeks rarely travel to the Western Balkans for tourism, while citizens of North Macedonia travel quite often to Greece; moreover, Greeks will not choose to study in an institution in the Western Balkans, whereas many students from North Macedonia study at educational institutions in Greece, especially in Thessaloniki, due to its proximity. Many Greeks have a vague, uninformed or outdated image of who their neighbours are, and the scarcity of transport connections between the two countries does not encourage movement or tourism.

People from North Macedonia do not appear very willing to engage in more meaningful cooperation, either. Among civil-society organizations, efforts to engage with Greek counterparts have been weak compared with similar efforts in relation to organizations from other neighbouring states. An overview of the broad civil society sector confirms this impression: North Macedonia's NGO register maintains a list of active NGOs divided into functional/thematic categories. While this is not an exhaustive list of all active NGOs in the country, the organizations in the register are a good sample of active NGOs, with a

significant national and regional footprint. To get a better idea of the overall links these NGOs have with Greek and other regional or international organizations, we analyzed their reported partners and networks.

The findings vary across area/theme, but the overall conclusion is that very few NGOs from North Macedonia have partners in Greece. This finding is even more salient when set against the general trend for NGOs in the country to collaborate well with regional organizations, especially those in the neighbouring states of Albania, Kosovo, Bulgaria and Serbia. Greece is notable by its absence (see Table).

THEMATIC AREA	NUMBER OF NGOS	COMMENT
Environment	30 (none reports a Greek partner)	Many have partners in other neighbouring states. Some are members of regional environmental networks, where they could be working closer with Greek NGOs.
Economic development	14 (none reports a Greek partner)	Most of these NGOs work in networks or alliances across the region. Not all SEE networks include Greece, but many do, as economic development is less of a 'transitional' or 'post-conflict' field.
Rural development	9 (none reports a Greek partner)	Even NGOs in border regions/towns tend not to have a Greek partner.
Youth and students	23 (none reports a Greek partner)	Most NGOs in this area seem to cooperate with domestic partners, few are members of regional or international networks.

These findings suggest that civil society cooperation, as well as overall links and interactions, between the two countries were weak when the Prespa Agreement was signed in 2018. Therefore, in evaluating the progress since then, we start from a low baseline.

In our 2019 Analytica-ELIAMEP study,[cxliii] we investigated civil society cooperation between North Macedonia and Greece with a view to understanding the key challenges, opportunities and lessons learned for organizations in both countries. The findings suggest that, while there have been some positive changes since the Prespa Agreement, much remains to be done.

In particular,

- Most stakeholders from both countries evaluated their cooperation very positively and expressed the need to increase and enhance this cooperation.
- The EU-multilateral framework has been the main channel and platform sustaining cooperation.
- The Prespa Agreement has given a new impetus to bilateral civil society cooperation, although topics connected with the country's name, identity, history and religion still cause dispute and are seen as 'taboo' at international youth meetings.
- With the change of rhetoric among government officials in both countries, the scope for direct cooperation at the civil society level has increased, although stereotypes and xenophobia still exist.
- Negative media representations can prove counterproductive for any attempts initiated by civil society to establish good neighbourly relations and meaningful cooperation.
- Many stakeholders stressed the need to create sustainable and accessible networks in order to increase contact at the level of the civil society.
- The majority of respondents consider the impact of the Prespa Agreement to have been positive. However, a few claim that the Prespa negotiations revived radicalization, which brought negative attention to the agreement and which was further manipulated by the opposition and the media.[cxliv]

Challenges to bilateral cooperation have increased in 2020 as restrictions on movement and operations introduced in the light of COVID-19 mean that many projects and initiatives have been terminated or have stalled. It is likely that the overall momentum in the direction of more cross-border interactions and greater cooperation is likely to have decelerated, too. Nonetheless, it is worth investigating in more detail those sectors where nascent cooperation initiatives have signalled positive changes in recent years. In order to capture the positive changes, we therefore tried to identify those few key areas and projects where cross-border cooperation had increased prior to the pandemic and investigated their experience. We decided to focus on youth organizations in North Macedonia and Greece, as this is an area with great potential for future cooperation and one in which increasing levels of cross-border interactions provide grounds for optimism.

