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Corrected version [v04]

# First Phase Evaluation of the CBC programmes managed by Hungary

Interreg-IPA  
Cross-border Cooperation Programme  
Hungary-Serbia



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# 1 Executive summary

## 1.1 The context

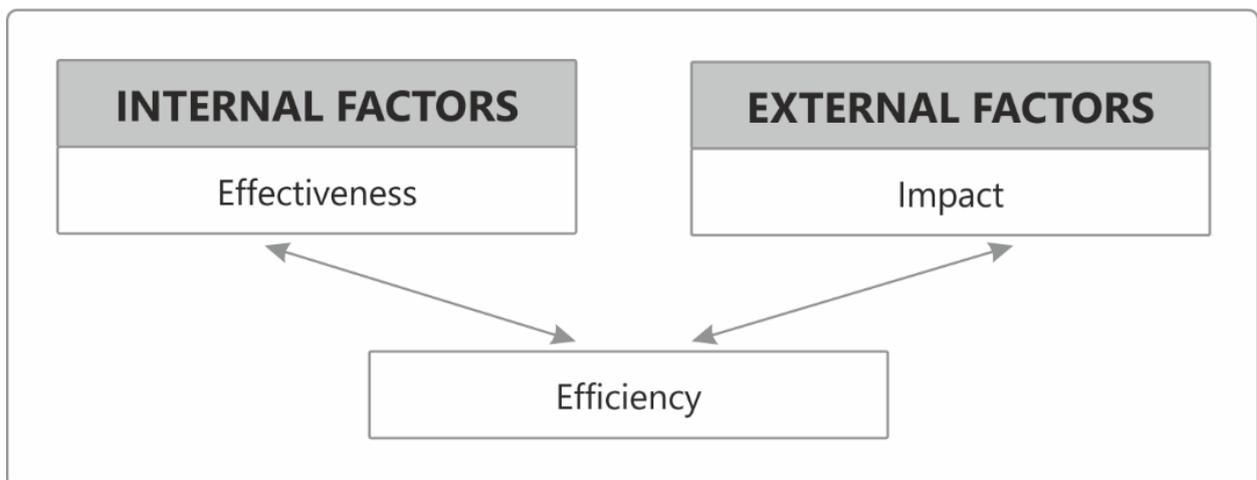
2018 is the year of First Phase (earlier: mid-term) evaluation of the cooperation programmes. In February, the Managing Authority of the Interreg–IPA Cross-border Cooperation Programme Hungary–Serbia (operating that time in the Prime Minister’s Office of Hungary), with the agreement of the Serbian National Authority, invited the Central European Service for Cross-Border Initiatives (CESCI) to carry out the evaluation of the present programme.

In line with the evaluation plan of the programme, the present document focuses on

- programme management and implementation
- project application, selection procedures
- Communication Strategy.

Within the framework of the current evaluation assignment (in compliance with the evaluation plan and the Inception Report), the effectiveness, the efficiency and the impact of the cross-border programme were assessed, according to the above three aspects.

*Figure 1: The internal logic of the assessment factors*



**Effectiveness** refers to the progress that the programme has made in comparison with the planned implementation – represented by the (performance) indicators.

**Impact** is a very complex term referring to the influence that the programme exercises on the internal cohesion of the programming area and the level of cross-border cooperation.

While effectiveness measures the internal success of the programme, the impact rather identifies its external success.

**Efficiency** refers to the successful use of financial and human resources of the programme. Successful here means 'optimal' and 'resource-efficient'.

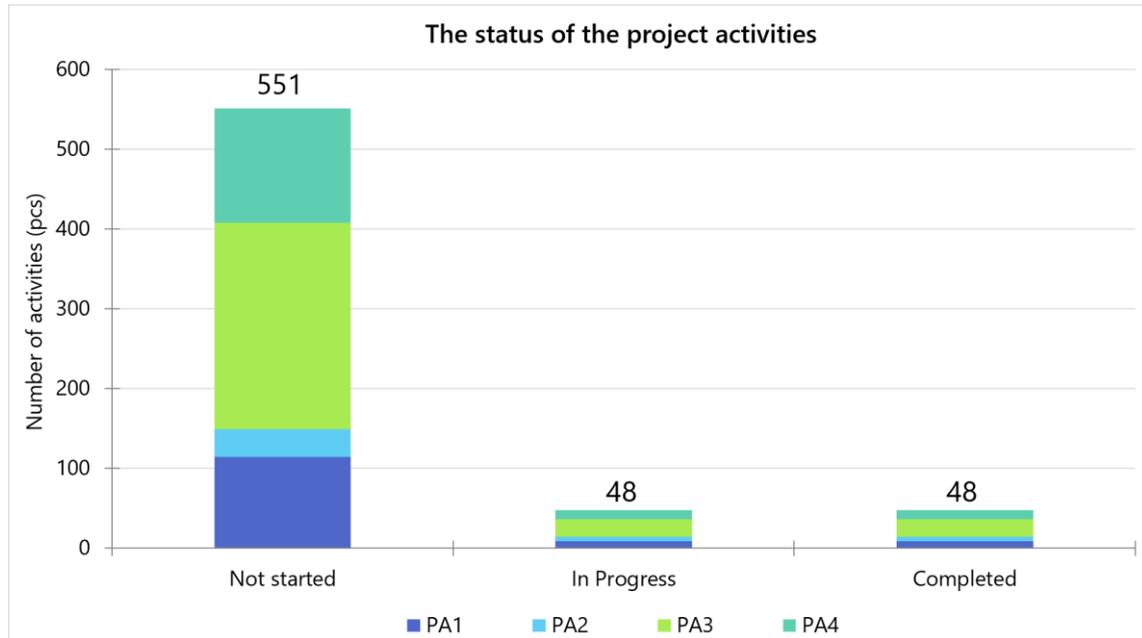
Ultimately, among the above three factors, impact is the most important one since it shows the real results that the programme achieved within the target region. At the same time, as the evaluation was made at an early stage of the programme implementation, the real impacts of the present programme could not be detected yet. However, based on the information gained on the implemented projects, some predictions still could be made and some conclusions on the cross-border impact of the programme could be drawn. This impact can be identified through the analysis of two major factors: the degree to which the programme enhances cross-border *territorial, economic and social cohesion*; and the *quality of cross-border cooperation* facilitated by the programme. These two questions are of utmost significance when evaluating the achievements and the performance of a cross-border programme: the stronger is the impact of the programme on the above two factors, the better-tuned is the CP itself.

The present evaluation has been performed in line with the Inception Report approved by the MA at the end of April 2018 including the following methods: statistical analysis of the regional data and the data of the CP available in the IMIS (the electronic system of the programme), interviews with key stakeholders and an on-line survey among the (selected and not selected for funding) applicants. The cut-off date of the data analysis was 30<sup>th</sup> September while the institutional and administrative developments have been examined until the end of November 2018. It means that the evaluation was carried-out at a very early stage of the programme, when the two first calls were closed<sup>1</sup>, 48 projects were approved with a total EU allocation of EUR 48,2 M. These projects envisaged 647 project activities from among which 48 were reported and approved as completed, by the end of September 2018.

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<sup>1</sup> The 1<sup>st</sup> (strategic) Call was launched in March 2016 while the 2<sup>nd</sup> Call was published in October 2016.

Figure II: Status of the project activities of the approved projects (as for 30<sup>th</sup> September 2018)



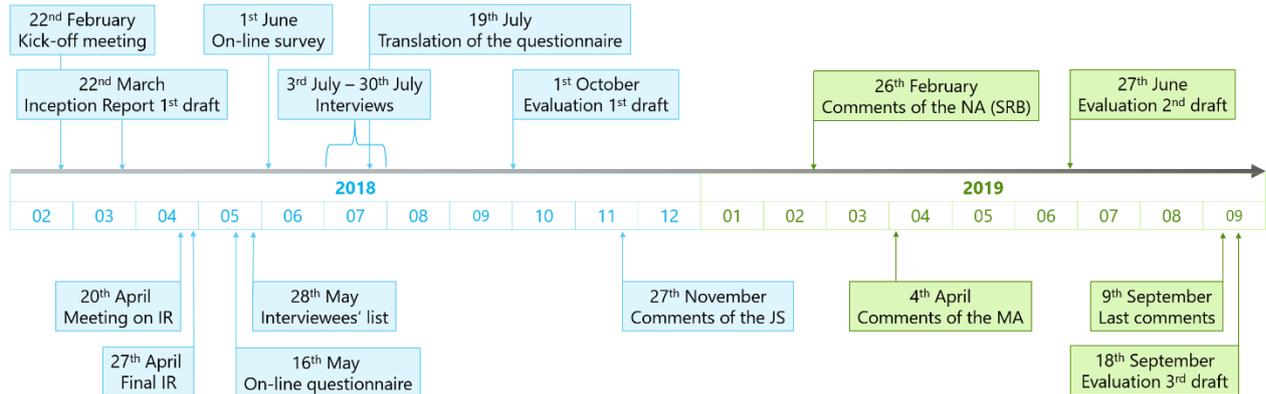
Thanks to the strategic projects selected first, the allocation rate of the CP was high. However the absorption rate was that time at a lower level (4,12%).

Table I: Status of financial delivery of the CP (as for 30<sup>th</sup> September 2018)

Priority Axis	Target Value (2023)	Target Value (2018)	Allocated Sum	Spent And Approved Eu Contribution	Allocation Rate (2018)	Allocation Rate (2023)	Absorption Rate
1	26 470 589	1 917 101	17 849 704	199 364	931,08%	67,43%	10,40%
2	17 058 824	1 235 465	13 492 092	383	1092,07%	79,09%	0,03%
3	12 700 000	1 082 097	7 759 943	6 162	717,12%	61,10%	0,57%
4	10 484 236	759 308	2 714 815	0	357,54%	25,89%	0,00%
<b>Total</b>	<b>66 713 649</b>	<b>4 993 971</b>	<b>41 816 553</b>	<b>205 909</b>	<b>837,34%</b>	<b>62,68%</b>	<b>4,12%</b>

Due to the shortages of information stemming from the early status, the evaluators conducted interviews with 10 representatives of different programme management bodies, carried out an on-line survey (with 53 responses) and studied the programme related documents and publications.

Figure III: Timing of the evaluation



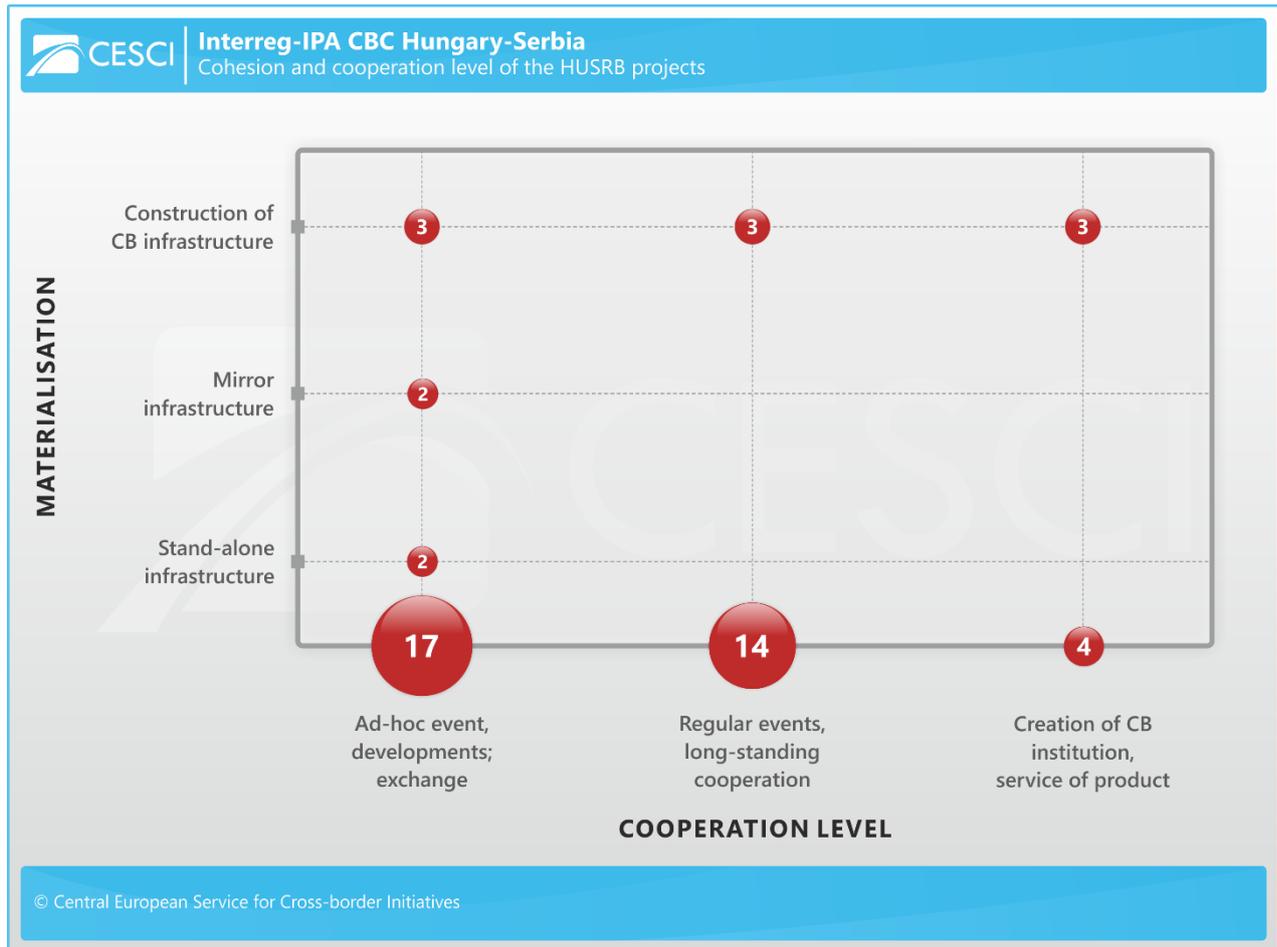
## 1.2 The key findings of the evaluation

### (1) Negative impacts of the external border on the level of cross-border integration

The Interreg–IPA Cross-border Cooperation Programme Hungary–Serbia targets a borderland located along the external border of the European Union and this fact by itself has effects on the programme implementation. In addition, the migration crisis of 2015 resulted in further consequences to the border area that should not be disregarded.

Regarding the *general impacts*, it has to be underlined that external borders always weaken the level of integration of the borderland. Due to the physical, legal, administrative and mental barriers, the level of cross-border (territorial, economic and social) cohesion as well as the quality of cross-border cooperation meet lower standards than along internal EU borders where a vast majority of these obstacles have already been eliminated. The fact that Serbia is outside the EU at the moment, complicates the maintenance of the relationships, the flow of goods and cross-border integration of services with EU member states. Compared to INTERREG CBC programmes, the conditions for territorial integration and high-quality cross-border cooperation are more unfavourable. Thus, it is not surprising that the projects selected so far barely meet the highest criteria set against integrated cross-border developments.

Figure IV: Classification of the selected projects according to the level of integration and materialisation



According to the figure above, more than two thirds of the projects selected within the first 2 calls have weak cross-border character and only 3 of them can be classified as genuine CBC project. (For clarification, please refer to *M 3.2 subchapter: Analysis of cross-border relevance.*)

*Migration crisis* in 2015 aggravated further the situation. On the one hand, as a direct impact, the dynamic increase of cross-border flow of people and goods remarkably slowed down in 2015 (see the two figures below).

Figure V: Changes in the volume of cross-border traffic at the Hungary-Serbia border between 2012 and 2017

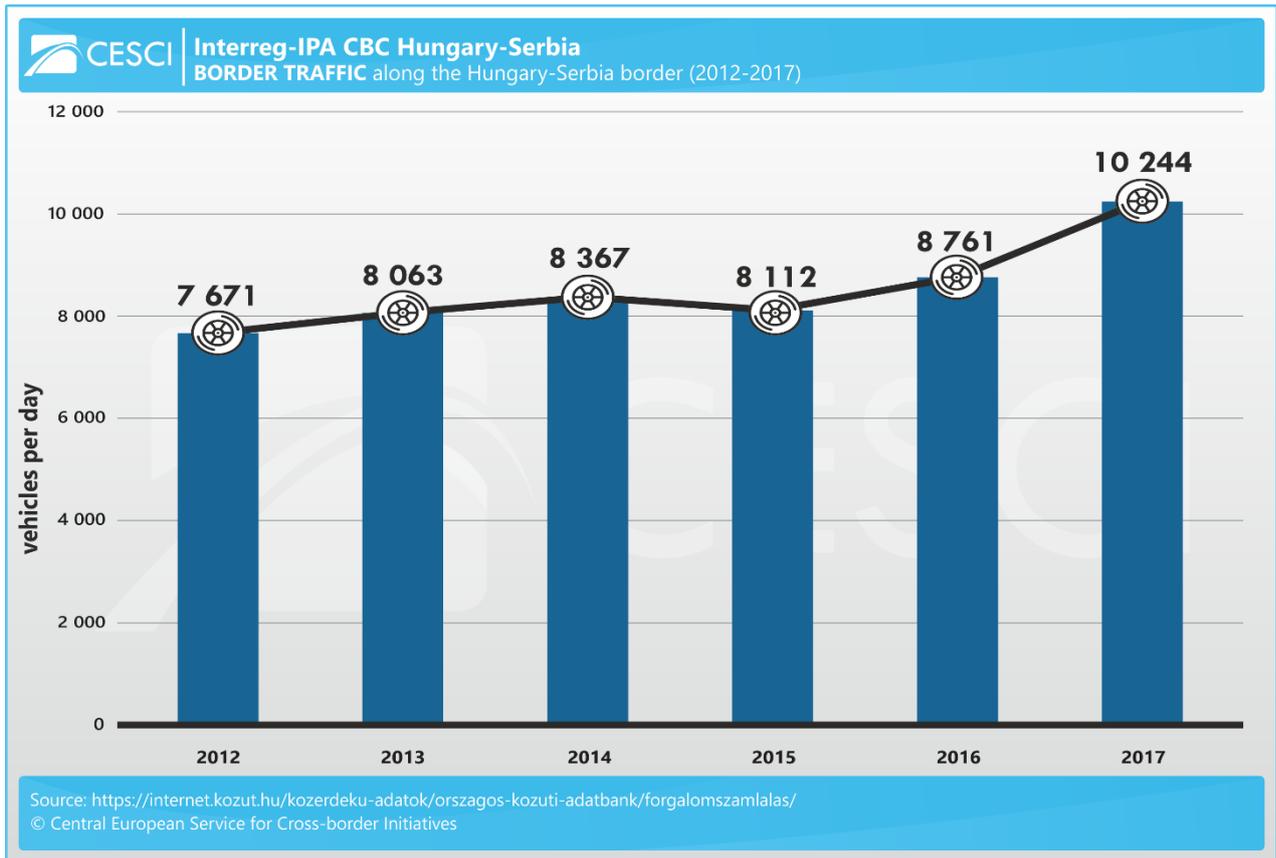
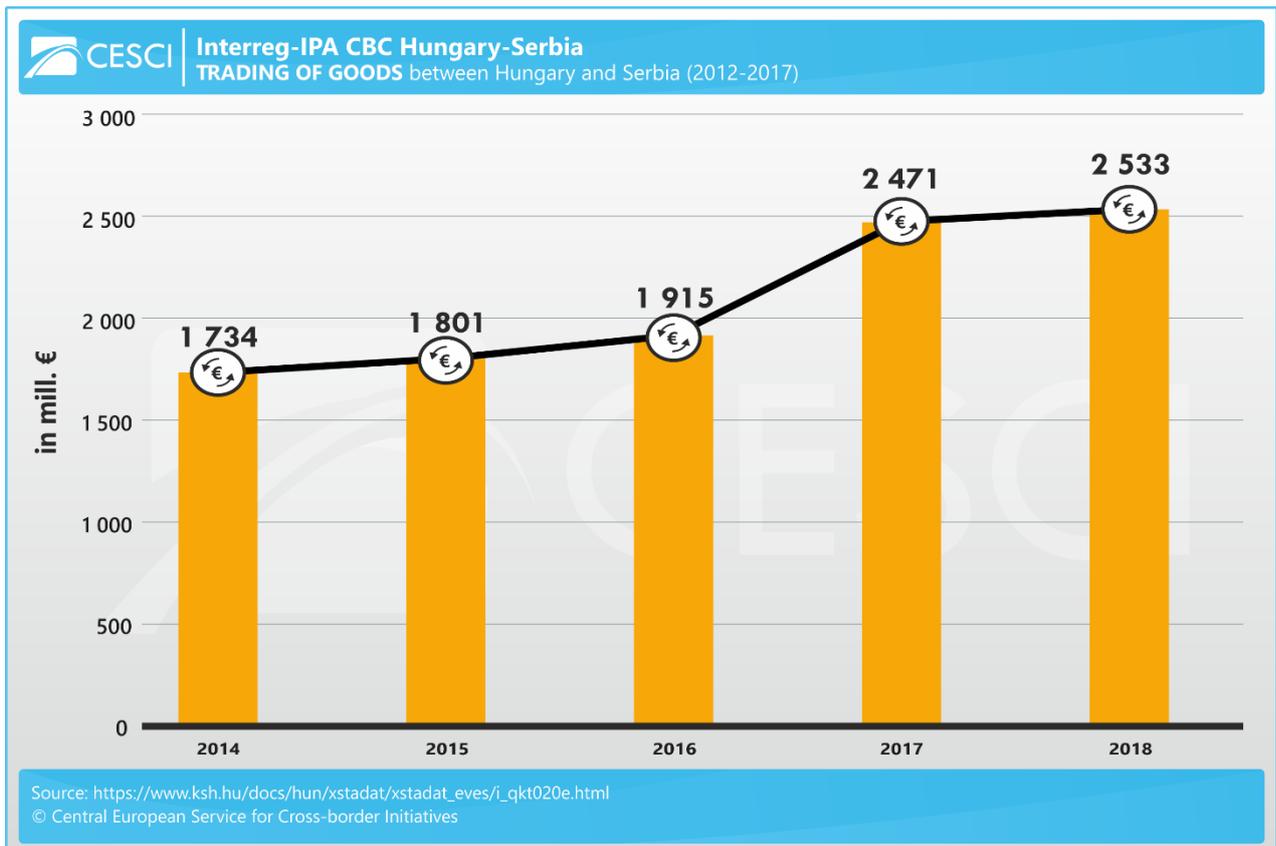


Figure VI: Cross-border flow of goods at the Hungary-Serbia border between 2014 and 2018



On the other hand, the Hungarian government has built up a double barbed-wire fence against illegal migration flow which weakens the cohesion effects of integrated interventions and has long-term impacts on the border people's mental maps (even if the pace of cross-border flows is again increasing).

Due to the above reasons, the integration level of the Hungarian-Serbian border area stayed at a lower level and the CP can contribute to the development of a more integrated borderland but with limitations. Obviously, there is a big difference between the INTERREG and the INTERREG IPA programmes – taking into account the relatively closed status of the border and the shorter history of cooperation in the latter case. However, the final goal of INTERREG IPA programmes does not differentiate from the goals of the INTERREG programmes: both target a higher level of cross-border integration. Accordingly, the evaluators assessed the present CP from this "ideal typical" point of view. At the same time, the modest results do not mean a negative evaluation of the performance of the whole programme, these are just about presenting the current status while heading toward stronger integration.

## **(2) Increasing significance of the CP in terms of cross-border integration**

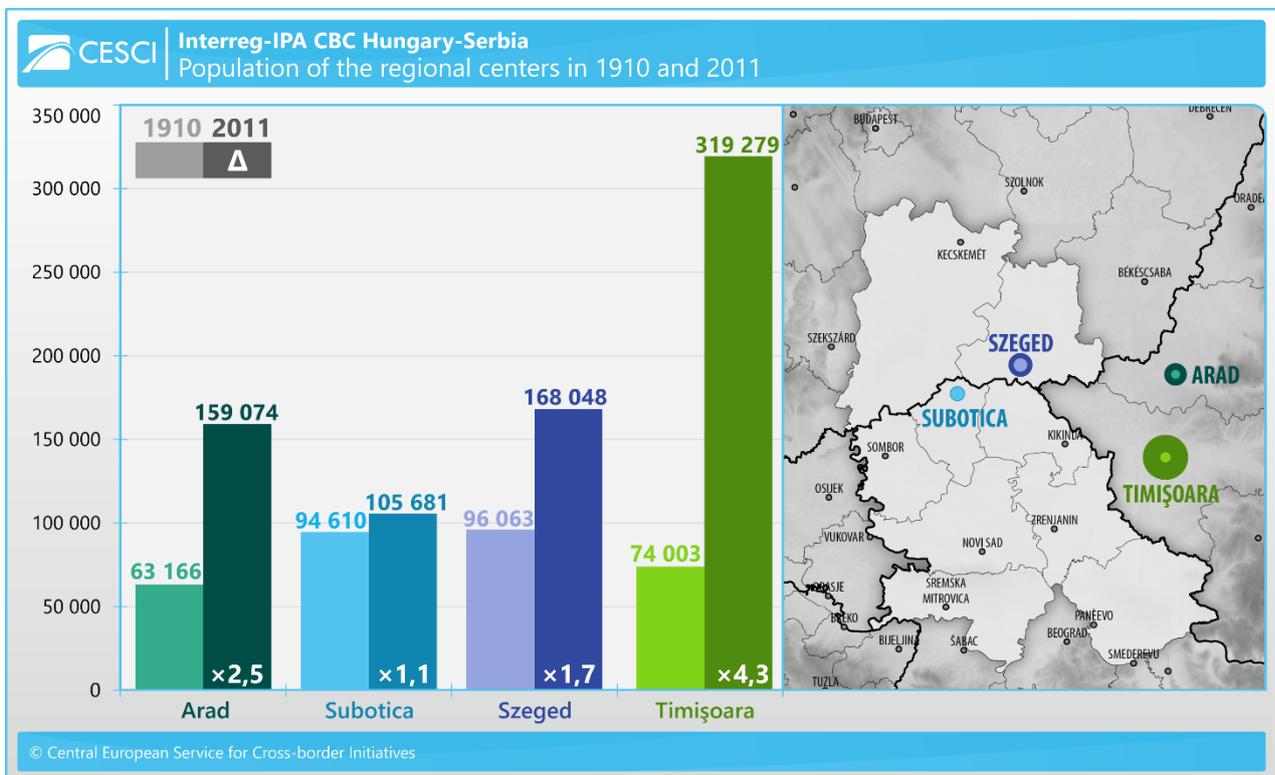
According to several interviewees, the quality and the cross-border character of the projects are remarkably improved (compared to the previous programming periods). On the one hand, there are now experienced applicants and partnerships which submit well-designed proposals with stronger cross-border character. (E.g. within PA3, the previously defined allocation for the 1st CfP had to be enlarged by the MC due to the unexpectedly higher number of quality projects.) On the other hand, thanks to the achievements at EU level (e.g. the criteria of joint projects or the Lead Beneficiary principle), the applicants are both encouraged and „obliged" to develop more integrated project proposals.

Furthermore, stronger integrating effect is provided by the strategic projects which are applied first in the history of the Hungarian-Serbian cross-border programmes. More than 30% of the total programme budget will be allocated for the realisation of 5 strategic projects. Each of them has a wider scope of influence: two envisages to improve the permeability of the border (transport infrastructure), further two address joint water management including larger infrastructural developments and the fifth is dedicated to cross-border cultural cooperation (again: with infrastructural investments). Still, the cross-border character of the strategic projects is not homogeneously strong. However, the methodology behind them (in some cases, indirectly) enhances cross-border integration. (For more details, please refer to *M 3.3 subchapter: Relevance of the applied mechanisms and tools.*)

Let us mention one more aspect where the CP is playing (and could more effectively play) an important role: it is the re-creation of a historic polycentric urban network around Szeged and Subotica. These two border cities form part of a larger network of medium-sized towns including Timișoara, Arad and Hódmezővásárhely. From among these cities, it was Subotica which (during the last century) became a „loser” of the historic changes and the re-setting of the borders.

While Arad and Timișoara successfully exploited the potentials of the changing reality and also Szeged has grown significantly, Subotica has lost the dynamics which had characterised the city hundred years ago. One of the main challenges of the next decades is to renovate the territorial potential of Subotica through the strengthening of cross-border ties of this polycentric urban network. It requires the revitalisation of the transport infrastructure and the development of multilevel partnerships between the institutions and the business spheres of the four cities.

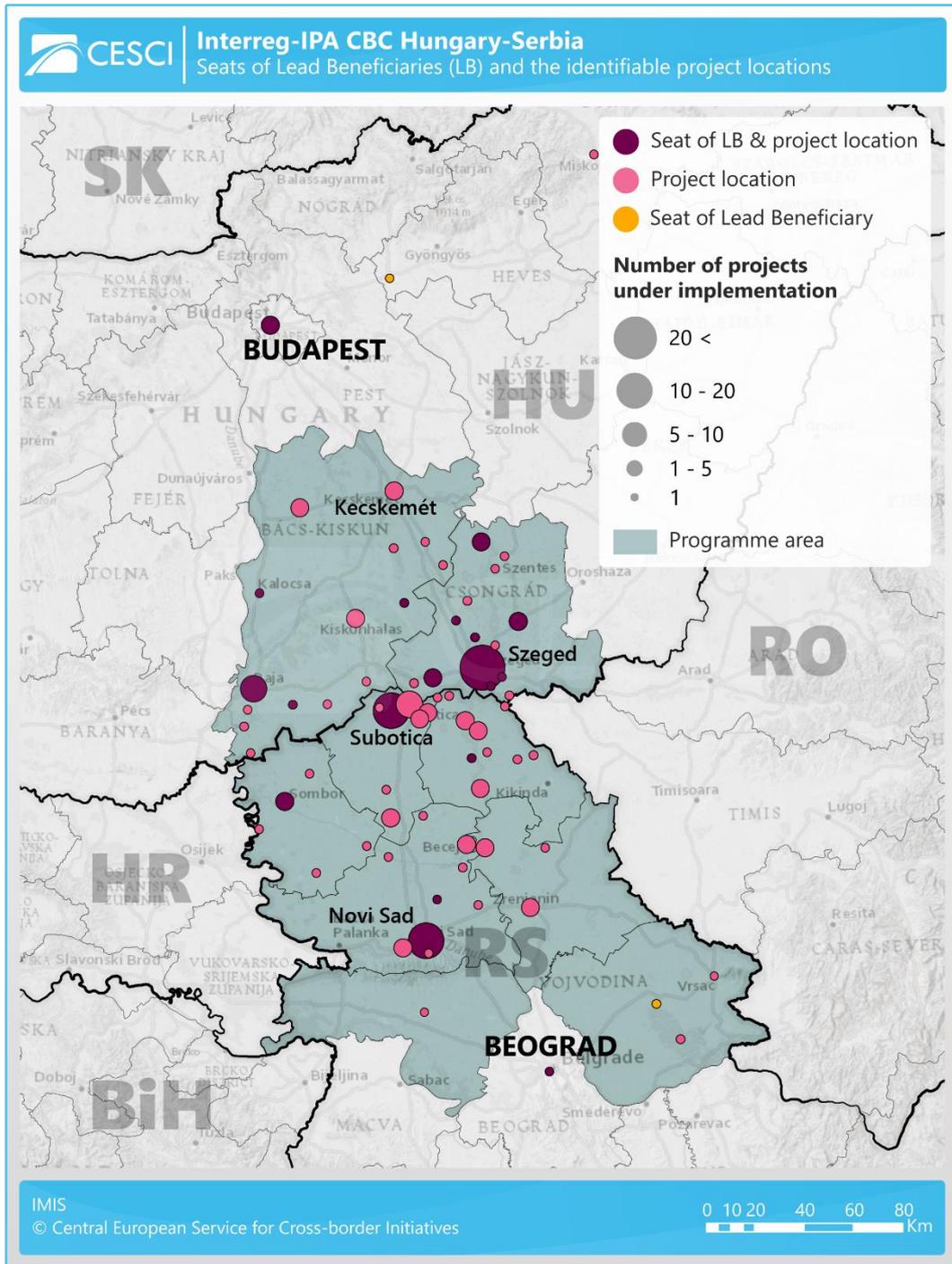
Figure VII: Population changes of the four border towns of the triborder area between 1910 and 2011



### (3) The territorial coverage of the programme is to be improved

The majority of the projects of the two first calls will be implemented along the Subotica-Szeged axis what supports the achievement of a stronger cohesion between the two cities. At the same time, larger eligible areas are not very much involved in the programme, and it is true even in the case of some sub-regions located very close to the border (e.g. in Bács-Kiskun county and Western Bačka region).