⟩ COOPERATION IN THE FIELD OF YOUTH AND SETTING UP THE BYCO

Youth cooperation and youth grassroots organizations were among the first Civil Society Organizations in both countries which sought to cooperate across the North Macedonia-Greece border. Such organizations are also among the most open. The bulk of youth activities—youth exchanges and training courses—have taken place within the framework of the Erasmus Plus programme, which is an evolution of the Youth in Action programme.

The Youth in Action (YiA) programme, which ran from 2007 to 2013, aspired to promote European Union values such as active citizenship, solidarity and tolerance by encouraging youth participation and intercultural dialogue. It was during this period that NGOs from both Greece and North Macedonia (such as the 'United Societies of Balkans-USB' in Thessaloniki or the 'Centre for Intercultural Dialogue-CID' in Kumanovo, to name two of the 'trend setters') started engaging in youth activities within the framework of the new programme.

The YiA was novel and revolutionary both as an idea and as a format. Its values of resilience, democracy and respect for diversity, complemented by a youth-friendly approach to training based on the principles of non-formal education and experiential learning, were highly appealing to young people from both countries, who were given the opportunity to travel to another country, all expenses paid, to explore another culture and express themselves in a safe environment among people who share the same values and ideas. The YiA programme evolved into the much wider-ranging Erasmus Plus, a multi-dimensional program which provided even more opportunities for training, networking and intercultural dialogue.

Three factors in the main contributed to the gradual abandonment of stereotypes by these young people who benefited from European Commission-funded projects: Firstly, the priceless opportunity to visit the 'other' culture and get a real taste of what the neighbouring country and its people are like. Secondly, the opportunity to work together as a team beyond ethnicity, gender and religion, focusing on topics of immediate interest such as personal growth and development, education and vocational training, employability, social changes or environmental protection. Thirdly, participants had the rare opportunity to find themselves in a safe and encouraging environment, among people who shared common values of friendship, solidarity and democracy. It is much easier to approach and communicate with the supposed 'enemy' in an environment which favours intercultural dialogue and understanding, where every voice is heard and respected, and where participants have gathered to support each other's growth. As many respondents have said, Erasmus was like a different universe—a universe in which there was no place for division stemming from ethnicity, history or religion. When conflict emerged, it was resolved or transformed in peaceful ways. On returning from an Erasmus experience to

one's everyday life, the contrast between that idealized environment and the real world was often so harsh that participants preferred to continue socializing and working with people who shared their values; this tendency continues to this today.

It should be mentioned that in most cases, young people from Greece and North Macedonia would participate together in activities which were not bilateral per se, but involved many countries with Greece or North Macedonia either partners or host countries. Bilateral youth activities aimed specifically at bringing people from the two nations together were organized from 2010 on. Following careful steps, the first projects started by exploring common cultural traits and shared cultural heritage. Among the most memorable initiatives was 'Contacts for a Common Future',[cxlv] which was launched by the Youth Alliance Krushevo and the UNESCO Youth Club of Thessaloniki.

It is in the context of interaction like this that one should view the initiative taken to set up the youth cooperation office for Greece and North Macedonia. The idea was based on the classic example/good practice of the French-German Youth Office, but also on the successfully founded and run Regional Youth Cooperation Office (RYCO) established in the context of the Berlin Process. The Bilateral Youth Cooperation Office (BYCO) was included in the Action Plan for the implementation of the Prespa Agreement, which was signed by the two countries in April 2019. In the Action Plan, the two countries agreed to set up a youth office to improve ties between young people in the two countries, to strengthen mutual understanding, and to promote exchanges between young people.

The government of North Macedonia, showing great interest in speeding up the process of setting up BYCO, signed a Memorandum of Cooperation with the 'Youth Alliance Krushevo' youth organization on 21 June 2019. The new Minister for Foreign Affairs of North Macedonia, Bujar Osmani, also announced in September 2020 that establishing the youth cooperation office between the two countries was one of the policy priorities of the government formed after the July 2020 elections.[cxlvi] Moreover, the United States and Germany expressed an interest and began to financially support the initiative. Greece, on the other hand, has dragged its feet and has yet to show any interest in promoting the idea of establishing and running such an youth office. The BYCO was officially set up in early 2020, although whether the initiative enjoys the full support of the Greek government remains uncertain. At present, BYCO has two info-points, one in Thessaloniki and one in Valandovo. In North Macedonia, the BYCO seems to have formed local initiatives quickly in various towns. However, its activities have had to pause due to COVID-19-related restrictions, but also in view of the need to gather more traction and political support, especially in Greece.