Figure VIII: Territorial coverage of the selected projects



Another factor weakening the representation of the programme in certain regions is the high rate of repeating partnerships. Due to the success of these experienced (and steady) partnerships (representing more than one third of the partners), new ones (lacking experiences in CBC) can more hardly be involved. This phenomenon is reflected in the territorial coverage of the projects. There is a clear need to broaden the geographic scope of the programme and involve further stakeholders in its implementation. (See Recommendation 2.3.)

#### **(4) The selection of priorities is not assessed necessarily positive**

The interviewees considered the selected thematic priorities differently. Some of them told all the four priorities well-based and justified. Others criticized some or all priorities – or the calls reflecting the priorities.

In general terms, the selected priorities do not differentiate very much from those of the previous period what underlines the relevance of the selection. By initiating strategic projects, some accent has been given to particular topics within the priorities.

At the same time, in some interviewees' opinion, the current EU level thematic priorities rather reflect to the needs of well-developed („Scandinavian“) border regions. The Hungarian-Serbian border area lacks basic infrastructure, faces serious social challenges (e.g. dramatic depopulation or the challenges of integration of Roma people) and it would require the renovation of educational institutions. In others' view, the programme should put stronger accent on education, youth and sport activities (e.g. within PA3) in order to enlarge the scope of potential beneficiaries. Further popular topics would be: IT development and innovation.

Another aspect mentioned by some interviewees was the thematic scope of the priorities. Under PA1, the topic of water management was given a higher significance (see the indicators). The cross-border character of water bodies and catchment areas as well as floods and other water related environmental risks and the exposure of the region to climate change justify the selection of the PA. At the same time, the final scope is rather favourable to larger water management institutions while excludes the NGOs involved in nature or environmental protection activities. Similarly, intelligent energy projects have been excluded. Consequently, PA1 should have opened a larger scope for nature-oriented interventions.

PA2 is considered as an important priority since the permeability of the border is weak. Furthermore, cross-border public transport should also be developed taking into account the increasing (labour) mobility. However, it is again a topic addressing larger institutions.

PA4 is the most criticized topic of the CP where „it is hard to find good projects“. Some state that the INTERREG IPA CBC programme is not an appropriate tool to support SMEs since indirect support is not effective while direct support is hardly manageable because it would need additional complex set of financial and consultancy services to which Serbian SMEs have a limited access (e.g. the application of financial instruments is excluded in the case of Serbia). To sum up, it is worth considering the eligibility of the SMEs or leaving out this priority from the next programme.

**(5) The programme implementation has been slowed down by the problems with IMIS and the institutional changes**

Regardless of that the CP was approved by the EC quite early and was launched on 7 October 2016, its implementation was delayed by the belated start of the IMIS 2014-2020 and the institutional changes.

Concerning the IMIS, the beneficiaries and the representatives of the programme bodies enumerated several problems. E.g. due to the lack of the TA module, the costs of the NA could not be reimbursed until the summer of 2018. The Manuals of the programme implementation could not be completed since they would have needed to contain the IMIS, too. The contracting procedure of the 2nd call lasted 2 years. The selected beneficiaries could not upload their reports for 1 to 1,5 years, consequently they could not be reimbursed either (advance payments were also blocked) what caused further problems in financing their activities. (The FLC managed to start checking the project reports at the end of 2017.) When the system was launched, many reports arrived in parallel creating overload in work management. Further delay stemmed from the fact that for a while, the different teams of programme management were not trained on the use of the IMIS and finally, the training was organised by the IMIS office instead of the developers (as it was the case in the Bulgaria-Serbia INTERREG IPA CBC programme).

Institutional changes meant another reason of delay. First, there were changes at ministerial level in the Republic of Serbia, while in 2018, the Managing Authority was moved from the Hungarian Prime Minister's Office to the Ministry of Foreign Affairs and Trade. The latter change further prolonged certain procedures (in parallel with the period of the opening of the IMIS 2014-2020) when the contracts could not be signed and certain project related decisions could not be finalized.

The 3<sup>rd</sup> call could not be published in planned time because there was a need for approval of the modification of the Programme on behalf of the Commission (reallocation between priorities).

All in all, the above factors do not endanger the timely completion of the programme thanks to the high allocation rate of the 1<sup>st</sup> CfP (strategic projects) and to the skilled and committed staff at each of the programme bodies (e.g. the early approval of the internal rules, the joint efforts made in order to start the application of the IMIS, etc.). At the same time, the indicators of the performance framework planned for 2018 could not be reached and the delay resulted in unbalanced workload. As an administrative consequence, it is expected that the EC will issue warnings.

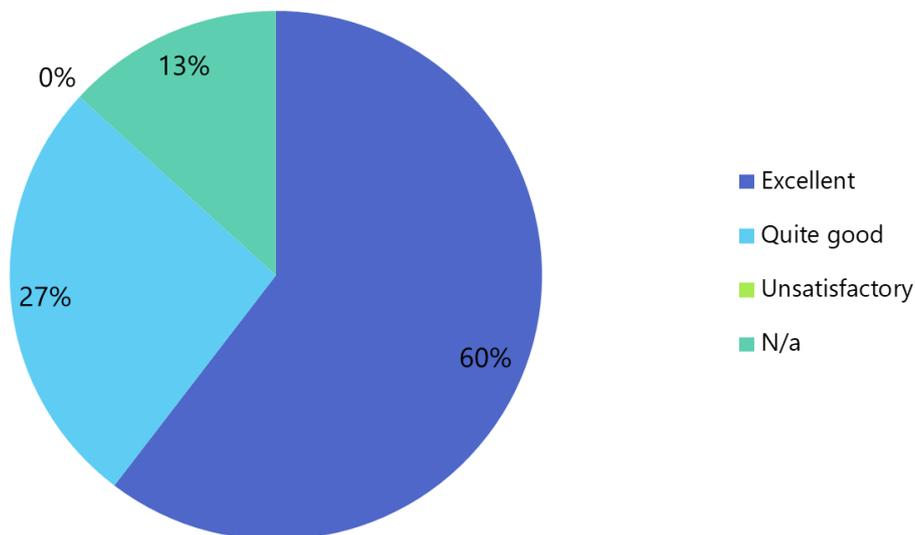
**(6) The cooperation between the programme management bodies and with the beneficiaries is exemplary**

One of the major reasons why the above mentioned delays are manageable is the good cooperation between the different managing bodies and the beneficiaries. Each interviewee confirmed that the cooperation is excellent, the procedures are well-arranged and the parties are always open for communication. What is more, the Hungarian institutions used to gather for facultative extra meetings when necessary.

The applicants and beneficiaries were asked about their experiences with the programme management via the online survey. According to the answers, the beneficiaries are satisfied with the assistance provided by the programme (nearly two thirds evaluated it excellent). These factors can guarantee the smooth and timely realisation of the programme.

*Figure IX: Assessment of the assistance provided by the programme bodies*

**The respondents' view on the quality of the received support**



### 1.3 Summary of the recommendations

The table below contains the recommendations drafted regarding the present status of the CP with references to the detailed analysis where the issues are elaborated more deeply.

Recommendations	References to the detailed analysis
<b>1. Designing of the next programme</b>	
<b>1.1 Strategic frames of programming</b>	
R_1.1 Clearer and unambiguous rules and timely delivered regulation are necessary at EU level	M 1.3 Scheduling 3.4.1 Major risks the programme is facing
<b>1.2 Structural factors of programming</b>	
R_1.2 Involve the selected beneficiaries in the designing of the next programme	M 6.7 Assessment of ownership
R_1.3 Avoid delays in implementing the electronic application system	M 2.2 Evaluation of the communication of the programme M 6.4 Assessment of the procedures M 6.5 Assessment of technical assistance 3.4.1. Major risks the programme is facing
R_1.4 Consider the application of continuously open calls	M 1.1 Quantification of the results
<b>1.3 Programme priorities and tools</b>	
R_1.5 Pay more attention to the small applicants when defining the priorities	M 3.3 Relevance of the applied mechanisms and tools
R_1.6 Apply small projects	M 3.3 Relevance of the applied mechanisms and tools
R_1.7 Re-consider the inclusion of the activities targeting the SME sector	M_3.1 Analysis of regional needs
R_1.8 Select more relevant indicators	M 6.7 Assessment of ownership
R_1.9 Improve the cross-border character of the projects	M 3.2 Analysis of cross-border relevance
<b>2. Programme management</b>	
<b>2.1 Communication</b>	
R_2.1 Keep and enhance the good practices of communication	M 2.2 Evaluation of the communication of the programme

<b>Recommendations</b>	<b>References to the detailed analysis</b>
R_2.2 Support the beneficiaries to better understand the logic, the rules and the mission of the programme	M 2.2 Evaluation of the communication of the programme
R_2.3 Enlarge the territorial scope of the programme	M 4.1 Mapping of the territorial coverage
R_2.4 Improve the beneficiaries' communication capacities	M 2.2 Evaluation of the communication of the programme M 2.3 Evaluation of the communication of the projects
R_2.5 Promote the best practice examples	M 2.2 Evaluation of the communication of the programme
<b>2.2 Management procedures</b>	
R_2.6 Compensate the currently lacking human capacities as soon as possible	M 6.2 Capacity assessment
R_2.7 Survey the implementation of the strategic projects with special attention	M 3.3 Relevance of the applied mechanisms and tools 3.4.1 Major risks the programme is facing
R_2.8 Simplify further the mechanisms and make them more user-friendly	M 6.6 Simplification test
R_2.9 Broaden the scope of simplified cost options	M 6.6 Simplification test
R_2.10 Make the IMIS more user-friendly	M 6.4 Assessment of the procedures M 6.6 Simplification test 3.4.1 Major risks the programme is facing
R_2.11 Follow-up the level of contribution to EU2020 targets	M 3.4 Analysis of the programme's contribution to European goals
R_2.12 Follow-up the level of contribution to EUSDR and EUSAIR	M 3.4 Analysis of the programme's contribution to European goals
<b>3. Project implementation</b>	
R_3.1 Encourage the beneficiaries to design their contribution to horizontal principles more seriously	M 3.4 Analysis of the programme's contribution to European goals
R_3.2 Enhance the sustainability of cross-border partnerships and project results	M 5.1 Sustainability analysis – project results M 5.2 Sustainability analysis – project partnership

## 2 Recommendations

The recommendations below address three fields. Some of the conclusions of the evaluation can be useful during the **new programming** starting soon. Others can make the **implementation of the current programme** better. Finally, some of them target **project implementation**.

### 2.1 Designing of the next programme

#### 2.1.1 Strategic frames of programming

##### **R\_1.1 Clearer and unambiguous rules and timely delivered regulation are necessary at EU level**

The delays of approving of the EU Regulations (November 2013) ensuring the frameworks for programming generated many difficulties to the programme management since the programme implementation should have started one month after the adoption of the regulations. Next regulations should be drafted earlier facilitating more accurate programming and launching of the programme in due time.

In the case of INTERREG IPA CBC programmes, further difficulty results from the exaggerated complexity of the system. On the one hand, regardless of the modest financial frames, the implementation of the IPA programmes is ruled by 9 different rules instead of one integrating regulation. It is very hard to find the relevant information. On the other hand, due to the limited budget, the IPA CBC programmes are designed in a very cautious way in order to avoid amendments: the indicator values are underestimated which used to result in outperformance which then necessitates justification towards the EC.

Besides, it was a basic experience during the programming that the legal frames were not self-evident. It was a permanent challenge to request unambiguous interpretation from the EU institutions. The desk officers of the different cross-border programmes interpreted the same rules differently what caused uncertainties and failed interventions. Therefore, the rules should be more evident and interpreted in the same way. For this purpose longer preparatory time is necessary.



M 1.3 Scheduling

3.4.1 Major risks the programme is facing

## 2.1.2 Structural factors of programming

### R\_1.2 Involve the selected beneficiaries in the designing of the next programme

In general terms, the ownership of the programme has been improved compared to the previous periods: based on the suggestions taken by the NUTS III municipalities, NGOs and Chambers take part in the work of the JMC with observer status. According to the experiences so far, their contribution used to be beneficial. However, further steps can be taken in this field.

Within the framework of the analysis CESCI carried-out an online survey with a sample of 53 questionnaires sent back. 42 of these questionnaires were filled-in by beneficiaries selected for funding which represents 88% (!) of the total number of the selected projects.

From among the respondents one was a member of the JMC, another used to participate in its meetings with an observer status, further three beneficiaries were involved in the programming, but not in the work of the JMC (12% in total). It means that 88% of the respondents whose projects were selected for funding had not been involved in the programming regardless of that they should be considered as the direct target group of the programme. (More than one third of them are permanent applicants!)

Consequently, it is recommended to involve the selected beneficiaries in the designing process of the next CP since they have real-life experiences on the difficulties, obstacles and practices of cross-border project implementation. This way, also the level of ownership of the programme can be improved and the partnership principle can be better fulfilled.



M 6.7 Assessment of ownership

### R\_1.3 Avoid delays in implementing the electronic application system

The realisation of the programme would be much more advanced if the electronic application system had earlier been ready to use. Both the interviewees and the beneficiaries mentioned the most frequently the problems with the belated starting of the IMIS system. In order to facilitate the smooth implementation of the next programme, the electronic platform should be developed earlier.



M 2.2 Evaluation of the communication of the programme

M 6.4 Assessment of the procedures

M 6.5 Assessment of technical assistance

3.4.1. Major risks the programme is facing

#### R\_1.4 Consider the application of continuously open calls

Continuously open calls have several advantages. First, the application of the continuous model makes the workload more balanced at management level since the JMC can decide on the projects with the knowledge of later opportunities achievable for the applicants. It means that if there are quality problems with some of the projects, the applicants can be requested to submit it again with a better quality. In addition, the solution enables the JS to plan its activities in a more balanced, more forecastable way. Another advantage of the model is that the management bodies are exempt of creating new and new calls during the implementation of the programme. However, slight modifications can be necessary. Finally, the applicants are less stressed in designing their activities since there are further opportunities to apply later on, with more or less same conditions. This fact enables them to design their proposals on a more strategic and more elaborate way.



#### M 1.1 Quantification of the results

### 2.1.3 Programme priorities and tools

#### R\_1.5 Pay more attention to the small applicants when defining the priorities

The current programme rather prioritizes larger institutions. Under PA1 and PA2 smaller organisations have no real chance to participate. PA3 is the genuine territory of smaller cross-border actions. However, due to the high allocation rate dedicated to strategic projects, the number of potential projects is lower. PA4 has a specific focus which again limits the opportunities of the smaller municipalities and NGOs to be involved in the implementation of the programme.

Strategic projects are undoubtedly significant when speaking about the integrated cross-border developments and the cohesion factor of the CP. At the same time, the next programme should ensure a more balanced set of interventions in order to enable smaller project partners to actively take part in the programme. This can be ensured by defining the priorities so. E.g. the thematic scope of PA1 has been stipulated too strictly excluding many activities which could be realised by small stakeholders (such as environment protection or energy efficiency).



#### M 3.3 Relevance of the applied mechanisms and tools

### R\_1.6 Apply small projects

Regarding the previous recommendation, the application of small projects facilitating many small activities would be very beneficial. It is worth considering to include the opportunity in the next programme and to support larger number of small-scale activities improving the level of mutual trust within the border area. In harmony with a previous position paper of the Association of European Border Regions (AEBR) and the draft ETC Regulation, small projects have a significant impact on the quality of cross-border cooperation since they create the possibility of getting experiences on the neighbours for many local citizens. These projects of 10-50 thousand euros do not require serious financial efforts neither from the programme's nor from the beneficiaries' side while they can have direct impact on many stakeholders. The tool can be considered as a kind of „compensation“ addressing the NGOs, small municipalities and institutions with modest financial autonomy / capacities.

Once applied, small project call should not contain thematic limitations and it should be implemented with remarkably simplified administration (!). Otherwise, it will not mean anything but further administrative burdens to the JS. The implementation of many small projects is an adequate way to promote the programme itself since it results in a high quantity of local events, actions and initiatives attracting many citizens under the programme's title.



M 3.3 Relevance of the applied mechanisms and tools

### R\_1.7 Re-consider the inclusion of the activities targeting the SME sector

The indirect support of the SMEs is the most disputed component of the CP. Some interviewees do not consider this topic relevant in the case of INTERREG IPA programmes. Others underlined the significance of economic cooperation acknowledging that the indirect support was not very effective. Taking into account the limited access of the Serbian SMEs to EU funding opportunities, it is worth re-considering the inclusion of (indirect) SME support in the next programme. Instead, investments targeting the economic cohesion and integration of the borderland seem to be more relevant interventions.



M\_3.1 Analysis of regional needs

### R\_1.8 Select more relevant indicators

The selection of relevant indicators is a big challenge. According to one interviewee's opinion, the set of the indicators is now better than during the previous programme since there are less indicators than before. This fact facilitates the concentration of resources and ensures stronger focus for the programme. However, the applicants face real difficulties when selecting the relevant indicator, they have to „truncate“ their project proposal in order to meet the indicators.

This problem roots in a deeper theoretical conflict between the bottom-up and top-down approaches. While at European level, the cumulated values of the indicators have crucial significance in order to measure the progress of the Single Market (or the fulfilment of smart, sustainable and inclusive growth), the local stakeholders have different objectives of these EU level objectives (it is mainly true along the external borders). The conflict can be resolved by selecting indicators reflecting to the *intensity of cross-border flows and integration*.



## M 6.7 Assessment of ownership

### R\_1.9 Improve the cross-border character of the projects

INTERREG IPA CBC programmes are dedicated to weaken the separating effects of the borders and to contribute to the development of a more integrated cross-border region – in compliance with the EU's Cohesion Policy and its three main pillars (economic, social and territorial cohesion). This integration factor should be more seriously taken into account. The exemplary cross-border projects are those contributing to stronger cohesion and more intensive cross-border cooperation. According to the main conclusions of the analysis, the cross-border character of the programme (i.e. the selected projects) is relatively weak. From this perspective, the CP has a pedagogical mission: through its instruments and calls it has the opportunity to educate the applicants and encourage them to start developing cross-border ties. From this perspective, strategic projects have a positive impact on the practices followed by the beneficiaries: by their complexity and larger scope, these projects can have a stronger cross-border character. However, this character could and should be strengthened through the calls and the selection criteria. (See the chapter M\_3.2 Analysis of cross-border relevance)

Furthermore, the beneficiaries should be provided with more information on best practices and genuine cross-border developments through LB trainings, dissemination of best practice examples or even organizing study tours. Doing so, the (cross-border) quality of the projects would improve.



## 2.2 Programme management

### 2.2.1 Communication

#### R\_2.1 Keep and enhance the good practices of communication

The CP has improved visibility and communication (see the chapters M 2.2, M 2.3, M 6.5). The good practices should be kept and further enhanced. The decision on a full-time programme communication manager proved to be perfect. What is more, the person selected to the position has deeper knowledge on the programme. Similarly, the JS Antenna in Subotica brings the programme closer to the local actors which has positive impacts on the effectiveness of communication. Beside the communication strategy, the JS compiles a communication plan on a yearly basis. The communication activities of the FLC are acknowledged and welcomed by the applicants (the *workshops* informing the selected beneficiaries on the contracting, the eligible expenses, the monitoring procedures and procurement rules; as well as the *face-to-face consultation* opportunities).

The programme website is updated almost on a daily basis, the presence of the CP in social media and in different types of events has remarkably improved. The JS is informed about project events which are published and reported through the online platforms of the programme. The strategic projects have a positive effect in these terms, too: the attention attracted by them is always greater what means a good communication opportunity for the programme bodies. Similarly, also the new tool called '*Partner Search*' should not exceptionally considered as a project development platform: in parallel, it can reach a larger audience with the messages of the CP. The tool is widely promoted by the JS. The photo contest was a good initiative, too, attracting many applicants who not necessarily had knowledge on the programme earlier.

The results of the online survey present high level of satisfaction with the communication of the programme, since more than half of the respondents said that they found the procedures to be transparent and the information on the evaluation criteria and the selection procedures provided to be correct and available. One third of the respondents were a bit more critical and stated that the procedures are not transparent enough, but the information is provided in due time (as forecasted) and the lack of transparency did not harm the fair process.

To sum up, these communication activities should be maintained as good practices with good experiences.



## M 2.2 Evaluation of the communication of the programme

### **R\_2.2 Support the beneficiaries to better understand the logic, the rules and the mission of the programme**

According to the experiences of the management bodies, the partners who have a history of implementing cross-border projects are well aware of the logic, the rules and the mission of the programme. However, the new beneficiaries meet difficulties when trying to identify the tasks, the indicators and the deliveries. Some questions raised at LB seminars justify the shortages of understanding even of those pieces of information published in the documents of the call. In parallel, some beneficiaries stated in the online questionnaire that the documents to study had been too heavy; simpler and shorter guides would be needed. From this point of view the flyers of the CP are very useful but these are not detailed enough: the golden principle of balance should somehow be found.

Further channels are the Info Days and face-to-face communication opportunities whose frequency could be increased. The respondents of the questionnaire also suggested to organise seminars for the beneficiaries, and to make the relevant documents available before the start of the project implementation phase. One of the respondents suggested that the results of the quality evaluations should be published (without sensitive data) providing so information about the weaknesses of the applications in order to avoid them later and draft stronger applications.



## M 2.2 Evaluation of the communication of the programme

### **R\_2.3 Enlarge the territorial scope of the programme**

As it can be seen from the selected projects, the territorial scope of the planned activities is limited: some programme regions are not involved. The programme bodies can enlarge the geographic expansion of the CP if they concentrate their communication activities on the „missing regions“. It is recommended to organise the Info Days in these regions and contact and encourage more stakeholders therein.



## M 4.1 Mapping of the territorial coverage

#### R\_2.4 Improve the beneficiaries' communication capacities

While the programme is quite well known by the applicants and potential beneficiaries, the general public and national media have no deep knowledge on the achievements or even the existence of the CP – regardless of the efforts made by the JS. Since the ones who actually carry out the majority of measurable communication activities are the beneficiaries themselves, their capacities should be developed with a view to better communicate with the media and the press, as well as to use more adequate and effective communication tools.

In order to improve the effectiveness of the beneficiaries' communication activities, it is recommended to organise communication trainings with the involvement of communication experts. It is very important that the trainings should not focus on theoretical but practical issues.



M 2.2 Evaluation of the communication of the programme  
M 2.3 Evaluation of the communication of the projects

#### R\_2.5 Promote the best practice examples

The general quality and the cross-border aspects of the projects can be improved by sharing the experiences of best projects (i.e. those having the strongest cross-border character). For this purpose, delivery of a regular publication (similar to the professional materials published both on-line and printed by the LEADER programme, e.g. guides, fact sheets, compilation of best practices), with explanations on both languages; more field trips and local presence; and project fairs can be applied. The main aim is to better communicate the most successful (i.e. successfully completed) cross-border projects (from and outside the present programme) with a view to transferring the knowledge to as wide public as possible. This way, more elaborate and more cross-border proposals can be expected in the future.



M 2.2 Evaluation of the communication of the programme

### 2.2.2 Management procedures

#### R\_2.6 Compensate the currently lacking human capacities as soon as possible

According to the results of the interviews, the programme faces shortages in terms of human capacities. Both at the MA and the Serbian FLC, employment of further 5-5 persons would be necessary for smooth operation. In the former case, legal expert, monitoring and evaluator positions should be filled, while in the latter one, people

responsible for engineering, on-site checks and IT support should be hired. The lack of these human capacities slows down the administration and implementation of the CP.



## M 6.2 Capacity assessment

### R\_2.7 Survey the implementation of the strategic projects with special attention

Strategic projects represent a new instrument in the history of Hungary-Serbia cross-border programmes. Compared to the average size of ordinary IPA projects, these strategic ones amount to several million euros and usually contain larger infrastructural developments what is not common in the case of (INTERREG) IPA programmes. The lack of previous experiences with strategic projects and the risks that their failure can mean for the whole programme justify and require more attention to be paid to them. It is true that strategic projects facilitate the absorption of programme funds and reaching of the indicators with less bureaucracy. At the same time, they represent higher risk, too. If one of the larger projects collapses, the loss at programme level both in financial and professional terms is much larger.

From this perspective, the rules of the Hungarian monitoring procedures (see the 126/2016. Government decree) provides appropriate response to this challenge when it stipulates the frequency of auditing of larger projects (above EUR 1 M) at every reporting period. Further checks can be performed when necessary. In addition (taking the professional content of these projects into account), involvement of external experts may be unavoidable.



## M 3.3 Relevance of the applied mechanisms and tools 3.4.1 Major risks the programme is facing

### R\_2.8 Simplify further the mechanisms and make them more user-friendly

The programme bodies consider the publication of the single tender packages on three languages (English, Serbian, Hungarian) a big achievement. Earlier, the potential service suppliers avoided to take part in IPA tenders because of the complexity of the documentation and the lack of language competencies. However, there are still issues (e.g. travels) where further simplification would be necessary in this field.

Similarly, the electronic application system remarkably simplifies the procedures: to evaluate the projects, to draft the reports, to perform modifications, etc. are much easier than in the case of paper-based systems. At the same time, the IMIS still contains solutions which complicate further the project administration (e.g. only the costs occurred during the given trimester can be reported for re-imburement, therefore those personal

costs transferred after the record date of the given trimester but belonging thereto cannot be reported).

According to the respondents of the online survey, the number and scope of supporting documents and annexes should be decreased as much as possible. Some of the recommendations drafted in the Final Evaluation Report of Hungary – Serbia IPA Cross-border Cooperation Programme 2007-2013 targeted the decrease of the number of supporting documents and the shortening of the programme level administration which can be facilitated by the shortening of the list of annexes.

Finally, also the shortages in human capacities could be tackled by decreasing the number of on-the-spot checks (as it is a practice in other European CBC programmes): at the moment, FLC staff has to visit every project at least ones, however, ad-hoc sample-based checks would be satisfactory.



M 6.6 Simplification test

### **R\_2.9 Broaden the scope of simplified cost options**

The projects have to be implemented in a transparent way – also in financial terms. At the same time, it should not mean overcomplicated budgeting. Simplified costs should be applied e.g. in the case of staff costs (similarly to the INTERREG IPA CBC Bulgaria-Serbia programme). It may decrease the workload both of the beneficiaries and the monitoring team (they would not need to check the project staff members' work contracts). The rate of staff costs could be stipulated as 20% of the total indirect costs. (Travel and accomodation costs should be considered as indirect costs.)

Concerning the visibility activities, the event organisation costs cannot be precisely forecasted. The flat rate solution applied by many European programmes would mean a good model.



M 6.6 Simplification test

### **R\_2.10 Make the IMIS more user-friendly**

As a general opinion, the IMIS means a major problem for the CP. Not only the system itself has been launched with serious delay but also the quality of the services is often insufficient. The shortages of the system related to reporting should be treated (e.g. the timely eligibility of the expenses mentioned at Recommendation R\_2.8; the login system connected to projects and not to beneficiaries; the mandatory uploading of attachments to the invoice folder in case of salaries and travel costs; double-uploading, etc.). In

addition, there are problems occurring in programme administration. E.g. when creating the AIR or generating statistics (e.g. for the purpose of the current evaluation), it is (was) troublesome to find the right place of information, and it is impossible to download generalised reports on different issues. Every piece of information has to be compiled one by one. It is recommended to develop the platform further in order to facilitate the compilation of statistics and general data, too.

Further difficulties arise from the internal complaint procedures related to the system (the development needs of the programme bodies are responded slowly, sometimes not at all), the shortages in the field of administration of the pre-payments or the corrections of DOVEs, etc. All these examples highlight the need for improving the functioning of the IMIS.



M 6.4 Assessment of the procedures

M 6.6 Simplification test

3.4.1 Major risks the programme is facing

### **R\_2.11 Follow-up the level of contribution to EU2020 targets**

Each programme funded by EU money has to contribute to the EU2020 targets. However, it is not too easy to detect the real impacts that a programme achieved in this field, especially in the case of those low-budget programmes such as the present one.

The evaluators have developed a matrix by which the programme bodies can assess these achievements by substituting the relevant values of indicators in the relevant cells. It is advised to carry out this assessment regularly in order to interact if there are remarkable shortages observed.



M 3.4 Analysis of the programme's contribution to European goals

### **R\_2.12 Follow-up the level of contribution to EUSDR and EUSAIR**

Similarly to EU2020 targets, the CP has to contribute to the achievement of the macro-regional objectives. In our case, these are the European Union Strategy for Danube Region (the EUSDR: the entire programming area) and the European Union Strategy for the Adriatic-Ionian Region (EUSAIR: the Serbian part of the programming region). The CP awards the contribution to these macro-regional strategies with 1 score. According to some interviewees, strategic projects have higher macro-regional value added than the smaller projects.

The evaluators adapted the above matrix to the needs of assessment of macro-regional relevance in the same way as it has been done in the previous case.


**M 3.4 Analysis of the programme's contribution to European goals**

## 2.3 Project implementation

### **R\_3.1 Encourage the beneficiaries to design their contribution to horizontal principles more seriously**

Most of the projects regarded the inclusion of horizontal issues as a forced requirement, a box that had to be ticked, and this results in many cases in *'materials without content'* as one of the interviewed persons claimed. Consequently, the measures very often just have no real impact. Most of the interviewees emphasised that it is a positive idea to include the horizontal principles in the application materials and in some cases – where they organically fit with the nature of the project – it is definitely a good requirement; however, it should not be a strict requirement, only a suggestion.

Obviously, cross-border programmes are not the genuine fields where gender equality or antidiscrimination can easily be realised. However, these aspects are not insignificant. The applicants should be encouraged to think through these aspects more deeply, e.g. by describing in details, how they intend to overcome the obstacles when disabled people are participating in an event, etc. Even more, in these cases, the invitation letters should include the information, how these people can attend the event, etc. The JS should publish a guidance on horizontal principles elaborated together with an NGO or an expert of the given issues.


**M 3.4 Analysis of the programme's contribution to European goals**

### **R\_3.2 Enhance the sustainability of cross-border partnerships and project results**

Unlike the traditional, call-based cross-border cooperation, the programme should encourage the partners to start long-standing, strategic cooperation and use the calls as tools for achieving their long-term strategic goals. Previous empirical experiences prove that if a partnership is formed on an ad-hoc basis, in a hurried way, and is lacking a proper foundation, then it will have an adverse effect on its sustainability.

Based on the on-line survey, the majority (58%) of the partnerships are younger than 2,5 years and the stronger network relationships are really rare. Similarly (as it has been presented in relationship with the cross-border character of the projects), the partners barely create joint cross-border services. Instead, stand-alone (soft) activities characterise the programme.

In order to ensure stronger programme impacts on the border region, the projects should have longer perspectives both in terms of results and partnerships. The assessment criteria should include factors by which these longer perspectives can be awarded, e.g. the prehistory of the partnership (its length, previous joint projects, events, activities implemented together); future joint plans (regarding the concrete project results and further development of the project; cooperation in other projects, initiatives); tools, activities ensuring the sustainability, further development of the projects and synergies with other initiatives.



M 5.1 Sustainability analysis – project results

M 5.2 Sustainability analysis – project partnership

### 3 Introduction to the detailed assessment

#### 3.1 Background of the evaluation

##### 3.1.1 Identification of the deliverable

Table 1: General data of the programme

<b>The operational programme concerned</b>	INTERREG-IPA Cross-border Cooperation Programme Hungary-Serbia
<b>Programming period</b>	2014-2020
<b>Reporting year</b>	2018
<b>Cut-off date of data processing</b>	30 September 2018
<b>Type of the evaluation</b>	Operational evaluation- Evaluation of the efficiency and effectiveness of the programme

Figure 1: Programming area  
(Source: <http://www.interreg-ipa-husrb.com/en/file/310/>)



### 3.1.2 Context

2018 is the year of First Phase evaluation of the cooperation programmes. In February, the Managing Authority of the programme (operated that time in the Prime Minister's Office) with the agreement of the Serbian National Authority invited the Central European Service for Cross-Border Initiatives (CESCI) to carry out the evaluation of the present programme. CESCI is a Budapest-based association established according to Hungarian private law aiming to ease cross-border cooperation along the Hungarian borders and in Central Europe. That time, the organisation was one of the strategic partners of the Prime Minister's Office, which offered financial support to the CESCI on a yearly basis. Based on this strategic partnership, CESCI was committed to perform the evaluation of the Interreg–IPA Cross-border Cooperation Programme Hungary–Serbia (the Programme). During the evaluation the Managing Authority was moved into the Ministry of Foreign Affairs and Trade.

The evaluation procedure has been designed in compliance with the evaluation plan of the programme and previous evaluations as models. The objective of the evaluation is to provide the programme management bodies with appropriate information on the results achieved, the potential risks identified and the potential interventions needed for the successful completion of the programme.

### 3.1.3 The scope of the assessment

Within the framework of the current evaluation assignment, the effectiveness, the efficiency and the impact of the cross-border programme were assessed. While effectiveness and efficiency are rather formal criteria of evaluation, impact is much more a matter of content.

**Effectiveness** means the level of the objectives that the programme has achieved to date of the evaluation. It refers to the progress made against the planned implementation.

**Impact** is a very complex term referring to the influence that the programme exercises on the internal cohesion of the programming area and the level of cross-border cooperation. While effectiveness measures the internal success of the programme, the impact rather identifies its external success.

**Efficiency** refers to the successful use of the financial and human resources of the programme. Successful here means 'optimal' and 'resource-efficient'.

In terms of the impact, two things with major significance should be stipulated:

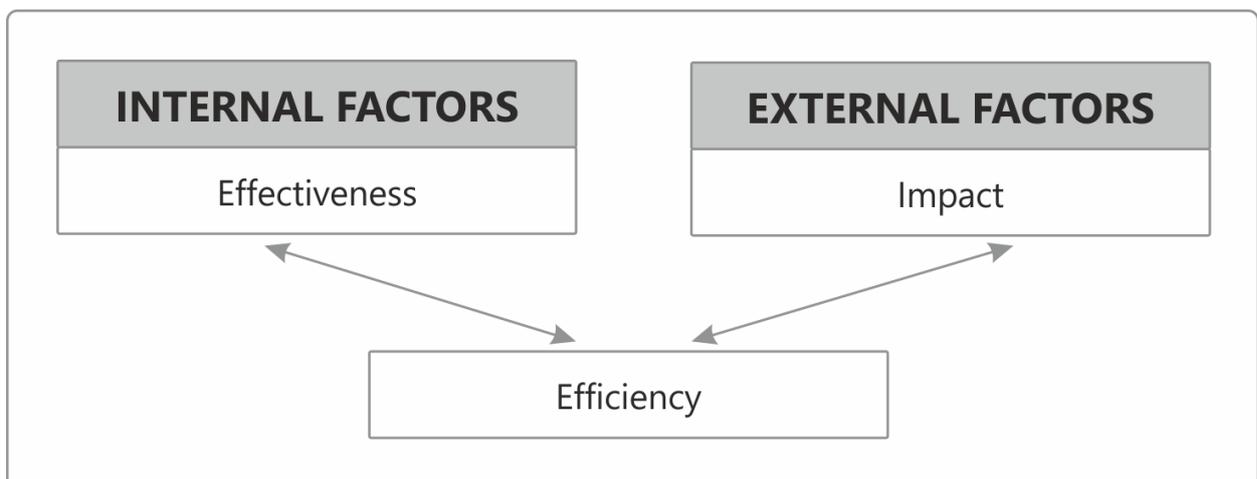
- Impact is the most important aspect of the evaluation since it refers to the tangible and intangible results created by the programme – in line with its strategic objectives. Effectiveness and efficiency should be assessed in relation to the achieved impacts. The programme is effective if the achieved impacts comply with the targets set in the CP. The programme implementation is efficient if the resources are exploited so that the targets set are achieved in an optimal way.

Impacts can be identified and assessed in a long term perspective. Taking into account that a little time has passed since the first two calls were published and the project partners could make small progress so far, at the moment, relevant information on real impacts is missing. Consequently, the impact of the programme was assessed to the extent to which relevant data were available at the time of evaluation. Since not many data on project implementation were available, the impact assessment was performed in relation to data associated with CfPs and application processes, such as relevance, sustainability and territorial aspects of the Programme.

- These impacts will be measurable in a later phase of the programme implementation with a much higher effectiveness.

Efficiency of the programme will be analysed in relation to the effectiveness and impact of the programme. It means that the evaluators analyse the effectiveness first (i.e. to what extent the Programme implementation has progressed so far); then the impact (i.e. in which level the programme made a measurable effect on the programming region); and finally, the efficiency (i.e. how efficiently did the programme manage to achieve the identified level of internal and external effects).

*Figure 2: The internal logic of the evaluation*



The application of this approach aims to avoid very common shortcomings of many programme evaluation documents i.e. the purely formal assessment of the achievements, based on the quantification of the results and their comparison with the performance framework: the formal and topical aspects should have the same significance. Accordingly, all three aspects in this document are assessed with the limitations regarding the data availability concerning the impact.

In line with the evaluation plan of the programme, the present document focuses on the

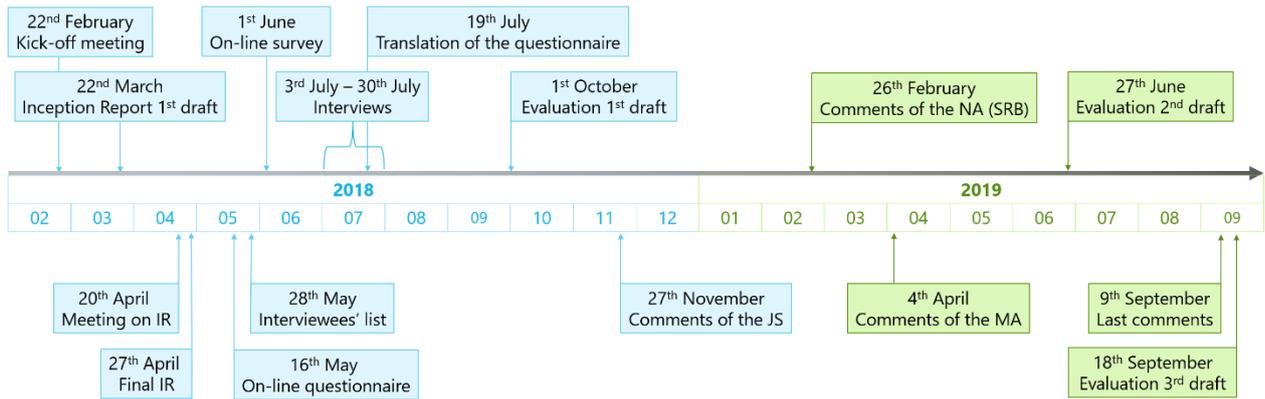
- programme management and implementation,
- Call for Proposals, project application and selection procedures,
- Communication Strategy of the programme.

### 3.1.4 Performance of the evaluation

The evaluation was carried out along with the following steps and milestones:

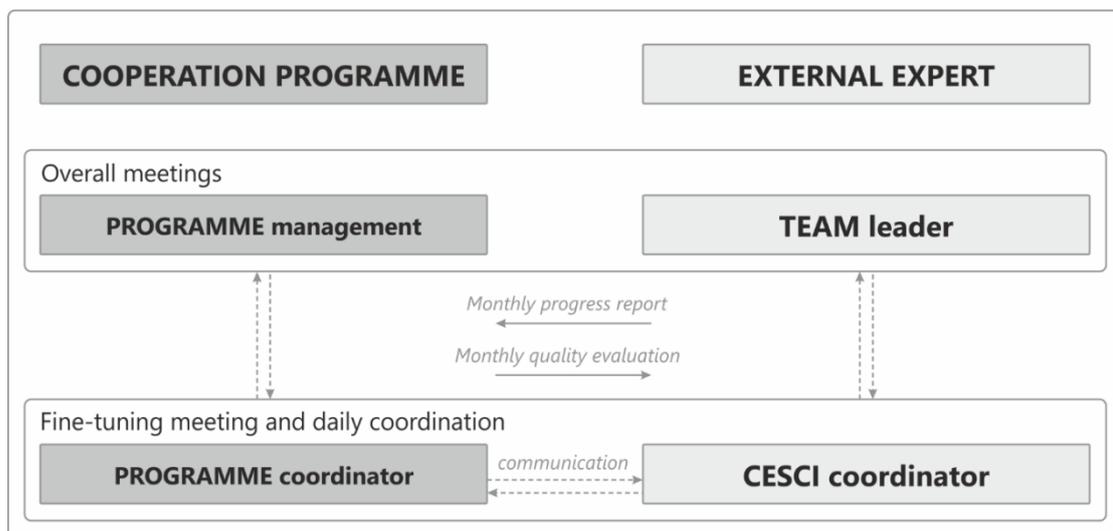
- 22<sup>nd</sup> February, 2018 – Kick-off meeting
- 22<sup>nd</sup> March – Delivery of the first draft of the Inception Report
- 20<sup>th</sup> April – Meeting on the draft Inception Report
- 27<sup>th</sup> April – Delivery of the final Inception Report
- 16<sup>th</sup> May – Delivery of the online questionnaire, targeting the programme beneficiaries
- 22<sup>nd</sup> May – Information on sharing the link of the online questionnaire
- 28<sup>th</sup> May – Identification of the list of interviewees
- 3<sup>rd</sup> July – Interview with Mr Tamás Molnár
- 4<sup>th</sup> July – Interview with Ms Zsuzsanna Törő
- 19<sup>th</sup> July – Delivery of the online questionnaire translated to Hungarian and Serbian
- 25<sup>th</sup> July – Group interview with the JS team
- 26<sup>th</sup> July – Interview with Ms Anikó Pribojszkiné Kása
- 30<sup>th</sup> July – Interview with Ms Katarina Ginić and Sladjana Janković
- 30<sup>th</sup> September – cut-off date of the data analysis
- 1<sup>st</sup> October – submission of the 1<sup>st</sup> draft
- 27<sup>th</sup> November – comments of the JS
- 26<sup>th</sup> February, 2019 – comments of the NA (SRB)
- 4<sup>th</sup> April – comments of the MA

Figure 3: Milestones of the evaluation



In line with the measures set by the Inception Report, a coordination mechanism has been created with a view to ensure permanent communication.

Figure 4: The coordination mechanism of the evaluation process



Besides, CESCI provided the representatives of the programme with a monthly progress report accompanied with a quality assessment sheet, which enabled the programme coordinator to add comments and requests.

In addition, CESCI has developed a wixsite dedicated to the evaluation containing the following information:

- *Evaluation document*: it is a Google Drive Word document, where the elaboration of the evaluation text could be followed;
- *Background analyses*: results of the online survey; (checked) summaries of the interviews; regional analysis;
- *Administration*: inception report, monthly progress reports, templates applied.

Concerning the timing, there were significant delays in task delivery. The delays resulted partly from work organisation problems, partly from delays in information provision. For

instance, the evaluators planned to study the IMIS 2014-2020 system from the beginning of April, but they got the access to it in May. The evaluators' original intention was to make general overview interviews first and detailed interviews later, but all these interviews were conducted in parallel from June to the beginning of September due to capacity shortages during the summer. The online survey should have been sent out at the end of April, but the link had been shared on 28<sup>th</sup> May. In the mean time, there was a technical failure on the online questionnaire site, which caused a reduced number of questionnaires; thus the problem had to be corrected and the beneficiaries informed thereon.

Due to programme management duties and capacity shortages, the last comments of the management bodies arrived at the beginning of April, 2019.

### **3.2 Introduction to the Interreg-IPA Cross-border Cooperation Programme Hungary-Serbia**

The Interreg-IPA CBC Hungary-Serbia programme's main objective is the harmonised development of the border region with intensified economic cooperation through the sustainable use of natural and cultural resources. The Interreg-IPA CBC Hungary-Serbia programme launched in 2014, covers the following regions in Serbia:

- West Bačka (Zapadnobački upravni okrug)
- North Bačka (Severnobački upravni okrug)
- North Banat (Severnobanatski upravni okrug)
- South Bačka (Južnobački upravni okrug)
- Central Banat (Srednjobanatski upravni okrug)
- South Banat (Južnobanatski upravni okrug)
- Srem (Sremski upravni okrug)

in Hungary:

- Csongrád county
- Bács-Kiskun county.

### 3.2.1 Priority areas

The Interreg-IPA CBC Hungary-Serbia programme defined four main interventions with their own set of tools and indicators. These interventions – which are in line with the priority axes of Europe 2020 – are the following:

- Improving cross-border water management and risk prevention systems – Priority axis 1;
- Decreasing the bottlenecks of cross-border traffic – Priority axis 2;
- Encouraging tourism and cultural heritage cooperation – Priority axis 3;
- Enhancing SMEs' economic competitiveness through innovation driven development – Priority axis 4.

The priority axis 5, which is the technical assistance, is analysed separately in subchapter 6.5.

#### PA1: Improving cross-border water management and risk prevention systems

The specific objective of the first priority axis is 'decreasing the environmental risks (e.g. drought, flood, hail) and preventing negative effects on quality of water bodies and nature protected areas'. As an expected result, the harmonised, sustainable water management system will provide better quality and safer environment for the inhabitants, and it will establish advantageous conditions for different types of economic activities on both sides of the border.

The indicators of this priority axis are the following:

Table 2: The indicators of PA1

ID	Indicator	Measurement unit	Baseline value	Baseline year	Target value (2023)	Source of data	Frequency of reporting
RI/1.1	Water quality (good ecological status) of cross-border surface water bodies (rivers and water flows) in the eligible area	Weighted average ecological status of cross-border surface water bodies	2,91	2014	2,70	General Directorate of Water Management in HU; The Agency for Env. Prot. of SRB; Information services	2019, 2021 and 2023
OI/1.1	Population benefiting from flood protection measures	persons	n/a	n/a	100 000	beneficiaries	yearly

ID	Indicator	Measurement unit	Baseline value	Baseline year	Target value (2023)	Source of data	Frequency of reporting
OI/1.2	Length of new or improved water management system	metres	n/a	n/a	6 000	beneficiaries	yearly
OI/1.3	Surface area of habitats supported in order to attain a better conservation status	hectares	n/a	n/a	500	beneficiaries	yearly

### PA2: Decreasing the bottlenecks of cross-border traffic

The specific objective of the second priority axis is 'increasing the capacities of border crossing and the connected transport lines through promoting the development of road transport and the use of sustainable transport modes (public transport, bicycle, water transport)'.

The indicators of this priority axis are the following:

*Table 3: The indicators of PA2*

ID	Indicator	Measurement unit	Baseline value	Baseline year	Target value (2023)	Source of data	Frequency of reporting
RI/2.1	Share of border-crossing traffic at smaller border-crossing points within all border-crossing traffic	% of persons crossing the border at smaller border-crossing points within the total number of persons crossing the border	35,4%	2014	40%	HCSO	2019, 2021 and 2023
OI/2.1	Number of improved or newly built border crossing points	border crossing points	n/a	n/a	3	beneficiaries	yearly
OI/2.2	Total length of newly built roads	km	n/a	n/a	3	beneficiaries	yearly
OI/2.3	Total length of reconstructed or upgraded roads	km	n/a	n/a	2	beneficiaries	yearly

ID	Indicator	Measurement unit	Baseline value	Baseline year	Target value (2023)	Source of data	Frequency of reporting
OI/2.4	Total length of newly built bicycle paths	km	n/a	n/a	5	beneficiaries	yearly
OI/2.5	Total length of the railway line directly affected by development plans	km	n/a	n/a	50	beneficiaries	yearly
OI/2.6	Number of improved public transport services	services	n/a	n/a	3	beneficiaries	yearly

### PA3: Encouraging tourism and cultural heritage cooperation

The specific objectives of PA3 are the 'Creation of commonly coordinated cross-border tourism destinations based on the complementary local assets, in order to ensure sustainable development of tourism potentials' and 'Promoting cooperation activities in the field of culture, leisure, sport, and nature protection.'

The indicators of this priority axis are the following:

*Table 4: The indicators of PA3*

ID	Indicator	Measurement unit	Baseline value	Baseline year	Target value (2023)	Source of data	Frequency of reporting
RI/3.1	Number of overnight stays	overnight stays	1 835 757	2013	1 964000	SORS and HCSO	2019, 2021, 2023
RI/3.2	Level of cross-border cooperation intensity of the public and non-profit organisations dealing with cultural, leisure sport and nature protection issues	rating	3,24	2015	3,73	survey	2019, 2021, 2023
OI/3.1	Expected number of visits to supported sites of cultural and natural heritage and attractions	visits / year	n/a	n/a	30 000	beneficiaries	yearly

ID	Indicator	Measurement unit	Baseline value	Baseline year	Target value (2023)	Source of data	Frequency of reporting
OI/3.2	Number of joint cultural, recreational and other types of community events and actions organised	events	n/a	n/a	200	beneficiaries	yearly
OI/3.3	Average monthly user entries to the developed online communication tools	user entries	n/a	n/a	5 000	beneficiaries	yearly

#### PA4: Enhancing SMEs' economic competitiveness through innovation driven development

The specific objective of this priority axis is 'Enhancing SMEs' economic competitiveness through innovation driven development'.

The indicators of this priority axis are the following:

Table 5: The indicators of PA4

ID	Indicator	Measurement unit	Baseline value	Baseline year	Target value (2023)	Source of data	Frequency of reporting
RI/4.1	Rate of innovative SMEs in the CBR	%	32,94	2014	33	Official survey carried out by the national statistical offices	2019, 2021, 2023
OI/4.1	Number of enterprises cooperating with research institutions	enterprise	n/a	n/a	35	beneficiaries	yearly
OI/4.2	Number of organisations actively participating in the work of "knowledge platforms"	organisations	n/a	n/a	60	beneficiaries	yearly

<b>ID</b>	<b>Indicator</b>	<b>Measurement unit</b>	<b>Baseline value</b>	<b>Baseline year</b>	<b>Target value (2023)</b>	<b>Source of data</b>	<b>Frequency of reporting</b>
OI/4.3	Number of months spent in the institutions and companies on the other side of the border through scholarships	months	n/a	n/a	200	beneficiaries	yearly
OI/4.4	Rate of persons from vulnerable groups involved in supported actions	%	n/a	n/a	50	beneficiaries	yearly

## 4 The methodology of the evaluation

### 4.1 Factors of the analysis

For the purposes of the analysis, the following factors have been selected:

*Table 6: The factors included in the analysis*

<b>Factors</b>	<b>Explication</b>	<b>Assessment topics</b>	<b>Components</b>
Effectiveness	When assessing the effectiveness of the programme, the evaluators focus on the achievements and the progress that the programme has made so far. The evaluation should show, where the Programme implementation is now, and where it was planned to be in 2018 at the time of the approval of the programme.	The actual progress of the programme	Quantification of the results
			Indicator value analysis
			Scheduling
			Financial progress analysis
		Effectiveness of the communication	Evaluation of the communication plan
			Evaluation of the communication of the programme
Impact	Impact assessment measures how the programme was successful in terms of cross-border cooperation and cohesion; in other words, whether the programme can be reasonably justified in its existence.	Relevance	Analysis of regional needs
			Analysis of cross-border relevance
			Relevance of the applied mechanisms and tools
			Analysis of the programme's contribution to European goals
		Territorial impact	Mapping of the territorial coverage
			Assessment of strategic approach
		Permanency	Sustainability analysis – project results

Factors	Explication	Assessment topics	Components
			Sustainability analysis – project partnership
			Assessment of the integrated approach
Efficiency	This evaluation aspect measures how, with what efficiency the human and financial capacities and resources have been utilised.	Performance management	Institution assessment
			Capacity assessment
			Lead time assessment
			Assessment of the procedures
			Assessment of the assistance provided
			Simplification test
		Assessment of ownership	
		Costs of operation	Cost efficiency assessment

## 4.2 Applied methods

During the implementation of the evaluation project, the following methods were applied:

*Table 7: The methods applied during the evaluation*

Identification of the method	Explanation	Remarks
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Identification of the method	Explanation	Remarks
Document review and analysis	<p>Analysis of the programme documents (cooperation programme document, ex-ante evaluation report, strategic environment assessment, communication strategy, final evaluation report of the previous programme, Annual Implementation Reports, minutes of the JMC meetings and their background documents); the documents related to the programme implementation (documents of calls for proposals, background documents of the special tools implemented, rules of procedures, internal rules of the programme bodies, job descriptions); and the relevant EU documents (EU2020 Strategy, the Cohesion Policy Regulations of 2014-2020, the basic documents of the EUSDR; guides and background documents of evaluation).</p>	<p>The document analysis aimed at getting an overall picture on the frameworks of the programme and the achievements reached. Consequently, the documents analysed within a desk research were targeted by textual analysis. Based on the collection, the team created a large information basis.</p>
Structured in-depth interviews	<p>The interviews addressed the representatives of the programme implementation bodies (MA: 2, NA: 2, JS: 3, FLC: 3; total: 10 persons). The objective of the interviews was to get deeper knowledge on how the programme is functioning and on the achievements made.</p>	<p>Originally, face-to-face and phone call interviews were planned, but finally face-to-face interviews were made, exceptionally. It was one of the reasons of the delay in performing the evaluation. Group interviews were made with the representatives of the NA, the JS and the Serbian FLC, which proved to be very useful, since the participants could complement each other's views and knowledge.</p>
Online survey	<p>The aim of the survey was to gather information and experiences from the lead beneficiaries of both selected and rejected proposals. The lead beneficiaries of the projects (both selected and rejected) were requested to answer the questionnaire covering many small details of project development and implementation.</p>	<p>53 questionnaires were filled-in by the beneficiaries. 5 of them were filled-in partly. The share of selected and not-selected proposals was 42/12. The selected 42 projects represented 88% of the total number of selected projects (48 projects in total, including the strategic projects), which is a remarkably high ratio. For a request, in July, CESCI translated the questionnaire to Hungarian and Serbian, which resulted in an increase of further 15 answered sheets in total, added to the 39 filled-in earlier.</p> <p>At the same time, it needs to be highlighted that the heterogeneity of the set of answers and the language problems of the beneficiaries limited the usability of the survey.</p>

Identification of the method	Explanation	Remarks
Collection and analysis of data and information on the programme	The primary information source on the progress of the programme was the IMIS 2014-2020 system. The available information was analysed with different quantitative and qualitative methods including indices, scaling, benchmark, word cloud method, contextual analysis, etc.	It has to be highlighted that the scope of the information collected from the IMIS 2014-2020 and processed with different methods was limited, due to the late start of its implementation. Therefore, the results of the analyses should be considered cautiously since the evaluators were able to assess only those pieces of information that were available through the IMIS 2014-2020 system. In this perspective, document analysis and interviews provided very important contribution with a view to completing the information available in the IMIS 2014-2020.
GIS based territorial analysis	The evaluation team gathered and processed statistical data in order to assess the relevance of the programme priorities in terms of the changing territorial needs. In order to measure the relevance of the current performance framework and the intervention logic of the programmes and to identify the necessary modifications of (financial, common and programme specific) indicators, the starting and the current socio-economic situations of the programming region were benchmarked.	

### 4.3 Limitations

Due to the nature and scope of the analysis, as well as the availability of the relevant data, the current evaluation has some limitations that need to be taken into account when interpreting its results. Firstly, the **cut-off date of data processing was the 30<sup>th</sup> of September 2018**. While certain institutional changes that occurred between this cut-off date and the 1<sup>st</sup> of December 2018 were included where it was necessary and possible (in each case marked), the vast majority of the conclusions refers to the situation as it was at the date indicated above. This means that the statements included in this report are only valid as long as they are considered within the context in which they were formulated.

Secondly, the methodology itself has certain limitations concerning the comparability of temporal, spatial and thematic issues. In some cases, in order to shed more light on certain topics, the evaluators benchmarked the programme information with other

resources such as the previous programme, similar INTERREG programmes ; and the cross-border character of other programmes. However, these examples are characterised by separate environment what limits their comparability.

Thirdly, **inadequate data sources** mean another risk. Some calculations proved to be impossible because of the lack of relevant data (for example, the staff cost/budget ratios for the previous programming period). Furthermore, not only the lack of statistics and other numeric data caused problems, but also one of the data collection methods (i.e. the online questionnaire) was not inherently flawless. Consequently, its results also have to be interpreted with concerns as, to some degree, they can be infected by self-selection and response bias. Since the respondents participated in the survey on a voluntary basis and they were aware of that the questionnaire does not influence their current and future projects in any way, it is possible that in some cases they took less care to properly answer the questions. Even if they did attempt it, mistakes could happen (for example in the case of the question related to the prehistory of the partnership).

## 5 Results of the evaluation

### 5.1 Effectiveness

#### 5.1.1 Actual progress

The actual progress of the programme was measured through:

- the quantification of the achievements made
- the analysis of the indicators
- the analysis of the time schedule; and
- the analysis of the financial progress.

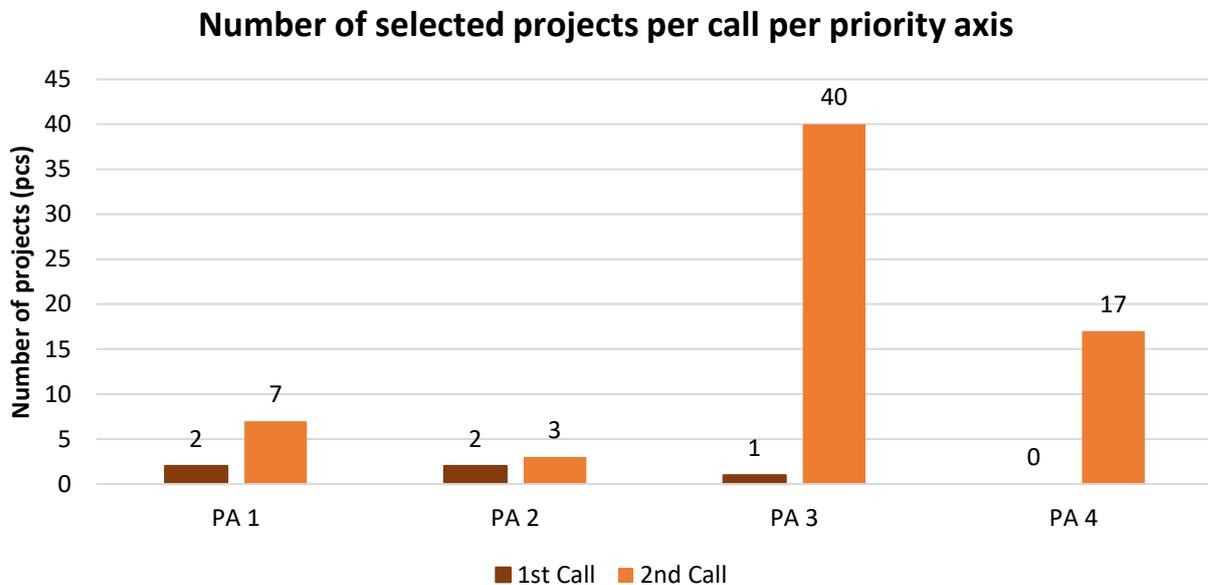
#### M1.1 Quantification of the results

The implementation of the Interreg-IPA CBC Hungary-Serbia programme was launched through two calls.