⟩ ASSESSMENT

Our research suggests that, despite good intentions on both sides, cooperation at a civil society level between Greece and North Macedonia is still at a basic level. Although sporadic attempts have been made, they have tended to lack continuity and visibility. Stereotypes and misconceptions fed by ignorance still exist between the two nations, and continue to hinder meaningful cooperation. The role of civil society is vital in promoting understanding and good neighbourly relations by initiating bilateral dialogue and facilitating visits to each other's reality, debunking myths through personal experience. Citizen diplomacy could also play an important role in consigning to the past stereotypes and taboos connected with history and identity; positive personal experience can help change the story and start a meaningful dialogue when it is brought back home and shared with peers and family. To achieve this ambitious role, however, civil society needs to be stronger and more independent. Unfortunately, CSOs in the region still face a number of challenges which may threaten their survival. Strengthening the role of youth and civil society through concrete actions and policies is the way to move forward and invest in the future of the region.

12. CONCLUSIONS: MAKING SENSE OF IT ALL

Before we offer a number of policy recommendations, we will outline some key conclusions regarding each of the policy areas investigated.

⟩ GOVERNMENT-TO-GOVERNMENT CONNECTIVITY

Our research has shown that government cooperation, and more generally the connecting points between the two countries at this level, has grown substantially since the signing of the Prespa Agreement and several subsequent bilateral accords. Certainly, the rapprochement between the two countries since the adoption of the CBMs (Confidence Building Measures) in 2015 has been an important step in this direction. It is, however, fair to say that in terms of connectivity the period between the signing of the Prespa Agreement (2018) and the change of government in Greece (2019) deepened and multiplied forms of cooperation at the government level in pre-existing and new fields. It laid solid foundations for the expansion of cooperation given, of course, that the political will is there. Our research indicates that cooperation at the government level continues to progress for now at a more measured pace, partly due to greater ambivalence within the Greek government. Another factor that has impacted negatively on the post-Prespa dynamic are North Macedonia's unsuccessful attempts to begin its EU accession negotiations. In our view, the spirit of the Prespa Agreement necessitates far closer cooperation between the two countries, as well as more energetic assistance for its neighbour on the part of Greece.

⟩ BUSINESS CONNECTIVITY

It is certain that connections and relations in this sector had grown substantially in past periods, often independently—and in spite—of the tense relations. The two countries have come to be close trade partners. Within the framework of our connectivity perspective, it is logical to expect that the improvement in bilateral cooperation in the post-Prespa environment will help these ties grow even stronger. However, this will also depend on bilateral agreements and targeted actions lifting barriers and facilitating connections. Another factor that would certainly improve business connectivity is progress towards North Macedonia's EU integration.

⟩ ENERGY CONNECTIVITY

Our research showed that interest in further developing energy connections and cooperation between the two countries has renewed since the Prespa Agreement. Both the Prespa Agreement and the Action Plan laid solid foundations for this. Pre-existing

connectivity can be assessed as limited in the case of electricity and substantial in the case of oil. Following the Prespa Agreement, concrete plans were advanced to upgrade electricity connectivity and also to remove obstacles to oil imports into North Macedonia. More importantly, there are concrete plans to connect North Macedonia to the gas pipeline (TAP) through Northern Greece. Similarly, connections will grow even stronger, given North Macedonia's plans to participate in the construction of the gas terminal in Alexandroupoli (Greece).

⟩ TRANSPORT CONNECTIVITY

Connectivity infrastructure—and connections in general—in transport (air, railroad and road) have long been below the standard one would expect from two neighbouring countries seeking better connections to European and international trade and tourist routes. It is indicative that air connections were suspended in 2006–2008 over the name dispute, and railroad connections were suspended in the 2010s due to the financial difficulties experienced by the Hellenic Railways Organization. Another example is the poorly maintained road connections to the border crossing points (particularly on the Greek side). In this sector, the Prespa Agreement and subsequent Memoranda seek to increase and upgrade connections and cooperation. Air connection has now been restored, and the railroad connections will soon follow suit. Both countries have also committed themselves to improving the road and railroad connections to all their border crossings. Given that this process will be fast-tracked and prioritized, the prospects for transport connectivity between the two countries appears more than promising.