- **1<sup>st</sup> (Strategic) Call for Proposals (HUSRB/1601)**: the Strategic Call for Proposals was open for the PA1, PA2, PA3 from March 29, 2016 to September 30, 2016. The amount of funding available for this Strategic Call for Proposals was 24 800 000 EUR. The amount was distributed between five projects, including two water development, two transportation and one cultural cooperation and tourism project.
- **2<sup>nd</sup> Call for Proposals (HUSRB/1602)**: the second Call for Proposal was published in October 2016 targeting all four priority axes (PA1, PA2, PA3, PA4) of the programme. The financial envelope of the call was 21 500 000 EUR. Until the closing of the call (January 31, 2017), 259 applications were recorded in the IMIS 2014-2020. 67 projects were selected for funding.

The chart below shows the number of selected projects by priority and call as registered in the IMIS 2014-2020 before the 30<sup>th</sup> of September 2018.

*Figure 5: Number of selected projects per call per priority axis (Source: IMIS 2014-2020)*

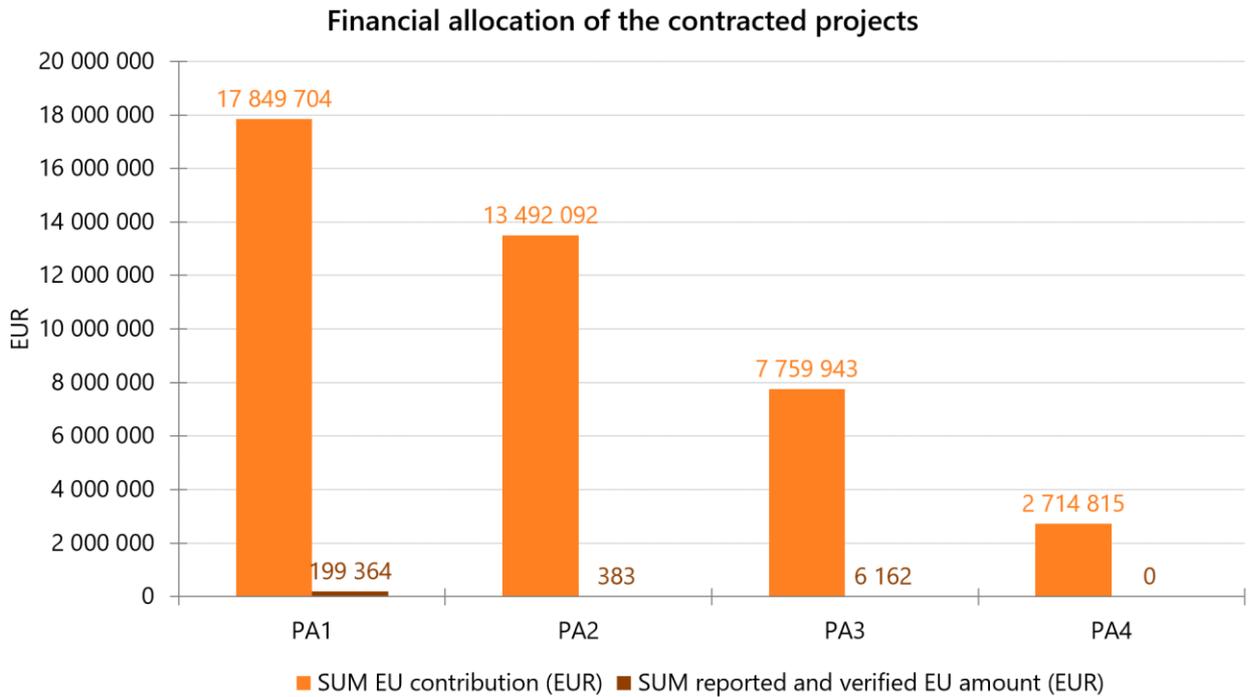


Based on the decisions made by the JMC, the programme allocated the IPA resources between the PAs, as it follows:

- PA1: 22 500 000 EUR
- PA2: 14 500 000 EUR
- PA3: 12 700 000 EUR
- PA4: 8 911 600 EUR.

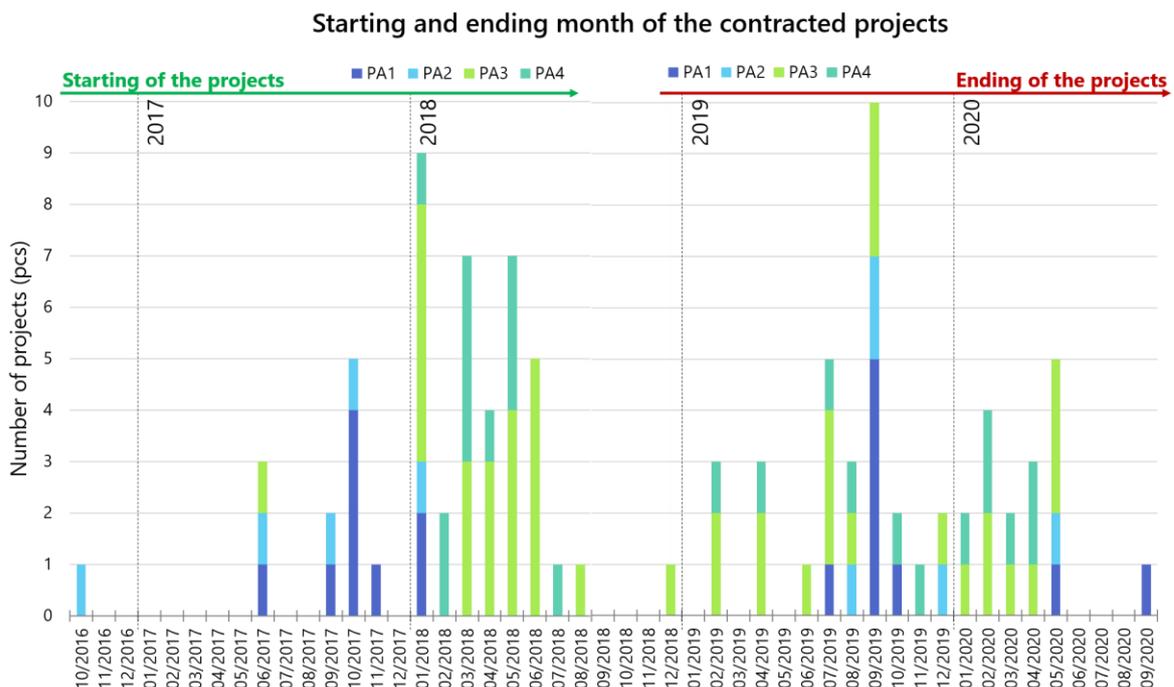
Compared to the above values, the following figure represents the resource allocation that the selected and contracted projects possess. Significant part of the budgetary framework of the PA2 and the PA1 has been committed; in the former case more than 90% of the available amount, in the latter case, almost 80%. In the case of PA3, 40%, while under PA4 70% of the budget is still available for further calls.

Figure 6: Financial allocation of the contracted projects (Source: IMIS 2014-2020)



The ratio of the reported and approved amounts is quite low in the case of all four priorities. The reason behind is that a significant part of the projects was started in 2018. The starting and expiring dates of the projects are presented on the next figure.

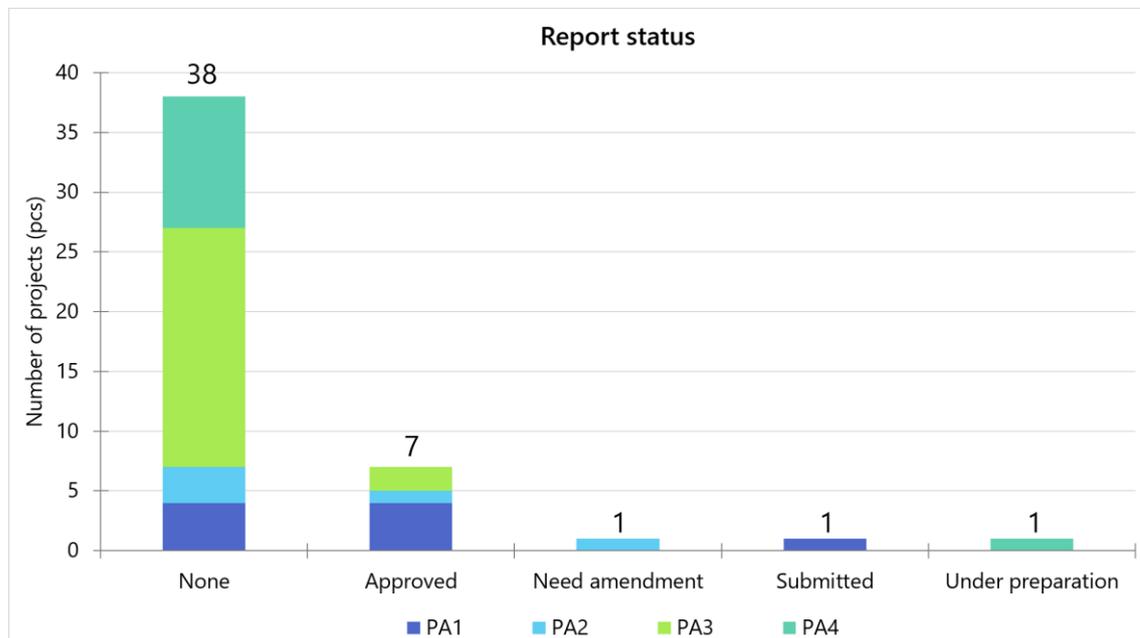
Figure 7: Starting and ending month of the contracted projects (Source: IMIS 2014-2020)



Due to the timing of the calls, the peak periods occur at the time of project startings and closings. With a more balanced call-timing or continuously open calls these peak periods would be more manageable.

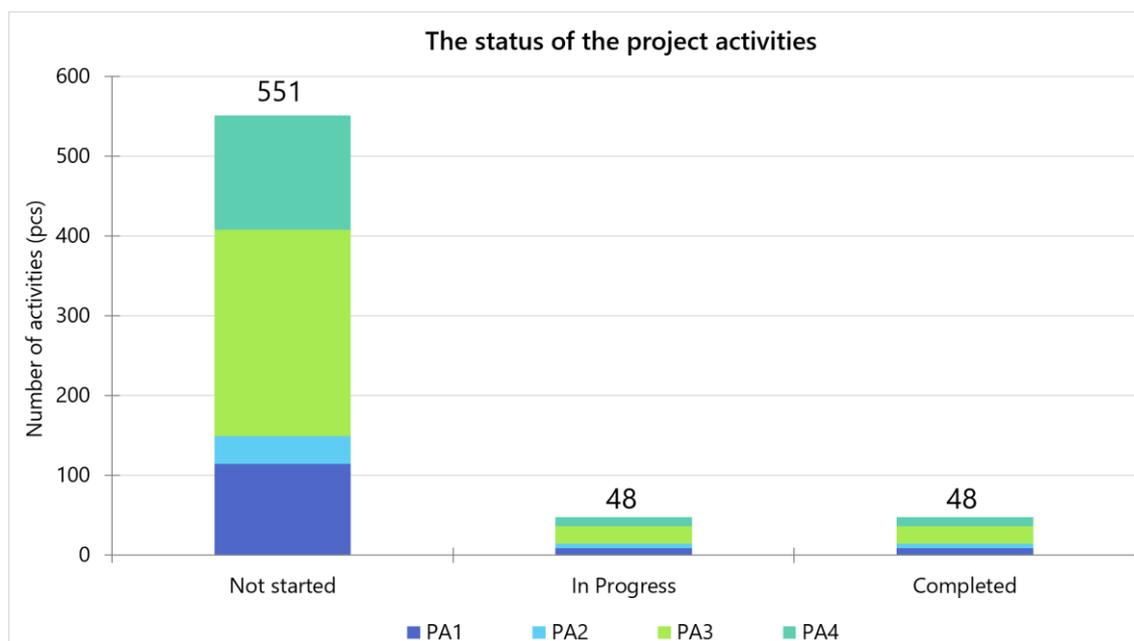
The low rate of absorbed EU contribution is also explained by the small number of approved reports.

Figure 8: Status of the reports (Source: IMIS 2014-2020)



Based on the data available in the IMIS 2014-2020, 48 projects connected to the two calls, identified the aim to implement a total number of 647 activities, out of which, only 48 were reported and approved as completed, by the end of September 2018. Due to the small number of available reports, more than 85% of the activities are in a 'not started' status.

Figure 9: The status of the project activities (Source: IMIS 2014-2020)



Based on the project information available in the IMIS 2014-2020, in respect of the indicators below, the following progress can be identified:

Table 8: The identified progress based on the indicators

Programme output indicators	Measurement Unit	CP Target value	Projects Target value [forecast provided by beneficiaries]	Projects Actual value [actual achievement]
Rate of persons from vulnerable groups involved in supported actions	%	50,00	301,00	0
Number of months spent in the institutions and companies on the other side of the border through scholarships	months	200,00	2,00	0
Number of organisations actively participating in the work of "knowledge platforms"	organisations	60,00	78,00	0
Number of enterprises cooperating with research institutions	enterprises	35,00	90,00	0
Average monthly user entries to developed online communication tools	user entries	5000,00	23990,00	0

<b>Programme output indicators</b>	<b>Measurement Unit</b>	<b>CP Target value</b>	<b>Projects Target value [forecast provided by beneficiaries]</b>	<b>Projects Actual value [actual achievement]</b>
Number of joint cultural, recreational and other types of community events and actions organised	events	200,00	405,00	3
Number of visits to supported sites of cultural and natural heritage and attractions	visits/year	30000,00	31138,00	300
Number of improved public transport services	services	3,00	0,00	0
Total length of the railway line directly affected by development plans	kilometres	50,00	58,00	0
Total length of newly built bicycle paths	kilometres	5,00	28,18	0
Total length of reconstructed or upgraded roads	kilometres	2,00	14,00	0
Total length of newly built roads	kilometres	3,00	4,52	0
Number of improved or newly built border crossing points	border crossing points	3,00	0,00	0
Surface area of habitats supported in order to attain a better conservation status	hectares	500,00	17408,00	0
Length of new or improved water management system	metres	6000,00	180608,00	0
Population benefiting from flood protection measures	persons	100000,00	949123,00	0

### **M 1.2 Indicator value analysis**

The main purpose of the indicator value analysis is to benchmark the indicators of the priorities **planned** during the programming, and those fulfilled during the implementation (the absolute values and the reasons of differences). For this analysis the programme documents, the data available in the IMIS 2014-2020 and data of the National Statistical Offices, plus – for the needs of justification – the relevant parts of the conducted interviews were used.

*Table 9: Indicator values of the Programme*

<b>Priority axis</b>	<b>Indicator</b>	<b>CP target value</b>	<b>Projects target value</b>	<b>Projects actual value</b>	<b>Actual project rate</b>	<b>Actual CP rate</b>
<b>1</b>	Surface area of habitats supported in order to attain a better conservation status	500	17 408	0	0,00%	0,00%
	Length of new or improved water management system	6 000	180 608	0	0,00%	0,00%
	Population benefiting from flood protection measures	100 000	949 123	0	0,00%	0,00%
<b>2</b>	Total length of the railway line directly affected by development plans	50	58	0	0,00%	0,00%
	Total length of newly built bicycle paths	5	28	0	0,00%	0,00%
	Total length of reconstructed or upgraded roads	2	14	0	0,00%	0,00%
	Total length of newly built roads	3	5	0	0,00%	0,00%
	Number of improved or newly built border crossing points	3	0	0	0,00%	0,00%
<b>3</b>	Average monthly user entries to developed online communication tools	5 000	23 990	0	0,00%	0,00%
	Number of joint cultural, recreational and other types of community events and actions organised	200	405	3	0,74%	1,50%
	Number of visits to supported sites of cultural and natural heritage and attractions	30 000	31 138	300	0,96%	1,00%
<b>4</b>	Rate of persons from vulnerable groups involved in supported actions	50	301	0	0,00%	0,00%
	Number of months spent in the institutions and companies on the other side of the border through scholarships	200	2	0	0,00%	0,00%
	Number of organisations actively participating in the work of "knowledge platforms"	60	78	0	0,00%	0,00%

Priority axis	Indicator	CP target value	Projects target value	Projects actual value	Actual project rate	Actual CP rate
	Number of enterprises cooperating with research institutions	35	90	0	0,00%	0,00%

In terms of the indicators fulfilled, PA1, PA2 and PA4 are equally at zero level. PA3 is characterised also with very low values, but at least some events and visits have already been realised there.

It is a general opinion among the interviewees that the completion of the programme is not in danger; although there are some delays compared to the planned progress (the performance framework cannot be followed), these all might be tackled without serious problems. At the same time, the CP has to be modified. Based on the Decision No. 53/2018 (31.07) of the JMC, the modification process started.

The delay is caused partly by the belated starting of the IMIS 2014-2020, partly by the MA's decision on the separation of the assessment procedures of PA1 and PA2 from PA3 and PA4 projects of the 2<sup>nd</sup> call. This resulted in delayed starting of the latter projects. It is instructive, that by the respondents the deficient structure and functioning of the IMIS 2014-2020 is one of the main hindering factors concerning timely performance. Technical burdens deriving from the IMIS 2014-2020 are significant, they consider it as the main risk of implementation. Furthermore, structural changes of the Managing Authority also caused delays. (For more details, please, refer to the assessment chapter.)

### M 1.3 Scheduling

The main purpose of the analysis of scheduling is to benchmark the indicators of different priorities planned during the programming and those met during the implementation – from a temporal perspective. The analysis identifies the prominent risks related to timely implementation. For this analysis, the programme documents and the data available in the IMIS 2014-2020 were used.

*Table 10: Schedule of indicator values*

Priority axis	Indicator	Target value (2018)	Actual value	Difference
1	Surface area of habitats supported in order to attain a better conservation status		0	
	Length of new or improved water management system	0	0	

Priority axis	Indicator	Target value (2018)	Actual value	Difference
	Population benefiting from flood protection measures		0	
2	Total length of the railway line directly affected by development plans		0	
	Total length of newly built bicycle paths		0	
	Total length of reconstructed or upgraded roads	0	0	
	Total length of newly built roads	0	0	
	Number of improved or newly built border crossing points		0	
3	Average monthly user entries to online communication tools developed		0	
	Number of joint cultural, recreational and other types of community events and actions organised	20	3	-17
	Number of visits to supported sites of cultural and natural heritage and attractions		300	
4	Rate of persons from vulnerable groups involved in supported actions		0	
	Number of months spent in the institutions and companies on the other side of the border through scholarships		0	
	Number of organisations actively participating in the work of “knowledge platforms”		0	
	Number of enterprises cooperating with research institutions	10	0	-10

In terms of PA1, PA2 and PA4 no progress has been made yet, but this only means delay in PA4, because it was the only PA, where targeted value for 2018 has been identified in the programme (namely: *Number of enterprises cooperating with research institutions*). In PA3, there is moderate progress with a targeted indicator and with another indicator not targeted to 2018 either. However, the majority of the indicators have no target value for 2018.

The reasons behind the delays in timing are the same as the ones that were behind the unreached indicator values (see under chapter M 1.2).

### M 1.4 Financial progress analysis

In parallel with the indicator analysis, the current financial progress of the programme against the planned one was assessed. The progress is described by two indices:

- **allocation rate:** the ratio of the aggregated allocated sum (the contracted amount per each selected project) and the planned financial frame by priority, expressed in percentage;
- **absorption rate:** the ratio of the amount expended by the contracted beneficiaries and the planned financial frame by priority.

For the sake of evaluation, programme documents and the data available in the IMIS 2014-2020 were used, and the relevant parts of the interviews.

In the next table we've summarised the target values (target for 2023 and 2018), the allocated and approved amounts, allocation rate (2023 and 2018) and absorption rates, by priority axis as well as in total.

As a conclusion, it can be stated that the performance of the CP for 2018 was planned in a too optimistic way; the absorption rate is far from the target values. In every PA, the absorption is significantly delayed compared to the targets of 2018. Especially PA4 performs weak: in this priority area, absorption has not been reported until the cut-off date of the evaluation. In PA2 and PA3, the absorption has just started, while PA1 has reached the rate of 10%.

In total, the major part of the amounts is allocated, while the absorption is in a significant delay. The start of the IMIS 2014-2020 system, will accelerate the realisation of the programme.

*Table 11: Allocation and absorption rates of the Programme*

Priority Axis	Target Value (2023)	Target Value (2018)	Allocated Sum	Spent And Approved Eu Contribution	Allocation Rate (2018)	Allocation Rate (2023)	Absorption Rate
1	26 470 589	1 917 101	17 849 704	199 364	931,08%	67,43%	10,40%
2	17 058 824	1 235 465	13 492 092	383	1092,07%	79,09%	0,03%
3	12 700 000	1 082 097	7 759 943	6 162	717,12%	61,10%	0,57%
4	10 484 236	759 308	2 714 815	0	357,54%	25,89%	0,00%
<b>Total</b>	<b>66 713 649</b>	<b>4 993 971</b>	<b>41 816 553</b>	<b>205 909</b>	<b>837,34%</b>	<b>62,68%</b>	<b>4,12%</b>

The reasons behind the delays in allocation and absorption are the same as the ones that were behind the unreached indicator values (see under chapter 1.2).

Referring to the interviews, the delays of absorption do not mean unmanageable risks.

## 5.1.2 Effectiveness of communication

### M 2.1 Evaluation of the Communication Strategy

By this evaluation, an overall picture on the communication activities of the programme designed in the Communication Strategy is offered (not taking into account the realised activities).

#### *Objectives*

In this subchapter the Communication Strategy (Updated version - April 2017 Approved by the Joint Monitoring Committee on 18 May 2017) will be analysed.

The Overall Communication Objective of the Programme is to facilitate the implementation of the Programme and the projects within its frame, by drawing attention toward the Programme, supporting its implementation, and promoting its long-lasting positive impacts on the Hungary-Serbia border region.

Communication Strategy outlines the General Communication Objectives, and several Specific Communication Objectives, which complement the general objectives. Each objective has a corresponding Key Message.

General Objective 1: Generating interest in the Programme and facilitating the application process.

- Specific objective 1.1: Raising general awareness of the Programme  
Message 1.1: Interreg-IPA CBC Hungary-Serbia enables economic collaboration of organisations from the two countries, nurtures the common identity and cultural and historical heritage of the border region, and contributes to its environmental sustainability and safety.
- Specific objective 1.2: Promoting the funding opportunities and facilitating the application process by providing timely and accurate information about the Programme, Calls for Proposals and the application process.  
Message 1.2: Interreg-IPA CBC Hungary-Serbia funds cooperation projects of organisations based in the Programme-eligible area. It offers support and guidance for developing high-quality applications.

General objective 2: Facilitating projects' implementation and raising awareness of their positive impact on the border region.

- Specific objective 2.1: Providing information and guidance on requirements needed for the implementation of the projects.

Message 2.1: Interreg-IPA CBC Hungary-Serbia provides guidance and support in the project implementation in order to develop tangible results for the border region.

- Specific objective 2.2: Promoting the projects and the priority, which they address via Programme channels.

Message 2.2: Interreg-IPA CBC Hungary-Serbia supports projects addressing the specific objectives relevant for the development of the Hungary-Serbia border region.

General objective 3: Ensuring transparency of the whole Programme implementation process.

- Specific objective 3.1: Ensuring transparent communication among the Programme management structures.

Message 3.1: The Programme operates on the basis of "shared management system" of the participating countries – Hungary and Serbia and ensures equal involvement of the partner countries and clear and transparent flow of information among them.

- Specific objective 3.2: Providing all stakeholders with information about the usage of funds and regular updates on the Programme implementation stages.

Messages 3.2: The Programme provides clear, regular, and timely information about its development stages and usage of funds in a transparent way.

General objective 4: Increasing awareness about Interreg and generating a positive image of the EU.

- Specific objective 4.1: Providing information about Interreg and EU funding
- Specific objective 4.2: Applying new (Interreg) visual identity

Message 4: The Programme belongs to Interreg, also known as the European Territorial Cooperation, the EU policy encouraging the EU regions to work together and learn from one another through joint programmes, projects and networks aimed at reducing disparities between regions and supporting optimal economic development by addressing issues of daily life.

### **Target audiences**

Target audiences are defined by the communication objectives, and the key messages are tailored to the specific audience's needs, interests and the ways they can be involved in the Programme. The strategy determines the following target audiences:

- Programme Management Structures: European Commission (EC), Joint Monitoring Committee (JMC), Managing Authority (MA), National Authority (NA), Certifying

Authority (CA), Audit Authority (AA), Control Bodies (CB), Joint Secretariat (JS), Joint Secretariat Antenna (JS Antenna);

- Assessors
- EU bodies: European Commission, European Parliament, Committee of the Regions
- Beneficiaries: this is one of the key target groups of the programme. The Lead Beneficiaries of the contracted projects are in regular contact with the JS and the JS Antenna and are reporting to the JS on regular basis.
- Potential Beneficiaries/Applicants: another key target group. It is of utmost importance for the Programme to provide information and guidance to Potential Beneficiaries and Beneficiaries of the Programme.
- General Audience: citizens from the Programme area, citizens of Hungary and Serbia and citizens of the EU. Communication activities mostly focus on raising awareness about the importance of the Programme and the EU funding dedicated to the border region. The main objective of communication with this target group is to achieve and maintain a positive public image and perception of the Programme, the INTERREG in general and the EU.
- Key decision makers and social actors: national, regional and local level policy-makers, high-ranked civil servants at national, regional and local level; influential actors of the civil society.
- Media: to maintain media relations is one of the key mission of the Programme communication activities, heavily influencing the success of the programme. Media are considered both as target audience and as a communication channel.
  - Traditional media: printed (daily, weekly and bi-weekly newspapers, and monthly or periodical magazines), electronic (TV and radio), online/digital media (online portals, websites of the printed and electronic media outlets)
    - Mass-media from Hungary and Serbia at regional and national levels;
    - European media in general – particularly those media covering EU affairs.
  - Non-traditional media:
    - Social media networks;
    - Blogs covering EU-related topics or topics relevant to the Programme area, or the Programme’s priorities, may also be targeted as audience.
- Other Interreg programmes.

### *Communication channels and tools*

Channels include:

- Programme website;

- Social media pages;
- Electronic Newsletter;
- Events: Opening Event, Info Days, Lead Beneficiary Workshops, European Cooperation Day, Closing Conference;
- Media.

Tools are as follows:

- The key tools applied are: the website, Newsletter articles and social media posts;
- Media-related tools: press releases, interviews, news articles, advertisements;
- Promotional materials: branded promotional merchandise, info-materials;
- Visual tools.

### Evaluation

The evaluation of the strategy is based on various (result and output) communication indicators.

Prior to preparation of the AIR 2016, JS proposed a revision of the *Evaluation* section of the Communication Strategy, namely the inclusion of the output and result indicators and their targets to be achieved by the end of the Programme (2022/2023). The reason for this change was to establish a more effective and measurable method of evaluation of the Communication Strategy.

*Table 12: Evaluation of the Communication Strategy  
(Source: Communication Strategy, page 25-26.)*

Communication Objective	Activities	Output Indicator (OI)	OI Target Value	Result Indicator	RI Target Value	Baseline Year	Target Value – Year	Programme body responsible for the implementation	Reports and the reporting year
1. Generating interest in the Programme and facilitating the application process	Announcements of calls for proposals via: website articles, press releases, media ads, social media posts, and Newsletter	Total number of announcements	30	Number of attendees at Info Days	600	2016	2023	JS	Annual Reports 2016 - 2023
	Organising Info Day seminars for Applicants	Number of organised events	8				2022	JS and JS Antenna	Annual Reports 2016 - 2023
	Promoting the website and its features via all Programme channels	Including link to the website in all calls for proposals-announcements	30	Number of website visitors	100,000	2016	2023	JS	Annual Reports 2016 - 2023
	Promoting the online tool Partner Search via Call for Proposal announcements	Total number of announcements	30	Number of registered organisations	100	2016	2022	JS	Annual Reports 2016 - 2023

Communication Objective	Activities	Output Indicator (OI)	OI Target Value	Result Indicator	RI Target Value	Baseline Year	Target Value – Year	Programme body responsible for the implementation	Reports and the reporting year
2. Facilitating project implementation and raising awareness of the projects' positive impact on the border region	Organising the LBseminars	Number of organised events	4	Minimum number of attendees	Number of contracted projects x 1	2017	2022	JS – Annual Reports	Annual Reports 2017 - 2023
	Publishing articles about Projects on the Programme's website	Total number of articles	Number of implemented projects x 1	Raised awareness of the Projects	Votes: 3 or above– O-going evaluative: Mark: 1 - 5	2017	2022	Programme website	
	Publishing posts about Projects on the Programme 's social media pages	Number of posts	Number of implemented projects x 1			2017	2022	Programme Social media pages	
3. Ensuring transparency of the whole programme implementation process	Promoting all key Programme announcements via Newsletter (also available on the website)	Number of distributed Newsletter issues	20	Number of opened Newsletters	Average of 20% opened per issue	2017	2022	JS – Annual Reports	Annual Reports 2016 - 2023
	Regular communication with Programme Bodies	Publishing all material intended for the Programme Bodies on the Back Office	Number of all Written Procedures x 1	Positive On-going evaluation of internal communication (mark 1-5)	The votes: 3 and above	2016	2023	JS;On-going Evaluation Report	At the end of Programme
	Organising internal Programme events	Number of JMC meetings	8	Positive On-going evaluation of internal communication (mark 1-5)	The votes: 3 and above	2016	2023	JS; JS Antenna; On-going Evaluation Report	At the end of Programme
4. Increasing awareness about Interreg and generating a positive image of the EU	Organising Programme's visibility events	Annual EC Day events and/or press conferences	7	Total number of attendees/participants	3,000	2016	2023	JS (with contribution of other Programme bodies)	2016 – 2023
	Applying the Programme Visual Identity	Minimum number of all promotional items produced	5,000	Minimum number of promotional items distributed	3,000	2016	2023	JS	2016 - 2023
	Securing the Programme's presence in the media (online, printed and electronic)	Number of distributed press releases	10	Minimum number of pieces of media coverage	70	2016	2023	JS, JS Antenna	2016 - 2022
	Securing the Programme's and projects' presence in the media (online, printed and electronic)	Minimum one of media-related activity per project (e.g. visibility events, press releases, interviews, etc.)	Number of implemented projects x 1	Number of pieces of media coverage	Number of implemented projects x1	2017	2023	Contracted projects; Project Progress Reports; Annual Communication Reports	2017 – 2023

Communication Objective	Activities	Output Indicator (OI)	OI Target Value	Result Indicator	RI Target Value	Baseline Year	Target Value – Year	Programme body responsible for the implementation	Reports and the reporting year
	Projects' visibility events	Minimum number of organised events	Number of implemented projects x 1	Minimum number of attendees	Number of implemented projects x20	2017	2023	Contracted projects;	Project Progress Reports; Annual Communication Reports 2017 - 2023
	Producing a summary of implemented projects, the problems they tackled and their positive impact on the region - printed and electronic version	Minimum number of publications	1	Minimum number of distributed copies	500	2017	2023	JS (with contribution of other Programme bodies)	2023

## M 2.2 Evaluation of the communication of the programme

The communication tools applied; the frequency of communication on the programme; the fulfilled indicators related to communication activities; and the estimated impact on public awareness on the programme will be analysed below. For evaluation, the following methods were applied: desk research with document analysis, interviews with the representatives of the programme bodies, online survey.

First of all, it has to be clarified that the communication activities are carried out according to the relevant rules and regulations allowing little room for manoeuvring for the programme management.

The programme is implemented according to the communication strategy and the visibility manual. The programme guarantees that all projects have their own communication components such as billboards, plaques, promotional events, etc. in accordance with the prescriptions of the visibility guide. Hiring of an individual communication manager, who has significant professional experience and knowledge in this field, has helped a lot in creating a more efficient communication.

The transparency and visibility is outstanding in the case of the strategic projects. In terms of visibility, the website plays an important role. The number of visitors of the web page can be considered a good value based on the opinion of the interviewees (according to the communication manager, there was a total of 72,042 visits of the

Programme’s website, and 27,036 users up to 8 October 2018). European Commission identified the Programme’s website as one of the top 10 INTERREG websites<sup>2</sup>.

Facebook is frequently used by the JS, there are posts almost every day. The total number of organic posts is 442, while the number of organic followers is 844 up to 8 October 2018, which makes it the leader among INTERREG programmes coordinated from Hungary (for comparison, the value is 391 regarding the Hungary-Croatia Programme and 618 considering Slovakia-Hungary Programme). This means that an outstanding number of users follow the Facebook page. Based on Google Analytics 49.2% of the users are from Serbia and 32.4% are from Hungary. 24.5% of the visitors are returning visitors. The total number of likes of the profile is high, 823 (in comparison such value is 376 in the case of Hungary-Croatia Programme and 643 in Slovakia-Hungary Programme). The programme’s communication is based on multiple social media platforms since along with Facebook, a LinkedIn page (total of 181 organic posts, and 240 organic followers) and a YouTube channel (the total of 61 featured video clips, and 13 subscribers, and 791 views,) has been created and maintained. However, the most important pieces of news are shared also on the official website of the programme.

The appearance and frequent use of social media are major reasons behind the fact that the communication of the programme in the current programming and budgetary period is notably better than during the previous period.

The Programme Newsletter (the total of 9 issues, and 331 organic subscribers up to the beginning of October 2018) is also an important communication tool used by the JS.

There are information days, as well as information campaigns as long as the given call is open and the JS intends to send the information on the calls to as many e-mail addresses as possible. The calls are sent via e-mail to everyone, who has applied for it before, and to the potential beneficiaries.

One of the biggest communication challenges is to reach the people who are not aware of the existence of the programme (especially in Serbia). In order to respond the challenge, the Programme has developed an online tool called ‘Partner Search<sup>3</sup>’, offering the opportunity to interested organisations/potential beneficiaries to register their organisations, as well as to seek for partners. This tool is frequently promoted (e.g. via social media pages, press releases, and the Newsletter), especially during Calls for

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<sup>2</sup> See the Interreg Annual Event, held on 6 June 2016 in Bruges, Belgium.

<sup>3</sup> *Partner Search* is an online tool through which any organisation with an interest to operate in HUSRB CB region can register, provide contact details and indicate in which priority axis they are interested in. This tool enables potential applicants/beneficiaries to get in contact and based on their common interest establish partnerships and develop a project idea into a project proposal.

Proposals are open. Additionally, acquiring new beneficiaries is not simply a matter of Programme's communication, but it also depends on the Programme's eligibility rules. However, once new applicants and beneficiaries are reached, it is difficult and lengthy to train them, it is hard to give them all the information they need for successful application.

Those organisations already participated in the (previous) programme(s) and various cultural events attracting local citizens have a great effect on publicity. Public awareness can also be raised by media tools, especially by newspaper articles or TV news, but the internet has similar popularity. These tools are extensively by the Programme.

Another challenge is to ensure the appropriate project management knowledge at the beneficiaries. Some topics mentioned by some beneficiaries at LB seminars should be already known. According to the programme management, in the current programming period there are significantly more applications and project partners who need professional support than previously.

The current analysis also includes the assessment of the annual communication activities – based on the following Programme phases: Preparation (2014-2015), Implementation (2016-2021) and Closing (2022-2023).

### *Preparation phase communication – 2014-2015*

This phase represented a transition between the two programming periods. The activities related to the current Programme were characterised by programme-level communication, which was entirely internal (between the Programme bodies). The key channels for external communication included:

- the visual identity of the Programme; the website;
- the Programme's communication-related documents, including the Communication Strategy, the Guidelines for Implementation of Information and Publicity Measures for Projects and the Reporting forms for projects' communication activities.

For the purpose of communication channels the Programme developed the Back Office within the Programme's website with two directories for: 1. the Programme Bodies; 2. the projects, intended for the Lead Beneficiaries to deposit the communication-related reports and the related material.

### *Implementation Phase communication – 2016*

The implementation phase began with the European Commission's approval of the CP on 15 December 2015, and it will last until 2021.

The official kick-off event of the Programme took place on 7 October 2016 in Novi Sad, Serbia. This event secured strong media coverage about the Programme in the local and the national media in Hungary and Serbia, promoting the Programme and its funding opportunities.

The Joint Secretariat posted regular updates and important announcements at the programme website, social media channels, and media (via press releases and newspaper ads), and provided regular and direct (email, phone and in-person) consultation opportunities connected to the Call for Proposals for the Applicants/Potential Beneficiaries.

With respect to the Second Call for Proposals, the JS and the JS Antenna organised Info Days, four full-day seminars on both sides of the border targeting Potential Beneficiaries. Info Days generated strong TV coverage – both national and local.

In 2016, the following programme’s communication channels were triggered:

- the Programme’s official website;
- Facebook page;
- LinkedIn page;
- YouTube channel;
- Programme Newsletter.

### ***Implementation Phase communication – 2017***

In 2017, the Programme’s website remained the main communication channel of the Programme towards the general public, the interested potential applicants, the Beneficiaries and other Programme’s stakeholders. Facebook and LinkedIn were used as efficient means of disseminating information. The Programme’s social media pages also featured the series *Programme Managers’ Tips*, which started in 2016. Relying on the vast experience of the Programme Managers of JS, these tips aimed to provide an added-value advice to Applicants – for successfully preparing and submitting their applications, and to the Beneficiaries – for smooth and effective project implementation.

The Programme’s annual event in 2017 was held connected to the European Cooperation Day, traditionally celebrated in September. In this occasion, the JS organised a photo contest and a photo exhibition. The initiative resulted in over 50 pieces of organic (free of charge) media coverage in Hungarian and Serbian media, including radio and TV reports, increased number of followers by 67% of the Facebook page and a social media reach exceeding 50,500 people.

In 2017, the Programme produced the branded merchandise products. These items were designed for promotional purposes and have been distributed at Programme-related events, and other relevant occasions.

Additionally, the Programme produced five infographics presenting the key information. By the end of 2018, further 5 infographics were intended to be published.

### **Implementation Phase communication – 2018**

Two of the key communication-related activities in 2018 were two Lead Beneficiary Seminars, in Serbia and Hungary.

The European Cooperation Day 2018 was the occasion for the annual visibility event. This year, the Programme's event was accompanied by 15 project level events. The following data vouches for the strong visibility results of this initiative: estimated number of attendees of 5,000; 18 media articles mentioning European Cooperation Day, including five TV reports and one double spread article in a Serbian weekly magazine in Hungarian language.

By the end of 2018, the Programme will complete the remaining five infographics.

*Table 13: Indicative budget allocated for communication activities per year of the Programme lifecycle*

<b>External expertise and services costs for 2016-2023</b>	<b>Measure</b>	<b>Units</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>Total</b>	<b>%</b>
Info days (one-day-long event for potential applicants- 15-50 people each)	event	15	6 700	0	5 000	0	0	0	0	0	11 700	5,78
Organisation of opening and closing conference	event	2	0		0	0	0	0	0	10 000	10 000	4,94
EC-day	event	7	0	6 000	10 000	5 000	9 700	20 000			50 700	25,05
Promotional material (including publications)	year	8	0	55 000	5000	0	5 000	5 000	10 000	7 000	87 000	42,98
Final closing book	piece	1	0	0	0	0	0	0	25 000	0	25 000	12,35
Web development and maintenance	year	7	0	4 000	2 000	3 000	2 000	3 000	2 000	2 000	18 000	8,89
LB seminars (one-day-long event for 30 LBs each)	event	8	0	0	2 000	6 000	0	0	0	0	8 000	3,95
Call for proposals advertisements (national and county level advertisements)	year	4	3000	0	5 000	5 000	0	0	0	0	13 000	4,94

The budget allocation targeting the communication services is revised on a yearly basis, and these allocations are indicative. Data of the above table are in line with the plans of 2018. The 1<sup>st</sup> (strategic) Call was launched in March 2016 while the 2<sup>nd</sup> Call was announced in October 2016. It is obvious that the events follow the lifecycles of each

given call. The activities start with the publication of the call followed by info days on both sides of the border and, once the selected projects are announced, LB seminars are taking place. All these activities are framed by the opening and closing event of the Programme. (The opening conference could be financed by the previous budget it is the reason why it is not included in the table.) The only continuous activity is the maintenance of the web appearance.

The PR gifts were procured and delivered in the beginning of the (active) Programme for the entire programming period. It has to be highlighted that almost 43% of the total communication budget is spent on PR materials.

### *Indicators fulfilled*

In this sub-chapter, the indicators identified in the Communication Strategy will be analysed based on officially approved data. In order to conduct this part of the evaluation the assessment team contacted the Joint Secretariat. In the following, the analysis is heavily based on the information provided by the JS, especially, the communication manager. The following information presents the results of the information and publicity measures implemented up to date, relying on the targets defined in the Evaluation Table of the Communication Strategy, which are due in 2022/2023. The information presents the contribution of the results to the targets set (in percentages). The results of the information and publicity measures implemented so far are presented in the Evaluation Table in the columns marked as until 8 October 2018. The sources of information for the related data are the following:

- Media coverage reports – the Programme collates published media articles;
- Project event reports of the ongoing projects that the Lead Beneficiaries deliver regularly to the JS via Back Office directory addressed for the information and publicity materials of the projects;
- Media coverage reports and files, which are regularly delivered by the Lead Beneficiaries to the JS via Back Office directory aimed at projects' usage;
- Google analytics report about the Programme's website, covering the implementation period from the beginning until 8 October;
- Social media pages of the Programme: Facebook, LinkedIn and YouTube.

*Table 14: Realisation of the output indicators of the Communication Strategy connected to Communication Objective 1*

Communication Objective	Activities	Output Indicator (OI)	OI Target Value	Until 8 October 2018	Result Indicator	RI Target Value	Until 8 October 2018	Baseline Year	Target Value - Year	Programme body responsible for the implementation
1. Generating interest in the Programme and facilitating the application process	Announcements of calls for proposals via: website articles, press releases, media ads, social media posts, and Newsletter	Total number of announcements	30	52 (73% more than the set target was achieved)	Number of attendees at Info Days	600	449 (74.8% of the set target was achieved)	2016	2023	Joint Secretariat - JS
	Organising Info Day seminars for Applicants	Number of organised events	8	4 (50% of the set target was achieved)					2022	JS and JS Antenna
	Promoting the website and its features via all Programme channels	Including link to the website in all calls for proposals announcements	30	40 (33% more than the set target was achieved)	Number of website visitors	100,000	27,036 users and the total 72,042 visits to the website	2016	2023	JS
	Promoting the online tool Partner Search via Call for Proposal announcements	Total number of announcements	30	13 (43% of the set target was achieved)	Number of registered organisations	100	97 (97% of the set target was achieved)	2016	2022	JS

Regarding Communication Objective 1 (CO 1): *Generating interest in the Programme and facilitating the application process*, all output and result indicators have performed well. The performance is outstanding in the case of total number of announcements (including the link to the website in all calls for proposals announcements): these output indicators have already exceeded the target values. The only indicator among indicators with a relatively low value, is the total number of announcements (43% of the target value).

*Table 15: Realisation of the output indicators of the Communication Strategy connected to Communication Objective 2*

Communication Objective	Activities	Output Indicator (OI)	OI Target Value	Until 8 October 2018	Result Indicator	RI Target Value	Until 8 October 2018	Baseline Year	Target Value - Year	Programme body responsible for the implementation	Reports and the reporting year
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Communication Objective	Activities	Output Indicator (OI)	OI Target Value	Until 8 October 2018	Result Indicator	RI Target Value	Until 8 October 2018	Baseline Year	Target Value - Year	Programme body responsible for the implementation	Reports and the reporting year
2. Facilitating project implementation and raising awareness of the projects' positive impact on the border region	Organising the LB seminars	Number of organised events	4	2 (50% of the set target was achieved)	Minimum number of attendees	Number of contracted projects x 1 (72 selected projects)	132 (approx. 83% more than the target value)	2017	2022	JS – Annual Reports	Annual Reports 2017 - 2023
	Publishing articles about Projects on the Programme's website	Total number of articles	Number of implemented projects (51 contracted projects)	83 (approx. 63% more than the set minimum target was achieved)	Raised awareness of the Projects	Votes: 3 or above– On-going evaluative: Mark: 1 - 5	N/A	2017	2022	Programme website	
	Publishing posts about Projects on the Programme's social media pages	Number of posts	Number of implemented projects x 1 (72 selected projects)	275 (approx. 282% more than the set minimum target was achieved)			N/A	2017	2022	Programme Social media pages	

Regarding Communication Objective 2 (CO 2): *Facilitating project implementation and raising awareness of the projects' positive impact on the border region*, the indicators, which are already quantifiable have reached a promising level, especially in the number of posts and minimum number of attendees, which surpassed the set targets by far. The number of LB seminars performed the worst but it is connected to the progress of the programme, and the 50% can be considered a good value.

Regarding the output indicators, the JS organised two Lead Beneficiary seminars in 2018 – in Subotica, Serbia and in Szeged, Hungary. The Programme has been regularly reporting via the Programme's website on the ongoing projects exceeding the set target by 83%. Such posts include project descriptions, news about project kick-offs, events and tender publications, as well as success stories. In addition to the website, the Programme has been using its social media pages to inform the public about ongoing projects. The total number of posts up to date surpassed the minimum target set by approximately 282%. Result indicators referring to awareness raising about the projects can be measured at the end of the Programme.

*Table 16: Realisation of the output indicators of the Communication Strategy connected to Communication Objective 3*

Communication Objective	Activities	Output Indicator (OI)	OI Target Value	Until 8 October 2018	Result Indicator	RI Target Value	Until 8 October 2018	Baseline Year	Target Value - Year	Programme body responsible for the implementation	Reports and the reporting year
3. Ensuring transparency of the whole programme implementation process	Promoting all key Programme announcements via Newsletter (also available on the website)	Number of distributed Newsletter issues	20	9 (45% of the set target was achieved)	Number of opened Newsletters	Average of 20% of opened per issue	55.32% opened (approx. 35% more than the target value)	2017	2022	JS - Annual Reports	Annual Reports 2016 - 2023
	Regular communication with Programme Bodies	Publishing all material intended for the Programme Bodies on the Back Office	Number of all Written Procedures x 1	12 - all written procedures issued so far were published on the Back Office	Positive On-going evaluation of internal communication (mark 1- 5)	The votes: 3 and above	N/A	2016	2023	JS; On-going Evaluation Report	At the end of Programme
	Organising internal Programme events	Number of JMC meetings	8	4 (50% of the set target was achieved)	Positive On-going evaluation of internal communication (mark 1- 5)	The votes: 3 and above	N/A	2016	2023	JS; JS Antenna; On-going Evaluation Report	At the end of Programme

Regarding Communication Objective 3: *Ensuring transparency of the whole programme, in the implementation process*, the indicators have performed well, especially the result indicator.

Considering the output indicators aiming to ensure transparency of the Programme, the most important pieces of news of each quarter were published via the Programme Newsletter. The number of distributed Newsletter issues made for 45% of the set target (as for 2022). Additionally, it is worth mentioning that the Programme has also recorded a significant increase (68%) in the number of Newsletter subscribers between the publication of the first and the latest issues. All Newsletter subscriptions were organic (without paid advertisement and paid marketing campaign) made through the Programme’s website. All materials produced by Written Procedures up to date were published on the Back Office directory addressing the JMC members. All planned JMC meetings up to date were held. They made for 50% of the set target.

Considering the result indicators, on average, 55.32% subscribers opened the newsletters, which is approximately by 35% more than the set target (as for 2022). Result indicators

referring to positive score of the ongoing evaluation of the internal communication are to be measured at the end of the Programme.

*Table 17: Realisation of the output indicators of the Communication Strategy connected to Communication Objective 4*

Communication Objective	Activities	Output Indicator (OI)	OI Target Value	Until 8 October 2018	Result Indicator	RI Target Value	Until 8 October 2018	Baseline Year	Target Value - Year	Programme body responsible for the implementation	Reports and the reporting year
4. Increasing awareness about Interreg and generating a positive image of the EU	Organising Programme's visibility events	Annual EC Day events and/or press conferences	7	3 (42.8% of the set target was achieved)	Total number of attendees/participants	3,000	5,153 (approx. 72% more was achieved than the set target)	2016	2023	JS (with contribution of other Programme bodies)	2016 - 2023
	Applying the Programme Visual Identity	Minimum number of all promotional items produced	5,000	14,088 (approx. 182 % more than the set minimum target was achieved, and 82% of the total promo merchandise planned)	Minimum number of promotional items distributed	3,000	4,659 (55% more was achieved than the set target)	2016	2023	JS	2016 - 2023
	Securing the Programme's presence in the media (online, printed and electronic)	Number of distributed press releases	10	6 (60% of the set target was achieved)	Minimum number of pieces of media coverage	70	89 (27 % more was achieved than the set target)	2016	2023	JS JS Antenna	2016 - 2022
	Securing the Programme's and projects' presence in the media (online, printed and electronic)	Minimum one of media-related activity per project (e.g. visibility events, press releases, interviews, etc.)	Number of implemented projects x 1 (47)	35 (74% of the set target was achieved)	Number of pieces of media coverage	Number of implemented projects x 1 (47)	275 (485% more was achieved than the set target)	2017	2023	Contracted projects; Event reports and Back Office data	Project Communication Reports; Annual Communication Reports 2017 - 2023

Communication Objective	Activities	Output Indicator (OI)	OI Target Value	Until 8 October 2018	Result Indicator	RI Target Value	Until 8 October 2018	Baseline Year	Target Value - Year	Programme body responsible for the implementation	Reports and the reporting year
	Projects' visibility events	Minimum number of organised events	Number of implemented projects x 1 (47)	122 (159 % more was achieved than the set target)	Minimum estimated number of attendees	Number of implemented projects x 20 (940)	25,160 (2576% more was achieved than the set target)	2017	2023	Contracted projects;	Project Communication Reports; Annual Communication Reports 2017 - 2023
	Producing a summary of implemented projects, the problems they tackled and their positive impact on the region - printed and electronic version	Minimum number of publications	1	N/A	Minimum number of distributed copies	500	N/A	2017	2023	JS (with contribution of other Programme bodies)	The end of the Programme 2023

Regarding Communication Objective 4 (CO 4): *Increasing awareness about Interreg, and generating a positive image of the EU excluding Annual EC Day events and/or press conferences and Number of distributed press releases*, all measured data have already exceeded the set targets by 2022/2023.

Considering the output indicators, all planned annual visibility events/initiatives up to date were implemented. They made for 42.8% of the set target (as for 2023). All the promotional items to be distributed (such as informative brochures about the Programme) and branded promotional items were produced in 2016 and 2017. Their total number exceeded the minimum set target (as for 2023) by 182%. The Programme achieved 60% of the minimum set number of press releases (as for 2023). These articles were distributed to the local and national media in both countries. Projects implemented within the Programme are essential for raising awareness about INTERREG and the EU investments in the region. Ongoing projects made efforts in order to obtain media coverage, reaching 74% of the set minimum target (as for 2023). These projects included 122 events up to date, which is by 159% more than the set minimum target (by 2023).

The general quality and the cross-border aspects of the projects can be improved by sharing the experiences of best projects (i.e. those having the strongest cross-border character). For this purpose, delivery of a regular publication (similar to the professional materials published both on-line and printed by the LEADER programme, e.g. guides, fact sheets, compilation of best practices), with explanations on both languages; more field trips and local presence; and project fairs can be applied. The main aim is to better communicate the most successful (i.e. successfully completed) cross-border projects (from and outside the present programme) with a view to transferring the knowledge to as wide public as possible.

Considering the result indicators, a total number of attendees/participants in the annual visibility events and/or press conferences exceeded the minimum set target (the set target for 2023) by approximately 72%. Number of distributed promotional items exceeded the set minimum target (as for 2023) by 55%, number of media coverage pieces generated by the Programme surpassed the set minimum target (as for 2023) by 27%, number of media coverage pieces generated by the projects exceeded the set minimum target (as for 2023) by 485%. Total number of attendees of the project events exceeded the minimum set target of 2023 by not less than 2576%, thanks to the mass events such as fairs.

According to the programme management staff, the indicators set can be fulfilled as the programme progresses.

### **Results of the online survey**

During the evaluation process, beneficiaries were asked about the communication activities, by an online survey. In the following 53 distinctive answers will be analysed in relation to the quality programme-level communication. The answers connected to communication are grouped along by the different questions.

#### ***From where were you informed about the call?***

The majority of the beneficiaries were informed about the call from the internet (64%). Additional useful platforms included programme events (13%), other professional events and external experts (8% each). *Electronic media* and *friend* were not mentioned and printed press received only a single vote indicating that the internet is by far the most effective tool compared to any other communication tools and channels.

***What is your opinion on the tools and ways of the communication of the programme?***

The communication is well organised, the information is easy to get and the frequency of information provision is appropriate, this is shared by not less than 81% of the respondents. The remaining 19% experienced only smaller problems in the communication. Thus, tools and ways of communication enjoy a general satisfaction.

In general, the time to answer is short, the JS is accessible both via telephone and email, while all the questions were answered at professional events. The JS and the MA are both helpful in answering questions.

***If you think, that the communication of the programme is not well organised, please describe why do you think so.***

Two communication fields received some complaints, namely the language of communication and the IMIS 2014-2020. On the one hand, some beneficiaries suggested Hungarian as the language of communication when the project partner is from Hungary. On the other hand, the latter complaint was about that the IMIS 2014-2020 project implementation platform was not available in time and IMIS 2014-2020 is too complicated in relation to reporting, in particular. Also, it would be better if the Info Days were organised earlier.

***Do you have any recommendations how the programme implementation could be improved?***

The organisation of more Info Days for the LBs and other partners is recommended, because many questions could be cleared better in live, face-to-face communication.

The respondents also suggested to organise seminars for the beneficiaries, and to make the relevant documents available before the start of the project implementation phase.

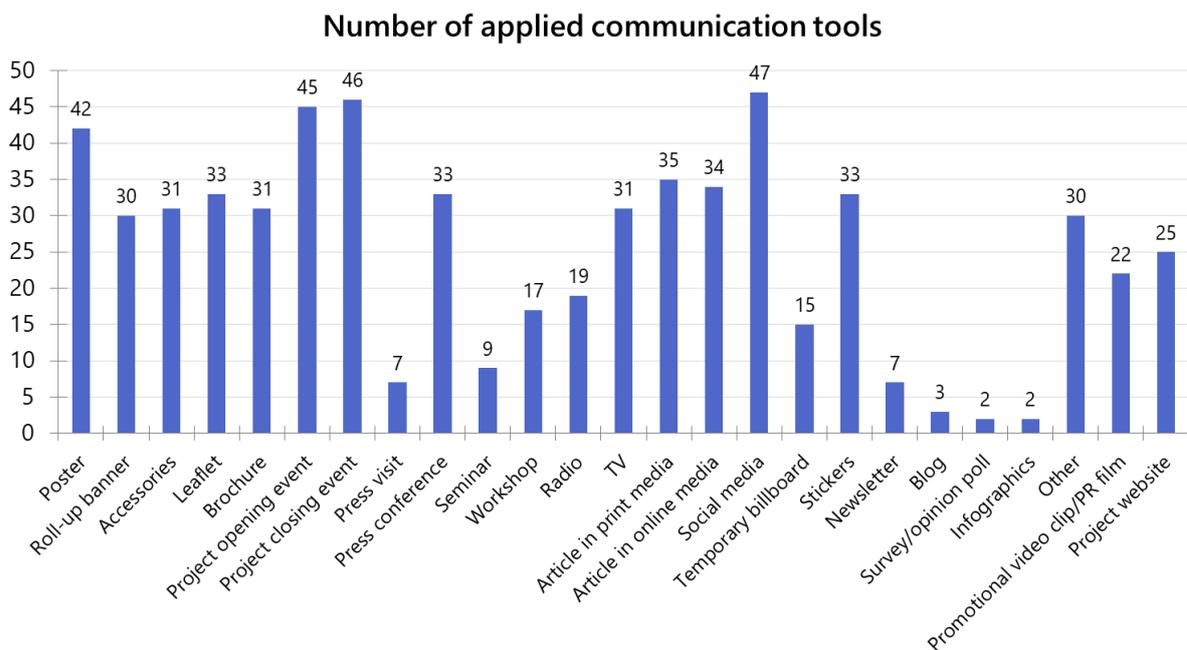
**M 2.3 Evaluation of the communication of the projects*****Communication tools used – based on information from IMIS 2014-2020***

In order to assess the communication tools applied, the project database of the IMIS 2014-2020 were used accompanied with analysis of the results of the interviews and the online survey. In relation to the IMIS 2014-2020 quantitative and qualitative information was gained from the so-called “information and publicity” submenu on 48 projects (total number of contracted projects).

Due to the lack of data, the total number of communication tools applied (e.g. pieces) cannot be provided, it is a general problem of the IMIS 2014-2020 database.

Among the mandatory visibility tools posters are the most frequently applied (in 31 projects with a total number of 270 pieces). Promotional materials<sup>4</sup> are also widely applied. Leaflets have been printed by 34 projects (43,850 pieces in total), brochures have been published by 31 projects (18,550 in total), while accessories have been produced by 30 projects (mostly pens/pencils, notebooks/notepads and folders); and roll-up banner is used by 30 projects (85 in total).

Figure 10: Number of applied communication tools (Source: IMIS 2014-2020)



Regarding communication events<sup>5</sup> the obligatory elements of the project opening and project closing events can be found at almost every project according to the IMIS. Other important tools are the press conferences (33 projects with 62 conferences) and the workshops (17 projects, 72 such events). Press visits (7 projects) and seminars (9 projects) are not commonly used.

Considering media coverage,<sup>6</sup> social media tools are used in all projects except for one. Facebook is by far the most relevant platform, nearly every project uses Facebook to some extent. Twitter is mentioned 3 times just like LinkedIn and YouTube, while Instagram is planned to be used in the case of one project. Online and printed media articles have almost the same relevance (34 and 35 projects). The media appearances are

<sup>4</sup> Promotional materials include Accessories, Leaflets, Brochures, Roll-up banners.

<sup>5</sup> Communication events include Project kick-off event, Project closing event, Press visit, Press conference, Seminar, Workshop.

<sup>6</sup> Media coverage includes radio, TV, article in printed media, article in online media, social media.

followed by TV coverage (31), while radio is much less popular (19). Stickers as obligatory tools are registered in the case of 33 projects.

Taking into consideration the recommended tools,<sup>7</sup> project website (at 25 projects) and promotional video (22 projects) are frequently used, while all the others (newsletter (7 projects), blog (3), survey/opinion poll (2) infographics (2)) are almost irrelevant for the beneficiaries. Further tools include various books and different kinds of printed materials, events, courses etc.

### *Results of the online survey*

In the followings, the 53 distinctive recorded answers will be analysed in relation to the quality of project-level communication. The answers connected to communication are grouped around the relevant questions.

***Please evaluate the effectiveness of your communication activities! (How effective was your communication during the project? Did you manage to reach your target groups? What was the reason if not? Were your target groups representing both sides of the border?)***

There were some difficulties in answering these questions, since the majority of the beneficiaries were just contracted or launched their projects, hence no remarkable communication has been carried out up to the date of the evaluation. Due to limited time frame (and thus limited experience), many beneficiaries have not reported further details.

Those who still answered the question, stated that target groups and the previously set target values had been effectively reached. They managed to reach the target groups on both sides of the border. In many cases, the level of attendance and expected values even exceeded the predictions. Partners seem sure that they can raise the awareness of people in the border region.

***Please describe what kind of difficulties you met during the project implementation!***

The most serious difficulties can be summarised as follows:

- Continuous contacts, organisation and personal meetings with the partner on the other side of the border were a major challenge;
- Communication rules are complicated but with the help of the communication manager and the programme manager all problems become easier to understand;
- Rigorous standards of making promotional materials;
- Problems in communication among project partners, misunderstandings could have been avoided.

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<sup>7</sup> Recommended tools include newsletter, blog, survey/opinion poll, infographics, promotional video/PR film, project website.