⟩ INTERNET AND TELECOMMUNICATIONS

Connectivity between the two countries in this sector was minimal until the signing of the Prespa Agreement. The fact that North Macedonia is not part of the EU had also created discrepancies between the networks of the two countries (i.e. roaming, expensive communication). The Prespa Agreement has been crucial in reversing this. The two countries have already signed their first bilateral agreement regulating important aspects of their telecommunications networks (i.e. reducing roaming charges). More still needs to be done in this direction, and in relation to digital policies, which will also impact positively on other fields, such as education and research.

⟩ PORT CONNECTIVITY (THESSALONIKI)

Connectivity through the port of Thessaloniki has been and continues to be very strong. Both the privatization of the Thessaloniki Port Authority (2018) and the Prespa Agreement have played a significant role in this, with the Port Authority pursuing the extroverted policy of intensifying cooperation with North Macedonia. The Prespa Agreement

and subsequent Memoranda provide targeted actions that will improve and upgrade connectivity (i.e. by improving railroad access to the port and improving road and railroad connections to the border crossings). It seems safe to predict that connectivity through the port will continue to grow stronger, which corresponds perfectly with the needs of the two countries (importing and exporting for North Macedonia, the port serving as a regional and international trade hub for Greece) and will work for their mutual interest.

⟩ CROSS BORDER/ TRANSBOUNDARY CONNECTIVITY

In terms of cross-border infrastructure (border crossing points), connectivity prior to the Prespa Agreement can be described as being somewhat stagnant and focusing on the basics only. Certainly, there was cooperation in upgrading the related infrastructure within the EU multilateral framework (cross-border cooperation projects), but there has been a significant lack of bilateral cooperation in the form of targeted synergies, long-term strategies and goals. However, these were provided by the Prespa Agreement through its provisions for increasing the number of border crossings from 4 (1 rail, 3 road) to 7 (2 rail, 5 road). The construction of the new border crossings will increase and upgrade connectivity; still more importantly, it will involve frequent cooperation between the two sides on timeframes, technical characteristics and other aspects of the infrastructure.

In the case of transboundary water management, our research asserted that the connections that existed on the EU multilateral level have yet to be transposed onto the bilateral level. There is considerable potential, however, in terms both of environmental protection and the promotion of tourism and cultural heritage.

⟩ PEOPLE-TO-PEOPLE CONNECTIVITY

As with civil society, people-to-people connections in the form of academic/student exchanges and culture are underdeveloped. The exception in this case is tourism, a field in which ties between the countries have grown strong. However, one might have expected even stronger tourist flows between the two countries without the negative impact of the name dispute. The basic difference between tourism and other fields (i.e. energy, transport and border-crossings) is that connections here do not rely on specific infrastructure, but rather on more subtle frameworks that need time to consolidate on the basis of trust. Such frameworks have been provided by the Prespa Agreement, particularly in the sphere of academic and student exchanges. Thus, the realization of specific provisions (joint curricula, staff and student exchanges) will require the two governments and the relevant stakeholders to commit to them. It is encouraging that steps in this direction have been taken in the post-Prespa period.

CIVIL SOCIETY CONNECTIVITY

In the field of CSOs (Civil Society Organizations), our findings suggest that connectivity between the two countries has certainly not reached its full potential. This is, of course, a long-standing trend which should be considered in parallel with the negative impact of the name dispute in the persistence of stereotypes and prejudices. This is not to say that progress has not been made. Numerous CSOs have cooperated in previous periods, mainly at the multilateral EU level. However, the field faces important challenges, the most important of which is the viability of such associations. Despite these difficulties, effective connectivity between the two countries necessitates stronger ties; these can emerge from the bottom up, provided that they are facilitated by more institutional channels, such as the intensification of academic/student exchanges advocated by the Prespa Agreement.