## 5.2 Impact

### 5.2.1 Analysis of the relevance

#### **M 3.1 Analysis of regional needs**

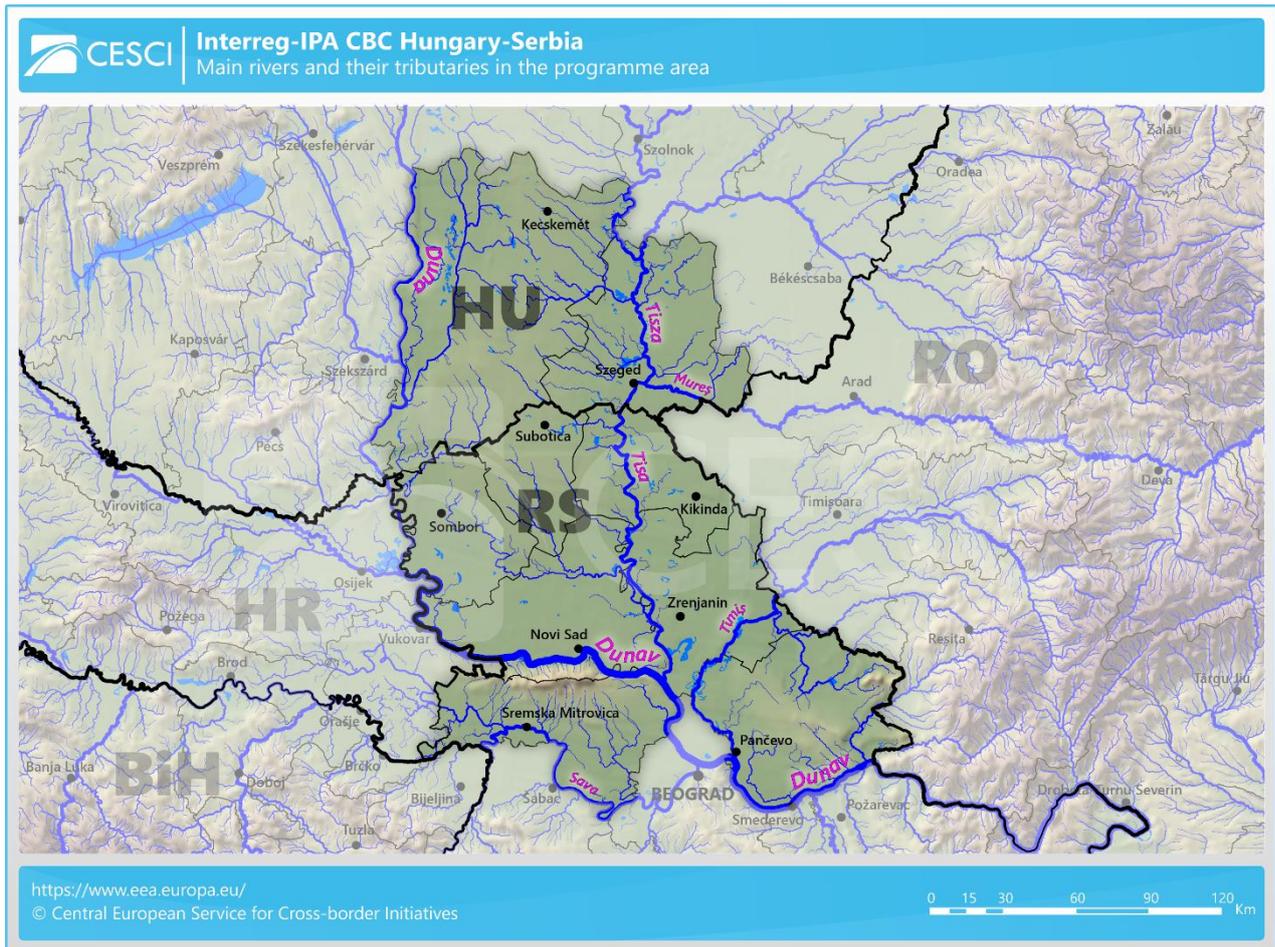
In this subchapter the analysis aims at unfolding whether the objectives drawn from the regional analysis of the programme are still relevant or the socio-economic changes would justify some modifications which can have effect on the intervention logic of the programme, as well. The regional analysis is built up according to the intervention logic of the programme (i.e. by the thematic priorities). In every case, the original text for justification of the selection of the relevant thematic priority was taken into account and compared to the current situation of the border area: whether the statements are still valid or not.

For this purpose, information and data were collected mainly using the sources of national statistical offices

#### ***Priority axis 1 Improving cross-border water management and risk prevention systems***

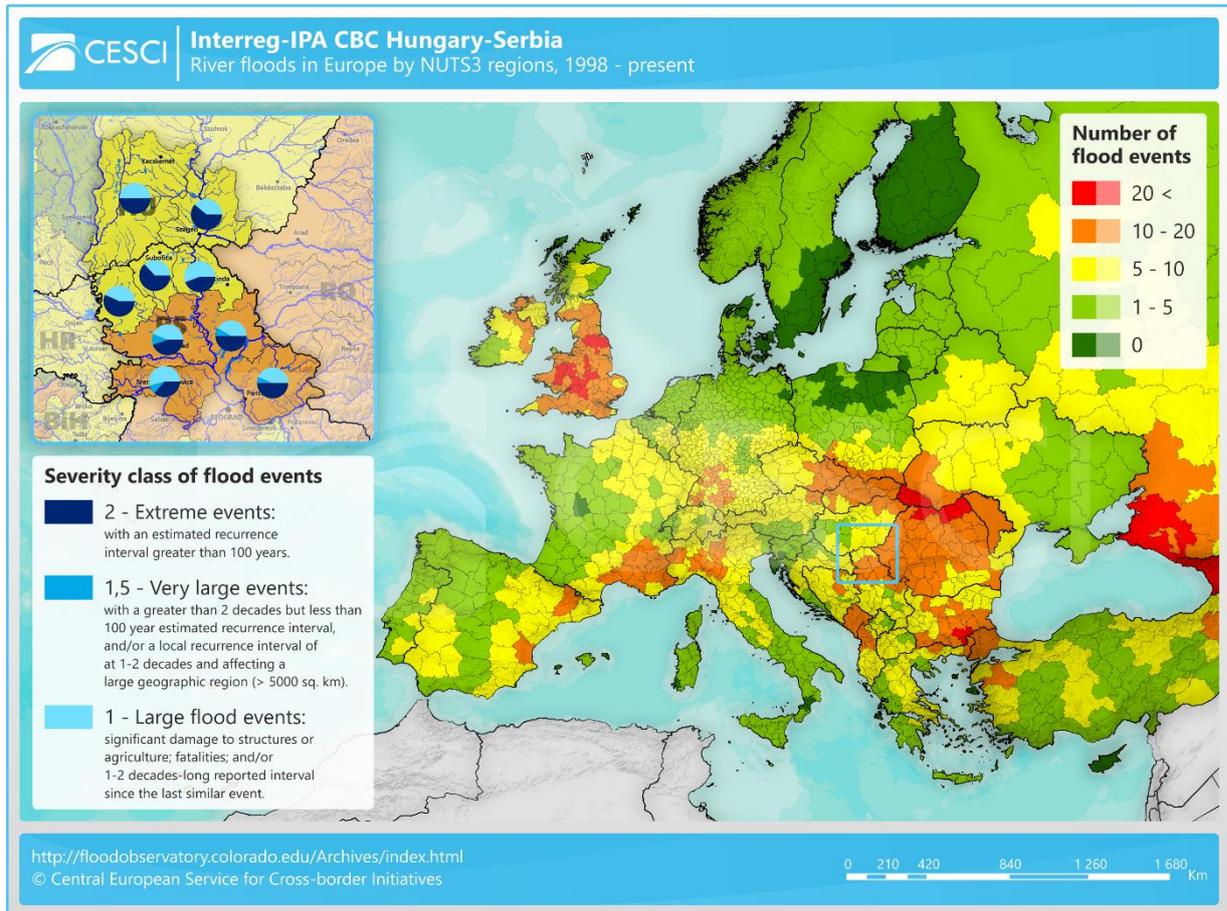
The natural and environmental resources are primarily connected to the main rivers of the border region, namely the Danube and the Tisa. Owing to the high permanency of such natural and hydrological conditions, the justification of selection is still relevant. The water bodies still have highly cross-border character; the whole region forms part of the catchment area of the Danube and its main tributary, the Tisa. This calls for a joint water monitoring system as well as early warning systems for environmental risks (e.g. drought, floods, hydrological status, and water pollution).

Figure 11: Main rivers and their tributaries in the programme area, 2018



Due to climate change as well as unsustainable land use, both the intensity and the quantity of river floods in the border region has been high and will be expected to increase. The number of flood events is significant, thus the region is part of those European regions exposed to floods quite frequently, what is especially true for the southern part of Vojvodina. The severity class of flood events is also unfavourable; extreme events have a share around 50%, at almost every administrative unit (district and county) , while in Csongrád County and North Bačka the share of such events reaches the two thirds of the number of all events.

Figure 12: River floods in Europe by NUTS3 regions, from 1998 until present



These challenges require joint water management and environmental risk prevention, what underlines the importance of this selected priority.

### ***Priority axis 2 Decreasing the bottlenecks of cross-border traffic***

The border's status is determined by the fact that it is an external border of the EU. The Schengen Agreement clearly defines the rules to be applied by the authorities along the external borders what limits the permeability and cross-border mobility in these regions. The fact that Serbia is outside the EU at the moment, complicates the maintenance of the relationships, the flow of goods and cross-border integration of services with EU member states. Compared to INTERREG CBC programmes, the conditions for territorial integration and high-quality cross-border cooperation are more unfavourable (see e.g. the customs obligations, the border control and the remarkable differences between the national legislations which are lightened between EU Member States).

What is more, the migration crisis in 2015 made the territorial integration process more difficult.

On the one hand, as a direct impact, the dynamic increase of cross-border flow of people and goods remarkably slowed down in 2015 (see the two figures below).

Figure 13: Changes in the volume of cross-border traffic at the Hungary-Serbia border between 2012 and 2017

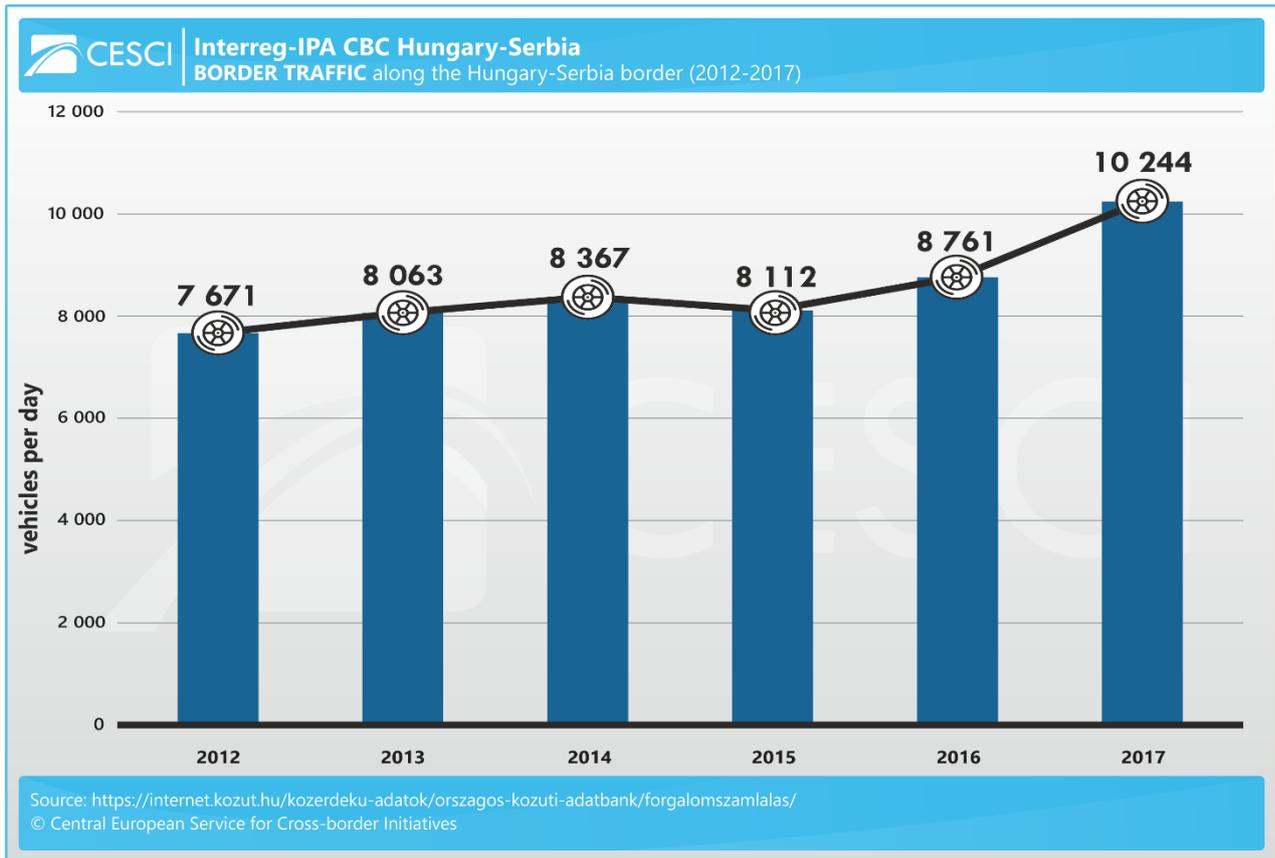
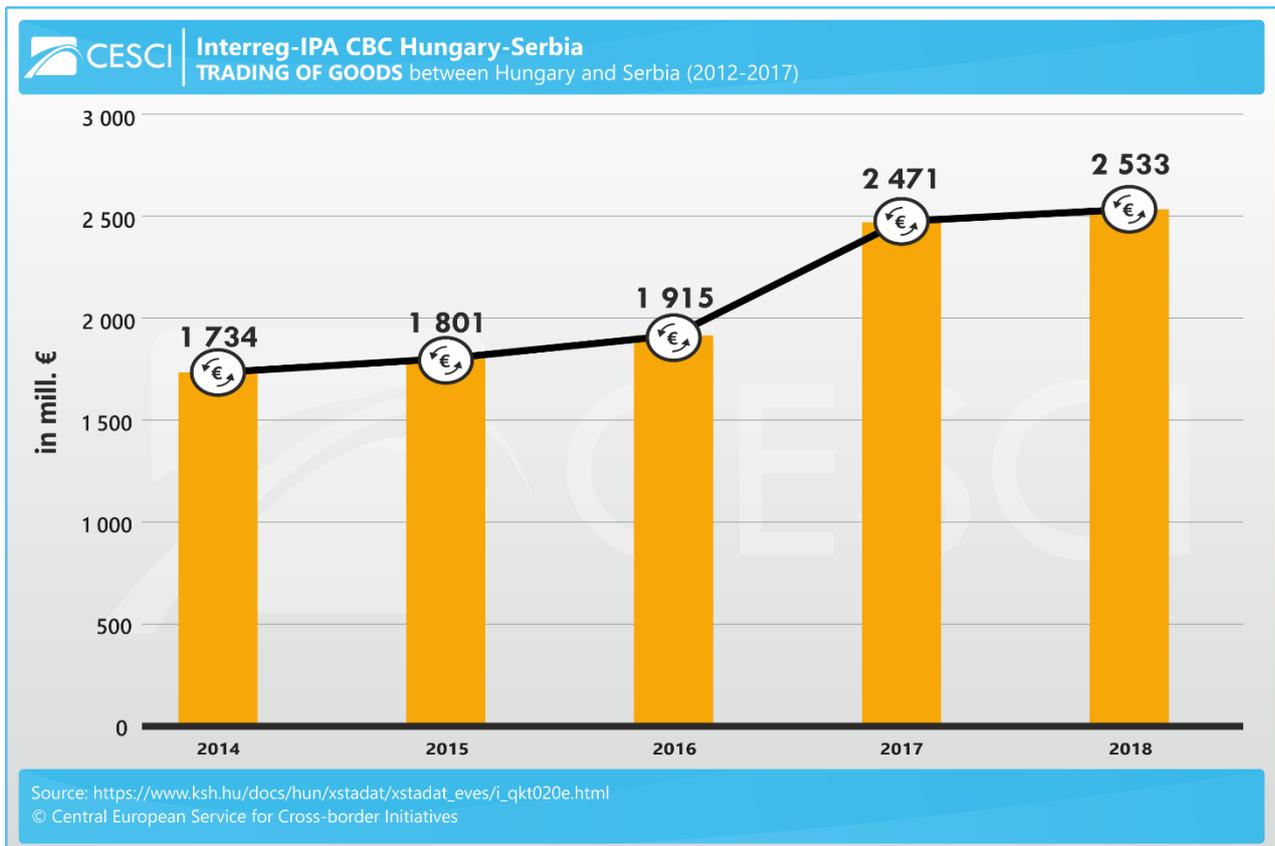


Figure 14: Cross-border flow of goods at the Hungary-Serbia border between 2014 and 2018



On the other hand, the Hungarian government has built up a double barbed-wire fence against illegal migration flow which weakens the cohesion effects of integrated interventions and has long-term impacts on the border people's mental maps (even if the pace of cross-border flows is again increasing).

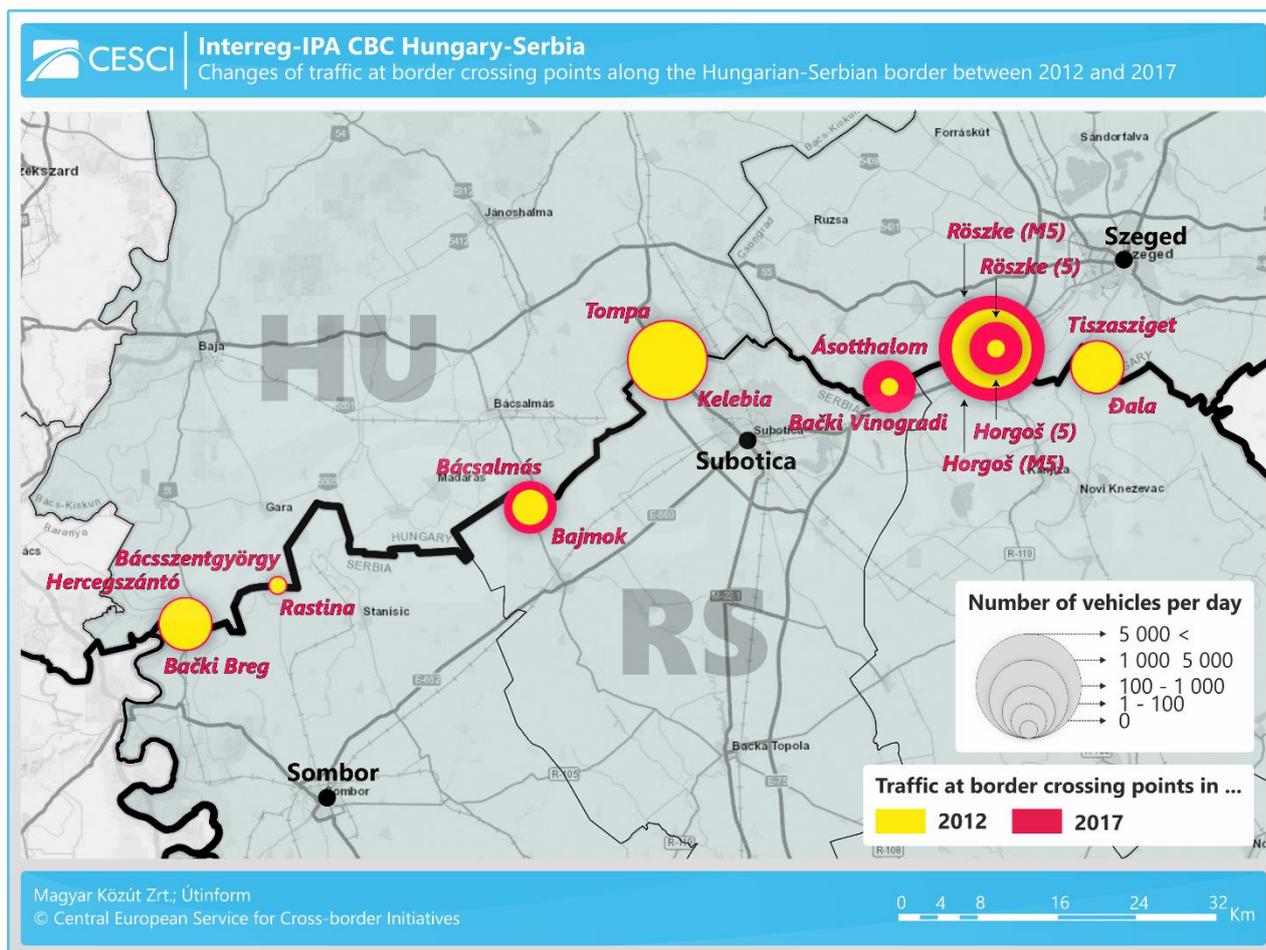
From this point of view, the existing and the planned border crossing points have prominent role in maintaining and developing the internal relationships between the stakeholders of the borderland. While the internal Schengen borders can be crossed anywhere, in our case the border crossings play the unique role of arteries which highlights the significance of PA2 within the programme.

Since 2012, two new border crossing points have been constructed within the border area: the Ásotthalom-Bački Vinogradi crossing was inaugurated in May 2013, while the Bácsszentgyörgy-Rastince was open to the public in April 2018. Still, the number of border crossing points and their density is significantly below the western European average. There are still bottlenecks in border infrastructure, which weakens the cohesion of the border region. Cross-border mobility has never been so lively; the vehicle traffic (notwithstanding the slight decrease during the migration crisis) has increased significantly. The biggest increase can be detected at the two crossings in Röszke, at Ásotthalom and Bácsalmás-Bajmok.

*Table 18: Total vehicle traffic on the Hungary - Serbia border between 2012 and 2017 (vehicles/year)*

<b>Year</b>	<b>Hercegszántó - Bački Breg</b>	<b>Bácsalmás - Bajmok</b>	<b>Tompa - Kelebija</b>	<b>Röszke - Horgoš</b>	<b>Tiszasziget - Đala</b>	<b>Total</b>
2012	114 610	29 565	833 660	1 704 185	117 895	2 799 915
2013	114 245	40 515	843 515	1 799 815	144 905	2 942 995
2014	126 290	50 370	787 305	1 749 445	173 010	2 886 420
2015	133 590	54 020	786 940	1 624 250	185 785	2 784 585
2016	135 780	60 955	770 150	1 894 350	173 010	3 034 245
2017	162 790	87 600	893 885	2 175 035	219 000	3 538 310

Figure 15: Changes of traffic at border crossing points along the Hungarian-Serbian border between 2012 and 2017



In the meanwhile, transport infrastructure and public transport services have not developed. Even more, due to the migration crisis and the barbed wire fence built subsequently by the Hungarian government, passenger traffic on the Röszke-Szeged railway line has terminated on 10<sup>th</sup> November 2015. The realisation of the Szeged-Röszke-Horgoš-Subotica-Csikéria-Bácsalmás-Baja railway track rehabilitation (a detailed feasibility study had been prepared already with the support of the HUSRB programme) has not started yet, its planning just started thanks to the present CP. The largest interest in cross-border public transport development can be identified in the case of Subotica and Szeged where the idea of a tram-train connection occurred during the last years.

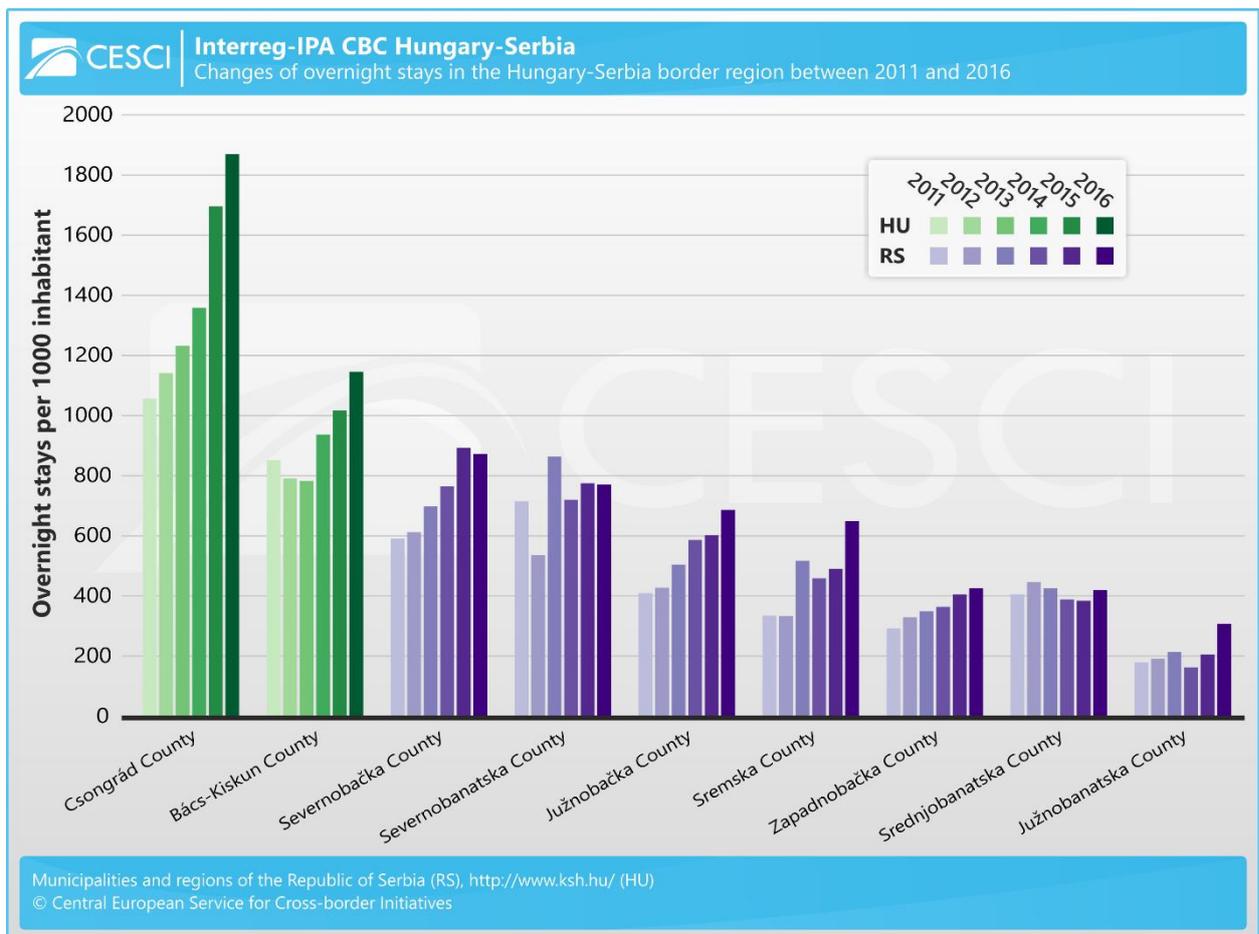
Not much has been taken yet in relation to the creation of a cross-border logistics transport zone around Subotica integrating the Hungarian side, but the new Beograd-Budapest railway line can change the conditions in this respect, too.

To sum up, this priority can still be justified, the development of the transport infrastructure is a well-based need of the programming region.

**Priority axis 3 Encouraging tourism and cultural and natural heritage cooperation**

Tourism has developed rapidly, and without exception, all counties of the programme area experienced increase in overnight stays per 1000 inhabitants. Tourism can still be regarded as a tool to support job creation and employment. The figures show that the border region still has a potential for natural and cultural tourism as it was stated in the justification of the programme document. The sustainable use of these assets and the creation of stronger interconnections through joint products for tourism purposes are still relevant for the programme.

Figure 16: Changes of overnight stays in the Hungary-Serbia border region between 2011 and 2016



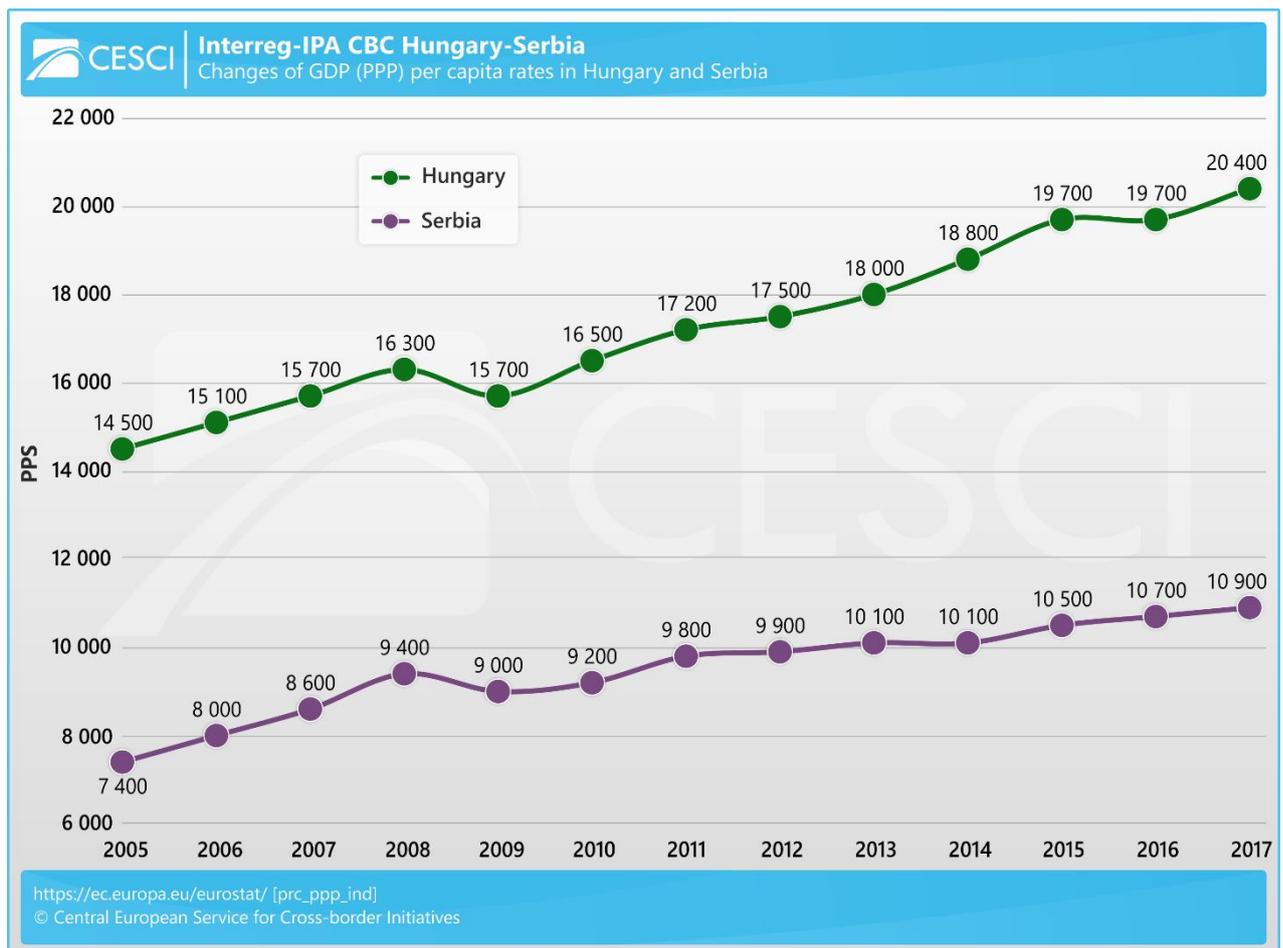
**Priority axis 4 Enhancing SMEs' economic competitiveness through innovation driven development**

Competitiveness of the border region can be evaluated, e.g. by using GDP data. According to the GDP per capita index of the two countries, during the most recent years there has not been a real catching up to the EU average, and the economic development of the region was mediocre. Hungary experienced higher increase in domestic product, except for 2016, while Serbia's performance was not outstanding, even more, the rate has worsened, the backwardness of the country has increased. Thus, objectives and priorities focusing on economic competitiveness are still relevant.