13. POLICY RECOMMENDATIONS

⟩ GOVERNMENT-TO-GOVERNMENT CONNECTIVITY

- The governments of Greece and North Macedonia should reinvigorate government-to-government connectivity using the tools made available in the Prespa Agreement and the Action Plan. The second session of the High-Level Cooperation Council is long overdue and should be organised as soon as possible. Coordination and planning session between the two governments should take place regularly and without delays. The two governments should aim to reach bilateral agreements that will regulate policy areas that have not, as yet, been addressed by signed agreements.
- The government of Greece should expedite the process of ratifying the three bilateral agreements that are currently on hold in the Hellenic Parliament. The three agreements are crucial for the multi-level connectivity between the two sides, and their implementation should begin immediately.
- The Greek government should develop a multi-level and multi-year plan in support of North Macedonia's European perspective and accession process. It should aim to develop novel and creative ideas for cooperation with Skopje and supporting its reform process, to coordinate with other pro-enlargement EU member states to ensure the continued European perspective of the Western Balkans, and to provide support to the civic sector lobbying to keep EU enlargement alive.

⟩ BUSINESS CONNECTIVITY

- The governments of Greece and North Macedonia should prioritize the development of business infrastructure to enable cross-border interactions (small and medium sized businesses, banking and cash facilities, simplification of bureaucracy etc.). The local administrations in the border regions and other state authorities should follow their governments' lead and implement these measures locally without delay.
- Businesses should strengthen relationships with peers across the border through business/industry associations and regional chambers of commerce, and explore business opportunities together.
- The Greek government should signal to the business associations of Northern Greece that it is fully committed politically to supporting the development of new business connections with North Macedonia. It should also work more closely with associations and individual businesses in Northern Greece with a view to understanding what legislative and political interventions are needed to unleash the potential for cross-border business connectivity.

⟩ ENERGY CONNECTIVITY

- The governments of Greece and North Macedonia should continue their efforts aimed at enhancing energy connectivity according to the Prespa Agreement and the Action Plan.
- The two governments should promote the idea of connecting North Macedonia's gas system to the TAP pipeline.
- The two governments should coordinate their efforts in relation to the reopening of the Vardax oil pipeline. The same applies to North Macedonia's plans to participate in the liquefied gas terminal in Alexandroupoli.
- The electricity operators in the two countries will need to establish cross-border high voltage electricity transmission lines in order to ensure the stability of the electricity supply in both countries.

⟩ TRANSPORT CONNECTIVITY

- The governments of Greece and North Macedonia should pay special attention to improving their rail and road connectivity. This entails: i) improving the highways leading to the existing border crossings, ii) constructing and/or upgrading the road connections to the newly-established and soon-to-be-constructed border crossings (Promachoi-Majden, Laimos-Markova-Noga), iii) returning passenger transportation to the Thessaloniki-Idomeni-Gevgelija-Skopje rail connection once again, and speeding up the revival of the railway connection between Florina and Bitola, and iv) upgrading and improving the railway connection to the Port of Thessaloniki
- The two governments should resume the implementation of all the projects that were put on hold due to the pandemic, and focus on improving road and rail transport for facilitating tourism.

⟩ INTERNET AND TELECOMMUNICATIONS CONNECTIVITY

- The governments of Greece and North Macedonia should implement the agreement on reducing roaming charges for mobile phone usage across the border. Reducing or removing such charges would have a substantial impact on increasing mobile phone and data connectivity.
- The two governments should draw up plans to enhance the cross-border infrastructure with a view to boosting Internet and phone connectivity.
- The governments of Greece and North Macedonia should hold consultations aimed at developing collaboration in the field of cybersecurity, especially in a NATO context.

⟩ PORT OF THESSALONIKI CONNECTIONS

- The governments of Greece and North Macedonia should increase connectivity through the Port of Thessaloniki. This entails: i) upgrading and improving the Port of Thessaloniki's road—and especially rail—connections, and ii) harmonizing procedures and operations (i.e. customs, border control, freight transport, and vehicles),
- Thessaloniki Port Authority S.A. should develop services that respond, and can be adjusted, to the needs of major companies from North Macedonia. The Greek government could liaise and play a facilitative role between North Macedonia's governmental and business actors, on the one hand, and the port authority of Thessaloniki on the other.
- Thessaloniki Port Authority S.A. should continue developing and implementing its "dry port" scheme, which includes the creation of facilities in North Macedonia that will speed up and improve transportation (imports and exports) between the two countries.
- Thessaloniki Port Authority S.A. should also set up an office in North Macedonia to act as a node and contact point. The government of North Macedonia should be pro-active in supporting this initiative and enhance contact and cooperation with its business community.