Table 19: GDP (PPP) per capita in Hungary and Serbia as percentage of the EU 28 average

Territorial unit	2011	2012	2013	2014	2015	2016	2017
Hungary	66%	66%	67%	68%	68%	67%	68%
Serbia	37%	37%	38%	36%	36%	37%	36%

Figure 17: Changes of GDP (PPP) per capita rates in Hungary and Serbia



In the last few years, the Hungarian counties were able to reach half of the EU28 average but the whole programme area is still much below the EU average, especially the Serbian part. Regardless of that Vojvodina is a more developed region compared to most parts of Serbia, it was stagnating, and was unable to manage economic recovery what casued dramatic labour force outmigration generating further economic and social problems. SMEs can play a crucial role in animating the economy of the border area and creating new jobs, therefore their support is important. Still, it is a question whether the current form of support is appropriate. Experiences show that indirect support of SMEs used to be not very efficient. At the same time, cross-border cooperation between the actors of the business realm can create new impetus in economic development and a better climate for investing.

Figure 18: GDP (PPP) per capita growth in the EU28, in Hungary and Serbia 2006-2017

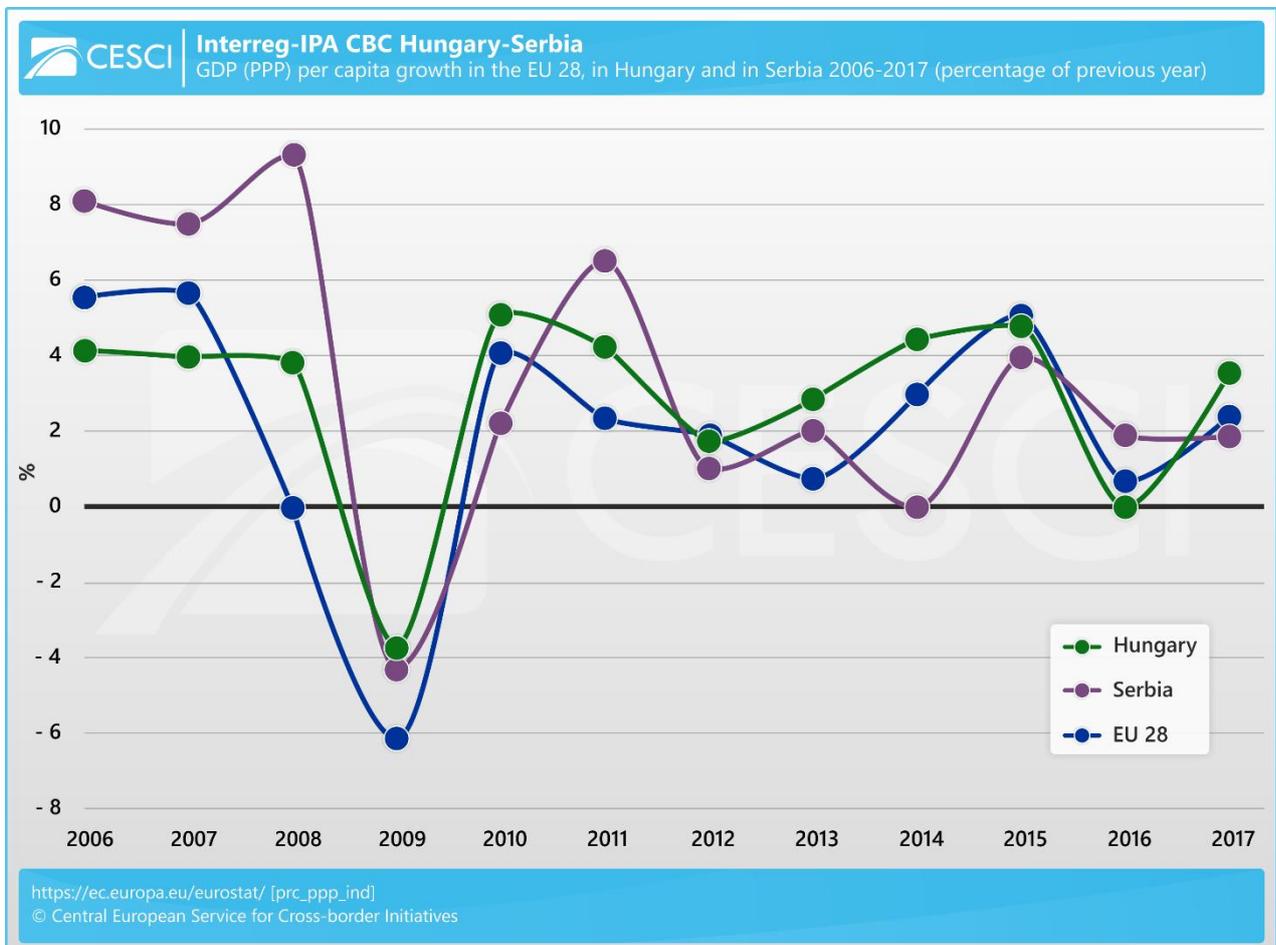
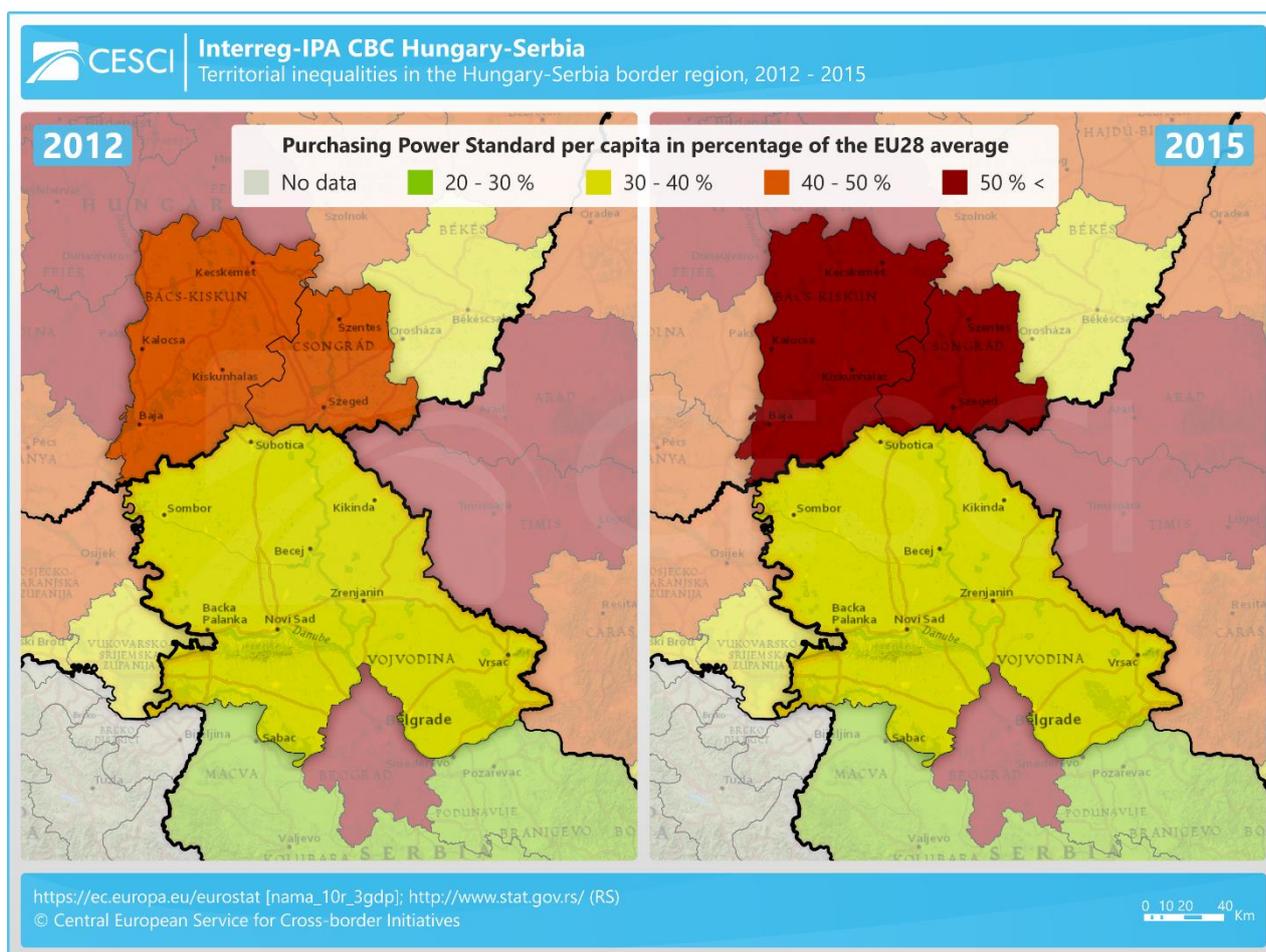


Figure 19: Territorial inequalities in the Hungary-Serbia border region 2012-2015



Trade volumes, both export and import, have remarkably increased. There has been a shift from transport of raw materials to more complex products with higher value added. The numbers found in the attached table further justifies the relevance of the priority axis.

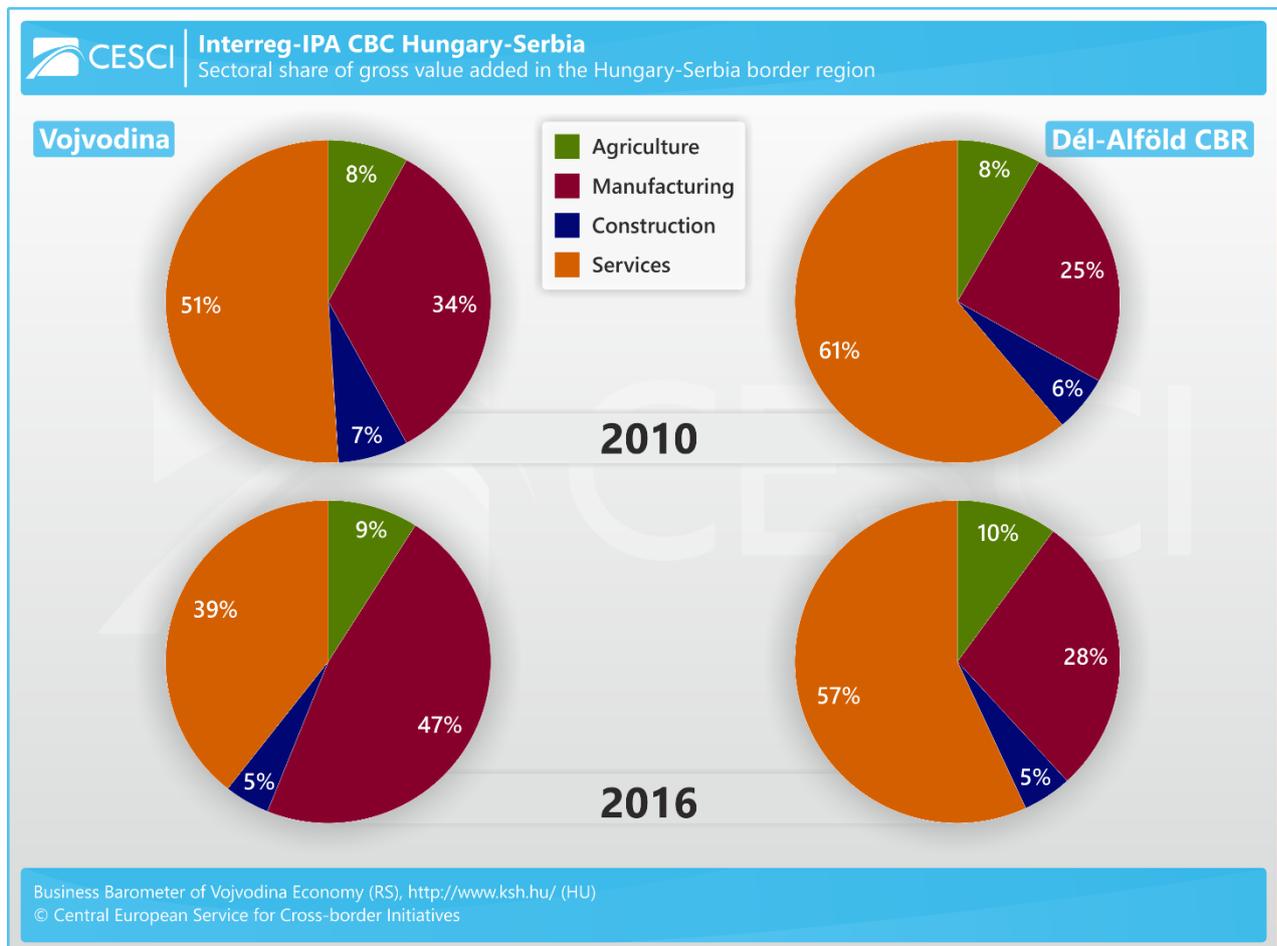
Table 20: The structure of goods in Hungarian-Serbian external trade (M EUR)

	HU-SRB trade		SRB-HU trade		Balance	
	2011	2017	2011	2017	2011	2017
Total	1083,2	1599,4	363,9	880,6	719,3	718,7
Edibles, beverages, tobacco	47,2	102,7	53,5	77,2	-6,4	25,5
Raw materials	38,8	42,5	26,2	46,0	12,7	-3,5
Energy sources	439,9	511,2	146,3	271,8	293,6	239,4
Processed goods	330,7	537,3	104,1	302,3	226,5	235,1
Machinery	226,6	405,6	33,8	183,4	192,9	222,2

Table 21: Value change and distribution of Hungarian-Serbian external trade in 2017 (%)

	Index (2011 = 100)		Distribution	
	HU-SRB trade	SRB-HU trade	Export	Import
Total	147,65	242,01	100%	100%
Edibles, beverages, tobacco	217,80	144,24	6,4%	8,8%
Raw materials	109,40	175,82	2,7%	5,2%
Energy sources	116,22	185,78	32,0%	30,9%
Processed goods	162,49	290,27	33,6%	34,3%
Machinery	178,97	542,88	25,4%	20,8%

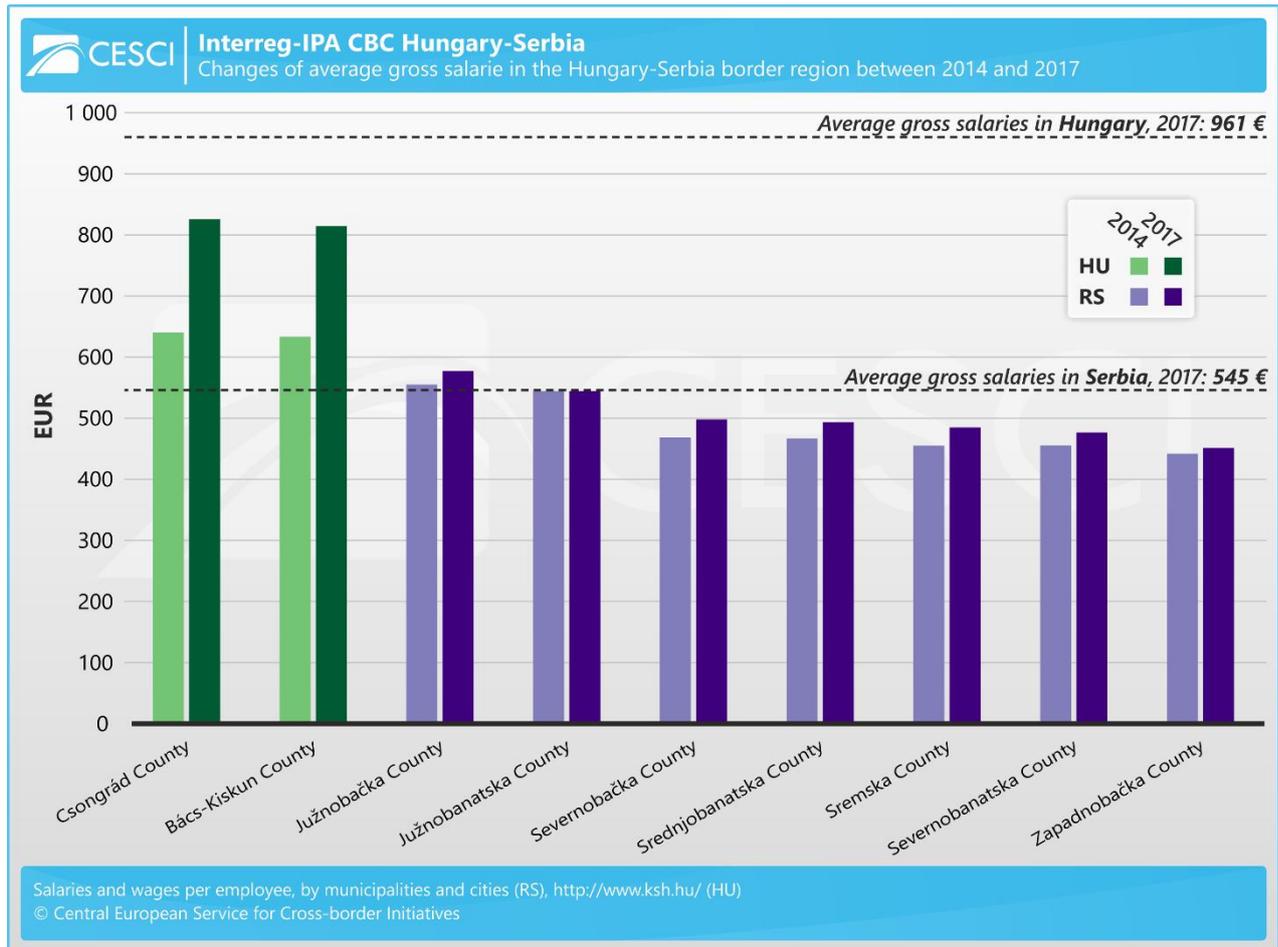
Figure 20: Sectoral share of gross value added in the Hungary-Serbia border region



The share of different sectors have changed remarkably; in Vojvodina manufacturing achieved greater share, while in Hungary the structure of GVA remained mostly similar to the previous period. It means that the similarities mentioned in the justification of the CP do not exist anymore in the fields of manufacturing and services. Still, there is plenty of

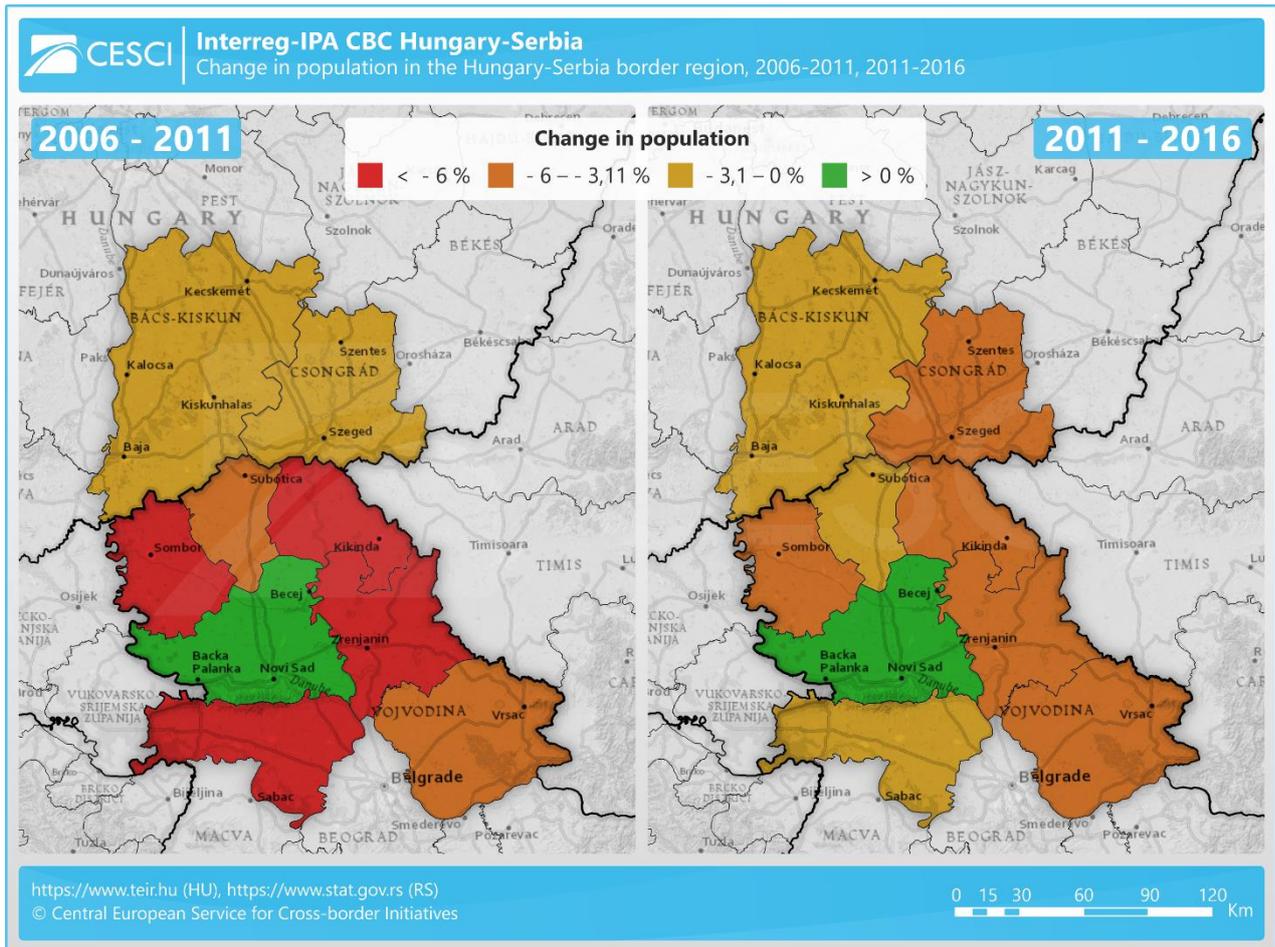


Figure 22: Changes of average gross salary in the Hungary-Serbia border region between 2014-2017



Both average gross salaries and their growth are much higher in the Hungarian counties than in Vojvodina. Accompanied with higher unemployment rates in the southern part of the programme area it lays the basis for cross-border labour mobility and labour market integration. The CP should be considered as one of the main engines of this process. At the same time, labour mobility also has its side effects: due to the opening of the EU labour market for Serbian workers, the outmigration and the population decrease have fastened in Vojvodina. In the recent years the border region has been facing severe outmigration, with a special focus on the Serbian communities – except for South Bačka including Novi Sad, which is a major economic and population centre of Vojvodina. Depopulation will cause serious problems in terms of competitiveness, social challenges (like ageing), emergence of new peripheries, etc. that the partners should address by the following programme.

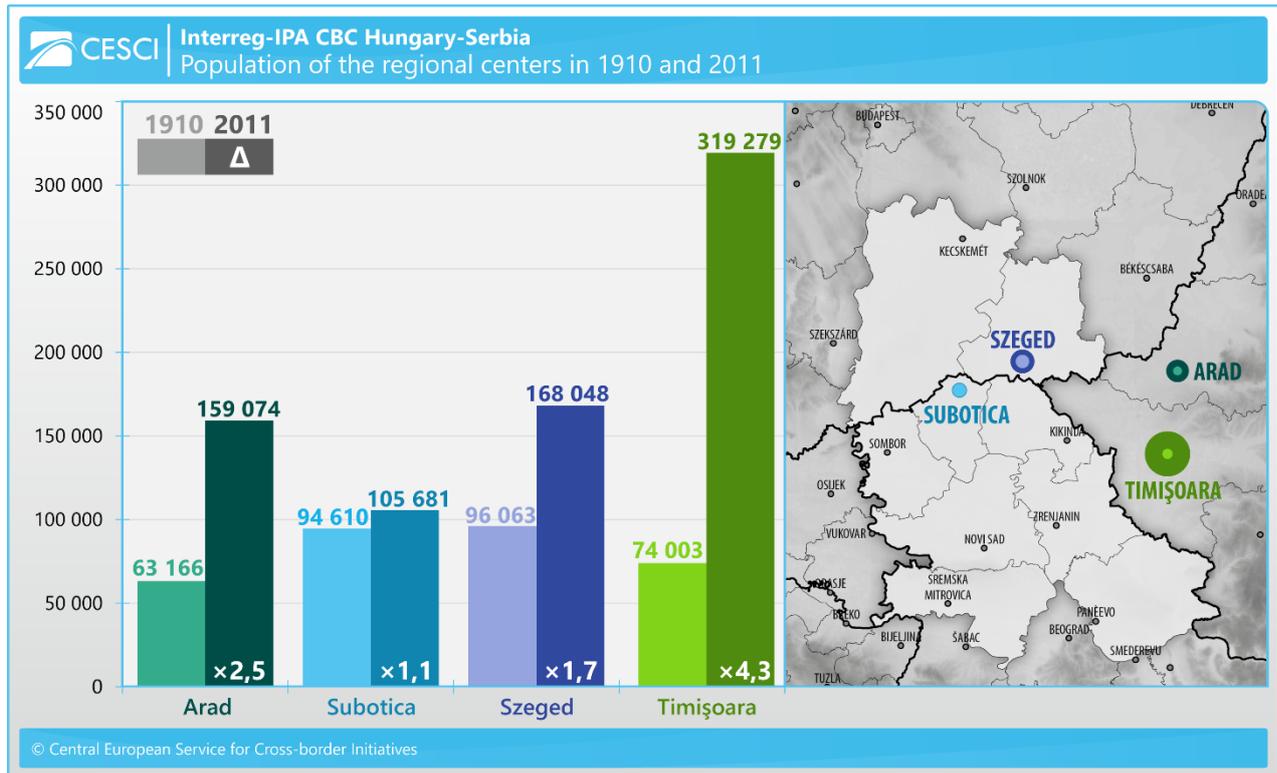
Figure 23: Change in population in the Hungary-Serbia border region, 2006-2011, 2011-2016



Let us mention one more aspect where the CP is playing (and could more effectively play) an important role: it is the re-creation of a historic polycentric urban network around Szeged and Subotica. These two border cities form part of a larger network of medium-sized towns including Timișoara, Arad and Hódmezővásárhely. From among these cities, it was Subotica which (during the last century) became a „loser” of the historic changes and the re-setting of the borders.

While Arad and Timișoara successfully exploited the potentials of the changing reality and also Szeged has grown significantly, Subotica has lost the dynamics which had characterised the city hundred years ago: it became a peripheral border town within Yugoslavia. One of the main challenges of the next decades is to renovate the territorial potential of Subotica through the strengthening of cross-border ties of this polycentric urban network. It requires the revitalisation of the transport infrastructure and the development of multilevel partnerships between the institutions and the business spheres of the four cities. For this purpose, the development of logistics and economic infrastructure seems to be more adequate way than the support of the SMEs.

Figure 24: Population changes of the four border towns of the triborder area between 1910 and 2011



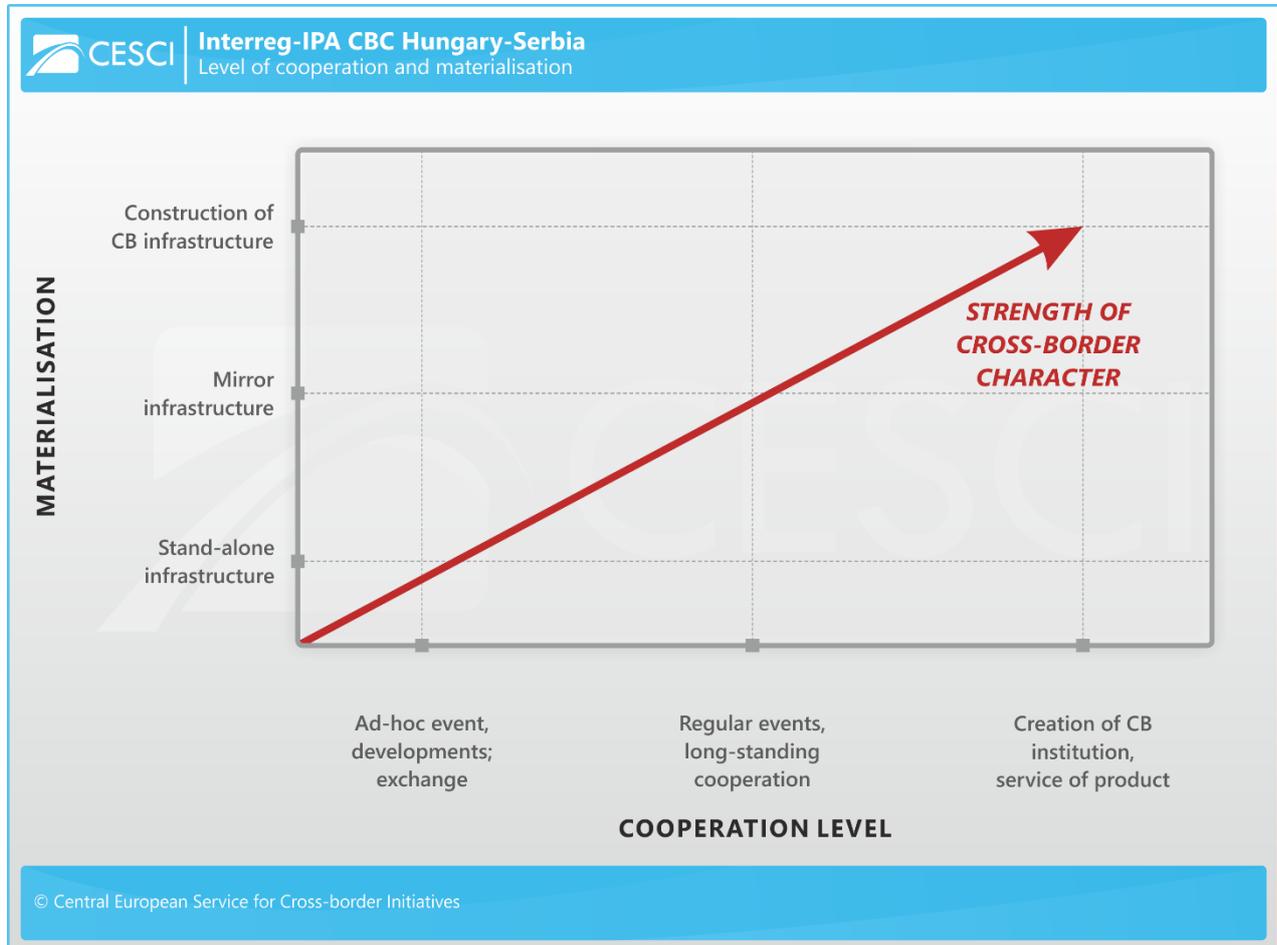
### M 3.2 Analysis of cross-border relevance

The second aspect of relevance targets the cross-border character of the programme. This character can be justified by the impacts having on a) cross-border territorial, economic and social cohesion and b) the intensity of cross-border cooperation. Obviously, these two factors can hardly be assessed: notwithstanding the definition problems of cohesion itself, it is not self-evident by which criteria can a programme be justified as more cross-border than another. However, cross-border projects can be classified by a 3x3 cell (in reality: 4x4) matrix along by two vectors: the *level of cooperation* and *materialisation*.