⟩ CROSS-BORDER/TRANSBOUNDARY CONNECTIVITY

- The governments of Greece and North Macedonia should intensify their efforts to construct and bring into service the three new border crossings.
- The two governments should seek every opportunity to fund and implement joint projects aimed at harmonizing procedures for travel and commerce.
- The government of North Macedonia should keep up its efforts to adjust to the EU's Integrated Border Management (IBM) scheme. The government of Greece should assist North Macedonia with political support and technical expertise where needed.
- The two governments should ensure the implementation of the 2010 agreement on the protection of Prespa Lake, including activating the meetings of the relevant boards as agreed in the Agreement.
- The governments of Greece and North Macedonia should initiate the process aimed at developing a model for Dojran/Doirani Lake.

⟩ PEOPLE TO PEOPLE CONNECTIVITY

- In the light of the restrictions and delays imposed by the Covid-19 pandemic, the two governments and other relevant stakeholders should examine ways to promote exchanges in higher education through digital platforms.
- The ministries of education of Greece and North Macedonia should initiate programmes for establishing networks for exchanges, curricula improvement, and research in higher education.
- Thessaloniki remains an attractive destination for students from North Macedonia and other Western Balkan countries. The Greek government should initiate a fund to provide scholarships allowing promising students from North Macedonia and the region to study in Thessaloniki and Northern Greece. The Greek government may seek to mobilize EU funds for that purpose, and to convince prominent Greek private donors to provide funding for this initiative.
- The Greek government should revamp and multiply the Greek language courses offered to young people in North Macedonia and other neighbouring countries, so students can develop the language skills needed to study on university degrees delivered in Greek.

⟩ CIVIL SOCIETY CONNECTIVITY

- The governments of Greece and North Macedonia should support civil society organizations—and, more generally, initiatives that relate to youth—with a view to upgrading contacts and cooperation (at the bilateral and EU levels) in accordance with the spirit and provisions of the Prespa Agreement.
- Civil society organizations and other stakeholders in Greece should compile a registry of organizations which have experience in cross-border cooperation with Balkan countries, with an emphasis on North Macedonia.
- Civil society organizations in Greece should initiate efforts to build tools tailored specifically to the development of cross-border cooperation with civil society in North Macedonia. Training organizations and coordinating platforms in Greece should develop guidelines and training curricula intended for new initiatives in cross-border cooperation with North Macedonia and the Western Balkans in general.
- The government of Greece should earmark funds for the promotion of civic connections with North Macedonia. Such funds may be sought through the support of the EU and/or the financial backing of Greek private foundations and prominent donors.
- The government of North Macedonia should develop a strategy for directing the focus of civil society activism to building bridges with its neighbouring EU member

states, Greece and Bulgaria.

- The Greek government should provide political support to grassroots efforts to intensify cooperation through the BYCO. A review study should be commissioned to identify the lessons learned from the work implemented to date and to provide new ideas for enhancing the work of the BYCO.
- The two governments and the EU should assist in the transfer of knowledge and experience, drawing on the youth initiatives that proved successful between Germany and France, on the one hand, and Germany and Poland, on the other. Athens and Skopje should sign Memoranda of Understanding delegating to prominent civic and research organizations the responsibility for coordinating the knowledge transfer and for designing a research framework for comparing youth civic activism between the Balkan region and Central and Western Europe.

ENDNOTES

i See, for instance: Thomas Diez, Ingvild Bode & Aleksandra Fernandes Da Costa, Key concepts in international relations, Sage, 2011.

ii https://connectivity.asean.org/

iii The "Ten-T" policy was introduced by the EU in 2013 and "addresses the implementation and development of a Europe-wide network of railway lines, roads, inland waterways, maritime shipping routes, ports, airports and railroad terminals. The ultimate objective is to close gaps, remove bottlenecks and technical barriers, as well as to strengthen social, economic and territorial cohesion in the EU". For more information see: https://ec.europa.eu/transport/themes/infrastructure/ten-t_en

iv https://ec.europa.eu/transport/themes/international/eu-china-connectivity-platform_en

v See: "Connectivity Agenda: Co–financing of Investment Projects in the Western Balkans", 2018, EU Commission

https://ec.europa.eu/neighbourhood-enlargement/sites/near/files/connectivity-agenda-2018-sofia-summit.pdf

vi It should be noted that Albanian and German think tanks have co-organized an annual "Tirana Connectivity Forum" in Albania since 2015.

vii The following texts are taken verbatim from the Prespa Agreement. The numbering refers to different articles within the agreement.

viii The following texts are taken verbatim from the Action Plan signed by the two countries on 2 April 2019. The numbering refers to different items within the Action Plan.

ix The relevant documents and full details about the ratification process can be found at: https://www.hellenicparliament.gr/Nomothetiko-Ergo/Anazitisi-Nomothetikou-Ergou?law_id=4bd57ef7-0882-43e3-88cd-ac3700b2ff82

x The relevant documents and full details about the ratification process can be found at: https://www.hellenicparliament.gr/Nomothetiko-Ergo/Katatethenta-Nomosxedia?law_id=ea017dc2-06dd-405c-8aea-ac36013ecb11

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gos-stin-kyrosi-ton-trion-symfonion-elladas-voreias-makedonias-d2633031-2bbd.

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xv https://www.mfa.gr/epikairotita/enimerosi-syntakton/enemerose-meso-tele-diaskepses-ton-diplomatikon-suntakton-apo-ton-ekprosopo-tou-upourgeiou-exoterikon-alexandro-papaioannou-athena-20112020.html

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xvii https://www.amna.gr/en/article/395046/PM-Mitsotakis-meets-with-Zaev-Greece-is-obliged-to-honor-Prespes-Agreement-now-its-international-law

xviii https://greekcitytimes.com/2019/11/15/mitsotakis-meets-with-bulgarian-and-north-macedonian-leaders/

xix https://www.mfa.gr/en/current-affairs/statements-speeches/minister-of-foreign-affairs-nikos-dendias-to-visit-north-macedonia-skopje-26-november-2019.html

xx https://www.kathimerini.gr/politics/1066114/xekina-ti-deytera-sti-thessaloniki-i-diaskepsi-gia-tin-eyropaiki-prooptiki-ton-d-valkanion/

xxi https://www.real.gr/kosmos/arthro/ntimitrof_ypenthymizoume_stin_ee_tin_yposxesi_gia_tin_europaiki_prooptiki_ton_dytikon_balkanion-613474/

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xxv https://vlada.mk/node/19085?ln=en-gb.

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xxvii https://twitter.com/NikosDendias/status/1288519885623037953?s=19. https://twitter.com/Dimitrov_Nikola/status/1288524264413507585?s=19.

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xlvii https://www.huffingtonpost.gr/entry/poies-oi-ellenikes-etaireies-ste-voreia-makedonia_gr_5dcfb167e4b0294748179436

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lxxxvii Ibid.

lxxxviii Ibid.

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cxviii "Agreement between the Hellenic Republic and the Republic of North Macedonia on the establishment of a new Border-Crossing Point between the two countries, connecting Promachoi in the Hellenic Republic and Majden in the Republic of North Macedonia", Skopje, 2 April 2019.

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ANNEXES

A) LIST OF INTERVIEWS PER FIELD OF RESEARCH

1. Business

- Turker Miftar, Businessperson, Gevgelija/Bitola, 9 November 2020

- Zoran Stojkov, Businessperson, Gevgelija, 9 November 2020;

2. Energy

- Greek energy industry official, written answers to our questionnaire, 27 November 2020

- Greek not-for-profit energy organization official, written answers to our questionnaire, 25 November 2020

- Greek Ministry of the environment and energy official, written answers to our questionnaire, 22 November 2020

3. Transport

- Aviation authority official, Skopje, 9 November 2020

- Greek railroad organization official, interview through Skype, 4 December 2020

- Greek infrastructure organization official, written answers to our questionnaire, 4 December 2020

4. Port of Thessaloniki

- Shipping company official, Skopje, 10 November 2020

- Dr. Sotiris Theofanis, Academic, Former Chairman and Managing Director of the Thessaloniki Port Authority S.A., written answers to our questionnaire, 5 December 2020

5. Cross-border and transboundary connections

- Krste Micalevski, Resen Municipality - Department for Local Economic Development and Cross-Border Cooperation, Resen, 9 November 2020

- Evgenija Bektash Josifovska, Bitola Municipality, Bitola, 9 November 2020

- Gordana Cvetkovska-Boshevska, Bitola Municipality, Bitola, 10 November 2020

- Nikola Zdraveski, UNDP - Lake Prespa project, Resen, 10 November 2020

- Petra Pop Ristova, Milieu Kontakt - Lake Dojran/ Doirani project, Skopje, 11

November 2020

- Daniela Zaec, Macedonian Ecological Society - Lake Prespa project, Resen, 20 November 2020

6. People to people

- Nikola Levkov, Ss. Cyril and Methodius University, Skopje, 9 November 2020

- Borce Trenovski, Ss. Cyril and Methodius University, Skopje, 12 November 2020

7. Civil society

- North Macedonia NGO official, oral interview, 11 November 2020

- Greek NGO official, oral interview, 12 November 2020

B) LIST OF BILATERAL AGREEMENTS AND MEMORANDA SIGNED BETWEEN NORTH MACEDONIA AND GREECE SINCE 2018 IN A CHRONOLOGICAL ORDER

1. "Final Agreement for the settlement of the differences as described in the United Nations Security Council Resolutions 817 (1993) and 845 (1993), the termination of the Interim Accord of 1995, and the establishment of a strategic partnership between the parties".
2. "Memorandum of Understanding between the Ministry of Digital Policy, Telecommunications and Media of the Hellenic Republic and the Ministry of Information Society and Administration of the Republic of North Macedonia on Reduction of International Roaming Tariffs for Telecommunication Services", 19 February 2019
3. "Agreement between the Hellenic Republic and the Republic of North Macedonia on the Establishment of one Border-Crossing point in the Prespa Lake Area", Skopje, 8 March 2019.
4. "Action Plan on the intensification and enrichment of cooperation between the Hellenic Republic and the Republic of North Macedonia as provided for in the Prespa Agreement", Skopje, 2 April 2019
5. "Agreement on Defence Cooperation between the Ministry of National Defence of the Hellenic Republic and the Ministry of Defence of the Republic of North Macedonia", Skopje, 2 April 2019
6. "Memorandum of Cooperation between the Ministry of Foreign Affairs of the Hellenic Republic and the Secretariat for European Affairs of the Republic of North Macedonia on the Acceleration of the Integration Process of the Republic of North Macedonia into the European Union", Skopje, 2 April 2019

7. "Memorandum of Understanding on the development of the "Thessaloniki- Skopje-Tabanovce" Road and Railway Connection between the Hellenic Republic and the Republic of North Macedonia ("Road and Rail Project")", Skopje, 2 April 2019
8. "Memorandum of Understanding between the Government of the Hellenic Republic and the Government of the Republic of North Macedonia concerning the establishment of a Steering Committee for Economic Cooperation", Skopje, 2 April 2019
9. "Memorandum of Understanding on Cooperation between the Ministry of Infrastructure and Transport of the Hellenic Republic and the Ministry of Transport and Communication of the Republic of North Macedonia", Skopje, 2 April 2019
10. "Agreement between the Hellenic Republic and the Republic of North Macedonia on the establishment of a new Border-Crossing Point between the two countries, connecting Promachoi, in the Hellenic Republic and Majden, in the Republic of North Macedonia", Skopje, 2 April 2019.
11. Establishment of an Embassy of the Hellenic Republic in Skopje and an Embassy of the Republic of North Macedonia in Athens, as well as of the General Consulates of Greece and North Macedonia in Bitola and Thessaloniki respectively, 31 May 2019
12. "Agreement in principle on the text of the Rules and Operation Procedure of the Joint Experts Committee on the Establishment of one Border-Crossing Point in the Prespa Lake Area"- signed on 31 January 2020 in Skopje.
13. "Technical Agreement, within the framework of the Agreement of Defence Cooperation signed in April 2019, on the Air Policing of north Macedonia's air space by the Greek Air Force"- signed on 30 September 2020 in Thessaloniki.

BROADENING MULTILEVEL CONNECTIVITY BETWEEN GREECE AND NORTH MACEDONIA IN THE POST-PRESPA ENVIRONMENT

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