The different levels of cooperation can be characterised by the *maturity of the relationship*: is there any real cross-border component in the project; whether it is about ad-hoc events (e.g. exchange of experiences); the creation of the conditions for regular and long-standing cooperation (set-up of permanent partnership, development of joint action plans, drafting joint educational curricula, establishment of long-standing cooperation between institutions); or the partners intend to create integrated cross-border services, products or joint institutions? It has to be stipulated that even the highly developed cross-border institutions started with the first steps of exchanges. Still, the

long-term objective of the cross-border programmes should be to support the development of partnerships being able to create cross-border institutions and services.

Figure 25: Level of cooperation and materialisation



Along the vertical axis, the projects can be characterised by their *materialisation* (see tangible results and sustainability). At the „zero level”, genuinely soft projects are found without constructing permanent infrastructure. Then, there are projects, which contain infrastructure development, but without direct cross-border impact. At third level, there are mirror-typed projects, when the partners implement activities or carry out construction works in parallel - accompanied with some simple cross-border content and the impacts can justify the support only in long-term perspective. While the most advanced, real, integrated cross-border projects are those where the implementation of the project-part on one side is impossible or ineffective without the realisation of the project-part on the other side (strongly integrated, long-term developments).

The projects, which contain the construction of joint cross-border infrastructure and create the relevant services or even the institutions as well, can be considered as the „most cross-border” ones. The cross-border character of the programme can be justified by the high number of this type of projects.

In this perspective, in the current analysis, the evaluators analysed the information gained from the interviews, the questionnaires and (unlike the preliminary plans drafted in the IR) also the selected projects, in a qualitative way.

### *Results of the interviews*

According to the interviewees, a clear progress can be identified within the programme region. While during the „Phare period“ many stand-alone projects were implemented, nowadays it is very rare. Similarly, the evaluators meet less and less mirror projects, which were very popular during the previous programming period. The lead beneficiary principle enhanced further this tendency, towards territorially more cross-border projects.

At the same time, ad-hoc projects are also known during this programming period, as well. This ad-hoc character is present mainly in the case of smaller projects. It can happen that on the one side of the border, the beneficiary has a well-developed project idea and seeks for an ad-hoc partner when the call is open. This flexibility is lacking from larger cross-border infrastructural projects, where the joint preparation is necessary. It is the reason why the strategic projects have stronger cross-border impact.

Another aspect, which decreases cross-border impact is the repetition of the beneficiaries. The more successful a partnership is, the biggest the probability is that they will apply again. According to some interviewees, it narrows the wider impact of the programme, concentrating the spending territorially.

To sum it up, the overall view is positive: the cross-border impact has permanently been strengthening compared to the period of Phare CBC calls.

### *Analysis of the selected projects and the questionnaires*

The analysis of the projects does not thoroughly confirm the optimism of the interviewees. The rate of those projects that have a clearly pronounced cross-border impact is still quite low. Obviously, there is a big difference between the INTERREG and the INTERREG IPA programmes – taking into account the relatively closed status of the border and the shorter period of time of cooperation. However, the final goal of INTERREG IPA programmes does not differentiate from the goals of the INTERREG programmes: both targets a higher level of cross-border integration.

Based on the project descriptions (namely the issue of cross-border impact), 3 projects are found, where the highest level of integration and cooperation can be detected. The major part of the projects (17 projects in total, 35%) can be classified as ad-hoc activities (knowledge exchange, events, trainings, etc.). Further 14 projects (29%) intend to create the conditions for longer-term cooperation. The strategic projects can be separated from

these groups since their objective is to develop cross-border infrastructure and / or integrated services.

Figure 26: Cohesion and cooperation level of the projects of the CP

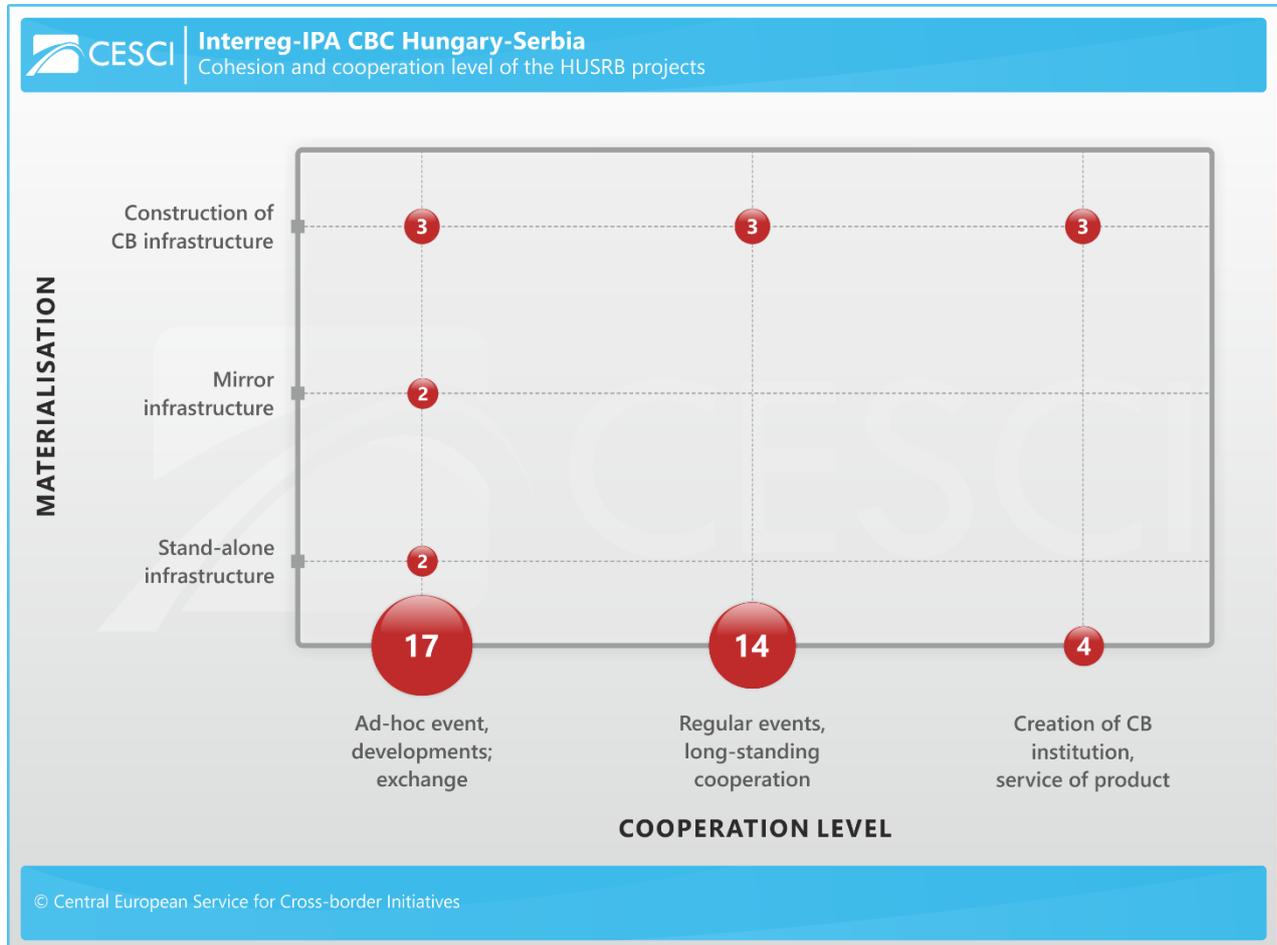


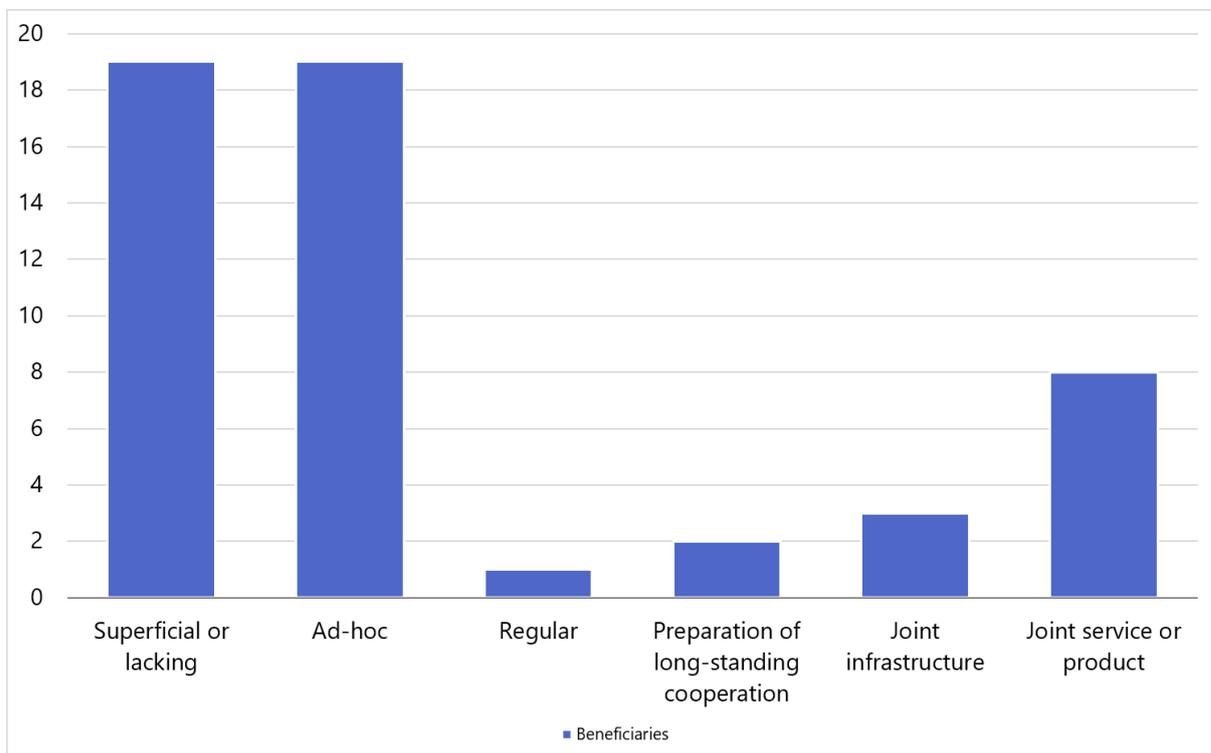
Figure 27: Tag cloud on the cooperation level of the projects



The contextual analysis of the same AF-chapters of the proposals shows that expressions relating to commonality, mutuality and cooperation („common, joint”) are mentioned very often. Nevertheless, in terms of activities, the most popular words are: event (36), exchange (25), training (19), network (15). From among the more integrated activities, (tourist) destination is the most frequented one (11), while (cross-border) services are not mentioned at all.

In the case of the online survey (containing also the answers of the beneficiaries of rejected project proposals), a slightly different approach was applied. Six scales have been established, where the first level is represented by lack of or weak explication to cross-border dimension. In this analysis, the highest level is identical with the launch of cross-border services.

*Figure 28: Maturity of cross-border cooperation of the beneficiaries*



The presence of the two extremities is striking: on the one hand, the majority of the proposals have no or very elementary cross-border impacts; on the other hand, there are projects, which are highly developed from this perspective (strategic projects mainly); the middle is almost completely lacking. The main purpose of the programme should be to strengthen the middle as an intermediate step towards territorially more integrated developments.

### **M 3.3 Relevance of the applied mechanisms and tools**

In the current programming period, the programme launched strategic priority projects, in order to enhance cross-border cooperation and cohesion. The tool was assessed in terms of its contribution to stronger cohesion and wider citizens' involvement in cross-border activities. For the qualitative analysis, the evaluators used the results of the interviews, the online survey, background documents related to the use of the tools, territorial statistics, technical plans and studies of the priority projects and the project descriptions available in the IMIS.

During the 1<sup>st</sup> CfP, in 2016, five priority projects were selected. The original aim was to allocate 40% of the whole financial framework to these strategic projects, and it seems that 36-38% will be covered by the approved five.

#### ***Brief introduction of the strategic projects***

##### ***The Kübekháza-Rabe border crossing road***

The project named "Development of a Road Border Crossing at Kübekháza (HU) - Rabe (SRB) area" (Kübekháza-Rabe; EU contribution: 4 648 409.04 EUR; total costs: 5 468 716.52 EUR) aims to develop new border crossing opportunity between Kübekháza and Rabe (Rábé) settlements. On the Hungarian side the nr. 4302 and nr. 43112 national byways; on the SRB side the nr. 302 national IIB category road provide a link to the location of the planned new crossing. The project consists of the building of new connecting roads and the renewal of existing ones as follows: the length of new road in Hungary will be 2309 m with 5,5 m width, while the length of upgraded road will be 844 m in Serbia 1365 m with 6,0 m width new road will be built. The national road through Kübekháza is planned to be extended to the Romanian border. For the implementation of further project elements (border crossing facilities, buildings) the two countries' Interior Ministries will be responsible. On the Serbian side, the existing paved road and the continuing dirt road designate the trail. The new road will be constructed from the endpoint of the next national road junction. On the Hungarian side, a new border crossing station will be established, which will be used jointly by the two countries. The main objective of the project is to help the economic, social, and cultural cooperation and integration of Serbia and Hungary.

##### ***WASIDCA***

In the project "Water supply and water-infrastructure development in the boundary catchment areas" (WASIDCA; EU contribution: 5 933 516.76 EUR, total costs: 6 980 607.96 EUR, approved EU amount so far: 32 847.47 EUR) partners are improving the water

supplies in the region of Domaszéki main canal. Between the 18+800 - 19+331 km cross-sections parallel with the Domaszéki main canal, 531 meters long DN 900 HOBAS pressure pipe, while in the 19+331 km cross-section a stilling basin and shutter weir will be constructed. Delivering of the water from the pressure pipe will be accomplished between 19+331 - 20+580 km sections of Domaszéki main canal. The sediment dredging will be along 1.249 meters long and will reduce the canal bottom by 50 cm. A new regulation structure will be built in 20+445 km cross-section of Domaszéki main canal. Between the 20+580 – 23+996 km cross-sections of the Domaszéki main canal dual-purpose channel will be rebuilt. There will be dredging, implementation of canal levee, reconstruction of water retention works. Within this section, a new pumping station will be built (Ivánszéki pump station 20+580 km). A monitoring system will be also built, to prevent droughts and water shortages that will be able to measure the hydrological conditions in the area. The local waste management plant will increase its capacities. That will be achieved with reconstruction, construction of new facilities and purchase of new, efficient equipment. Thus, the population will have an access to high quality drinking water.

Flood prevention and protection is a complex activity, where the main professional techniques and supplies need to be shared between water management authorities for better outcomes on both sides of the border. On the Serbian side, a new protection technique and relevant training will be implemented among professionals and volunteers from both countries. The aim of the present project is to improve technical and personal resources for flood prevention on both sides of the border through joint actions and procurement of tube barrier for flood protection. Tube barrier for emergency flood protection is a quick, lightweight and highly effective alternative and it is easily transferable between countries if needed.

### ***BABECA***

In the project named “The complex water management development of the area of the Baja-Bezdan Canal” (BABECA; EU contribution: 7 394 607.21 EUR, total costs: 8 699 537.91 EUR, approved EU amount so far: 45 944.22 EUR) a complex development of the regional water management system of the area of the Baja-Bezdan (Ferenc) Canal will be carried out. The Canal covers the area of the South Great Plain Region in Hungary and Bačka and Banat Regions in Serbia. It is both water management and technical facility with international relevance. The main functions of the Canal are water supply and inland water outlet (also used for sport and recreation). Sections and technical premises of the Canal form parts of the flood prevention system. The water supply capacity has decreased significantly due to non-maintenance, the increased quantity of biomass and mud causing water quality problems. The target area comprises the Baja-Bezdan Canal (both

HU and SRB sections of the Canal), the Vrbas-Bezdan Canal on the Serbian side and Bezdan Lock and Šebešfok Lock located on it. The Vrbas-Bezdan Canal is in Bačka, stretching from Bezdan, all the way to Vrbas. Bezdan Lock has been out of use because of its condition of construction and hydro-mechanical machinery. It is still a significant facility within the Canal Danube-Tisa-Danube (DTD) Hydro-system, which makes its functionality essential. Šebešfok Lock is located where the Baja-Bezdan Canal flows into the Bezdan-Vrbas Canal. The Lock was an industrial facility enabling navigation and the only way of transporting goods in the region. The project is aiming at decreasing flood and potential flood hazard of the targeted territory, and to restore the water runoff capacity of the Canal. Interventions in the project improve cross-border water management and risk prevention system. Main activities of the project are: dredging of canal sections and building of driftwood removal platforms and boat ramps in HU; reconstruction and rehabilitation of Bezdan Lock and Šebešfok Lock; procurement of special equipments for maintenance in HU and in SRB. The project results will provide solid basis for further development (e.g. tourism).

### ***ColourCoop***

The objective of the project named "Colourful Cooperation" (ColourCoop; EU contribution: 3 177 510.20, total costs: 3 738 247.30 EUR, approved EU amount so far: 368.27 EUR) is to develop a comprehensive cultural strategy for the entire Hungarian-Serbian border region; to launch an online, information and news centre in Hungary and Serbia, to set up Serbian and Hungarian cultural centres in Mórahalom and in Palić, and to integrate Novi Sad, a future European Capital of Culture and its surrounding region into the cultural and touristic life of the Hungarian-Serbian border region. The great number of exhibitions, cultural programmes and creative workshops offered by the newly created cultural and tourist centres, or organised in Novi Sad, are intended to help members of the different ethnic communities find out about each other's cultural values, traditions, artistic achievements or artists, and to give impetus to the development of cultural cooperation and tourism in the Hungarian-Serbian border region by a well-aimed, detailed and comprehensive cultural and tourist information and news campaign.

### ***Dream Railway***

The objective of the project named "Elaboration of Technical Documentation of Subotica-Baja Railway Line" (Dream Railway; EU contribution: 3 047 264.79 EUR, total costs: 3 585 017.40 EUR, approved EU amount so far: 382.67 EUR) is to develop the technical documentation for the Subotica-Bácsalmás-Baja section (a section formerly not covered by design documentations) of the Szeged-Subotica-Bácsalmás-Baja railway line on the basis of the existing feasibility study, and with the same technical content as the Szeged-

Subotica section. Currently, there is no traffic conducted on the Subotica-Bácsalmás section, and therefore the urban development plans of the towns and villages affected by the railway line shall be created. With the future construction of the railway line, members of the partnership shall provide national and European decision makers competent in the transportation segment with sufficient information in the form of publications. For a number of years, aided by professional support from the railway companies and the competent ministries, members of the project partnership have been working together in close cooperation on the development of this railway line.

### *Assessment of the cross-border relevance of the tool*

The main common characteristics of the strategic projects are

- their compensating aspect of weak cross-border integration;
- their contribution to the development of the border infrastructure
- their necessity of joint preparation and, consequently
- their long-term perspective both in terms of strategic dimensions and sustainability of the partnership and the project results.

At the same time, the direct cohesion impacts of the five projects are different.

The *BABECA* project has the strongest cross-border character: thanks to the planned activities, a larger subregion of the Danube catchment area will be involved in joint cross-border infrastructure and service development. The applied integrated approach includes water management and flood protection activities promoting further tourism development needs. The Baja-Bezdan Canal connects small and medium sized urban municipalities from both sides of the border, the infrastructural investments will be realised in a balanced way. Thanks to the project, a new, water-based tourist corridor will be opened. In parallel, the wetland area will be re-habilitated as a nature revitalisation activity. The strong cross-border (integrating) character of the project cannot be questioned. This character is partly weakened by the external border regime which limits the cross-border flow of tourists.

Comparing *BABECA* and *WASIDCA*, we have to point out that the integrating impact of the latter one is much weaker. In this case, the larger infrastructural developments will be realised on the Hungarian side: here, the real cross-border aspect similar to the *BABECA* project is missing. The Serbian contribution to the project goals is much weaker and it rather consists of soft components. It is not deniable that the planned water management investments on the Hungarian side have effects on the Serbian side but from the point of view of integrated cross-border developments the joint character of the *WASIDCA* project is given by soft activities of a small project.

The two transport infrastructure projects have different dimensions. The *Kübekháza-Rabe* cross-border road should be considered as an important pre-condition of strengthening cohesion in the affected border section. Its territorial cohesive aspect is obvious, thanks to its contribution to the resolution of a missing link problem. The territorial impact of the project is local or micro-regional, because the neighbouring crossings are not so far (15 and 71 km) and the capacities of the new crossing will be limited, but the magnitude in this micro-region is high (e.g. from Kübekháza to Rabe, the distance will be 3 km, instead of 50). Furthermore, by facilitating cross-border mobility through the hoped new border crossing between Kübekháza and Beba Veche, all the three border regions will be opened toward each other. This improvement of local accessibility enables the neighbouring settlements in the micro-region to develop their social and economic relations in a substantive way (e.g. within the frames of the planned tri-border industrial park).

The *Dream Railway* project should have even stronger impacts on cross-border mobility – especially once Serbia joined the EU. Furthermore, the planned new infrastructure effectively could facilitate the catching-up process of Subotica (mentioned in the previous chapter). The new railway line would render a central position to the city and strengthen Subotica’s role of a transport hub.

The project itself prepares these developments by providing the technical plans for future realisation. However, its cross-border integrating power depends on the hoped continuation: the real cross-border project will be the re-construction of the once existing railway connection – which is, at the same time, impossible without the present joint planning project.

Finally, the *ColourCoop* project will contribute to a key factor of mutual trust building. During the recent years and after a long pre-history of mutual suspect and threat characterised by many historic injuries, Serbia and Hungary started building up a strategic partnership – at high-political level. In order to deliver this message to the local stakeholders and every-day people, the ColourCoop project will ensure the infrastructural and organisational background. The two cultural centres will be constructed in two municipalities frequented by the other country’s citizens (Mórahalom and Palić) accompanied by several dozens of cultural events facilitating cultural understanding and network building of the two nations. The project has a strong cross-border character which would be even stronger if the cultural centres were opened in two larger cities (e.g. in Szeged and Subotica).

Beyond the concrete relevance of the selected projects, the tool of strategic projects has an additional role from the point of view of integrated cross-border developments since it brings a new approach into the programme creating the larger perspective of territorial

cooperation and integration. This new approach enlarges the timely and spatial horizon of the cross-border projects creating a favourable climate to more integrated project developments during the next programming period.

At the same time, these larger projects have a negative counter-effect to the realisation of smaller initiatives. On the one hand, strategic projects will absorb more than one third of the total programme budget. On the other hand, PA1 and PA2 include activities which favours for larger institutions while PA4 has a limited scope concentrating on SME support. Therefore, smaller municipalities, NGOs and other stakeholders have to compete for the resources of PA3 which represents less than 20% of the total budget decreased further by the amount dedicated to strategic projects.

When speaking about the real cross-border character of a programme, we have to concentrate on the factors strengthening internal cohesion across the border and the quality of cross-border cooperation, i.e. the involvement of the citizens in cross-border activities. By absorbing remarkable ratio of available resources, the strategic projects reduce the room for larger citizens' involvement. Therefore, it is worth considering – if the strategic project tool will be kept in the next Hungary-Serbia programme – to apply small projects, as well. Small projects enable the border people to realise many small activities involving many local actors and creating many ties between the two societies.

### **M 3.4 Analysis of the programme's contribution to European goals**

In this chapter the Interreg-IPA CBC Hungary-Serbia programme's contribution to the European goals is analysed. The programme should contribute to the achievement of the EU2020 targets, it should serve a stronger cohesion at macro-regional level and it should take measures towards realising the EU horizontal principles. Subsequently, the synergies with the EU Strategy for the Danube Region (EUSDR) and with the EU Strategy for the Adriatic-Ionian Region (EUSAIR) are identified. Then the macro-regional relevance of the programme is analysed in detail and finally, the horizontal principles' contribution to the European goals is presented. The evaluators will shed light on how the achieved indicators met, can contribute to the pan-European goals, and how the project beneficiaries identified the relevance of their project with regard to the horizontal principles.

The main methodology of this chapter is benchmarking and document analysis. The indicators were analysed in relation with the different European goals, and after that, the project's application documents have also been assessed. Furthermore, this source of information was supplemented by the interviews conducted with the representatives of the programme bodies.

## EU2020

The *EUROPE 2020: A strategy for smart, sustainable and inclusive growth* (hereinafter referred to as EU2020) is the EU's agenda for growth and jobs for the period of 2010-2020. The EU2020 strategy is used as a reference framework for activities at EU and at national and regional levels. The main objective of the strategy is to turn the EU into a smart, sustainable and inclusive economy with high level of employment, productivity and social cohesion based on the following indicators<sup>8</sup>:

Table 22: EU2020 headline indicators (EU-28, HU)

EU/Member State	EU-28	Hungary
Employment rate	Increasing the employment rate of the population aged 20-64 to at least 75%	75%
Gross domestic expenditure on research and development	Increasing combined public and private investment in R&D to 3% of GDP	1.8%
Greenhouse gas emissions	Reducing greenhouse gas emissions by at least 20% compared to 1990 levels	10%
Share of renewable energy	Increasing the share of renewable energy in final energy consumption to 20%	13%
Energy efficiency	Moving towards a 20% increase in energy efficiency (equalling a reduction to 1 483 Mtoe of primary energy consumption)	24.1%
Early leavers from education and training	Reducing school drop-out rates to less than 10% (of the population aged 18 to 24)	10%
Tertiary educational attainment	Increasing the share of the population aged 30-34 having completed tertiary education to at least 40%	34%
Poverty and social exclusion	Lifting at least 20 million people out of the risk of poverty and social exclusion (compared to 2008)*	- 450 000 persons

As we can see, the EU2020 only concerns Hungary (since Serbia is not an EU member state yet) and the targets are more moderate than the targets on the EU level, though there are no massive differences between them.

For the assessment of the programme's contribution to achieving the EU2020 targets its indicators are analysed in relation to the EU2020 topics. In the next table the "+" signs

<sup>8</sup>[https://ec.europa.eu/eurostat/documents/4411192/4411431/Europe\\_2020\\_Targets.pdf](https://ec.europa.eu/eurostat/documents/4411192/4411431/Europe_2020_Targets.pdf)

show explicit contribution. As it can be seen from the table in several cases only indirect contributions can be identified. Many indicators measure different implementation steps (e.g. Number of calls for SMEs) and not an EU2020 target. Most of the crossing points are about GHG emissions and R&D, but nothing about energy consumption. However, it does not mean, that the programme would completely ignore these targets.

*Table 23: The programme's potential contribution to the EU2020 targets*

Programme indicators			EU 2020 Topics					
Type	Name	Target Value	Employment	R&D	GHG emissions	Energy consumption	Education	Poverty and social exclusion
PO	Rate of persons from vulnerable groups involved in supported actions	50						+
PO	Number of months spent in the institutions and companies on the other side of the border through scholarships	200	+				+	
PO	Number of organisations actively participating in the work of "knowledge platforms"	60		+				
PO	Number of enterprises cooperating with research institutions	35		+				
PO	Average monthly user entries to online communication tools developed	5000						
PO	Number of joint cultural, recreational and other types of community events and actions organised	200						
PO	Number of visits to supported sites of cultural and natural heritage and attractions	30000	+					
PO	Number of improved public transport services	3			+			
PO	Total length of the railway line directly affected by development plans	50			+			
PO	Total length of newly built bicycle paths	5			+			
PO	Total length of reconstructed or upgraded roads	2						
PO	Total length of newly built roads	3						

Programme indicators			EU 2020 Topics					
PO	Number of improved or newly built border crossing points	3	+					
PO	Surface area of habitats supported in order to attain a better conservation status	500						
PO	Area benefiting from modern hail protection measures	700000						
PO	Length of new or improved water management system	6000						
PO	Population benefiting from flood protection measures	100000						
PR	Rate of innovative SMEs in the CBR			+				
PR	Level of cross-border cooperation intensity of the public and non-profit organisations dealing with cultural, leisure sport and nature protection issues	3,73						
PR	Number of overnight stays	1964000	+					
PR	Share of border-crossing traffic at smaller border-crossing points within all border-crossing traffic	40						
PR	Water quality (good ecological status) of cross-border surface water bodies (rivers and water flows) in the eligible area	2,7						

### *Macro-regional relevance*

Even though two EU macro-regional strategies affect the territory of Interreg-IPA CBC Hungary-Serbia, the programme itself only mentions the EUSDR. This is because the programme has been approved by the EC on the 2<sup>nd</sup> May 2014, while the EUSAIR was only accepted on the 17<sup>th</sup> of June 2014. Nevertheless, the synergies could be analysed with both strategy.

### **EUSDR**

The European Union Strategy for the Danube Region (EUSDR) was adopted by the European Commission in December 2010 and endorsed by the European Council in 2011. It is built on 4 pillars, and divided into 11 priority areas (PA). The pillars are the following:

- Connecting the Danube Region with other regions;
- Protecting the Environment in the Danube Region;

- Building prosperity in the Danube Region;
- Strengthening the Danube Region.

As stated in the CP the Interreg-IPA CBC Hungary-Serbia Programme seeks to contribute to EUSDR in the following priority areas:

- PA1 reflects the priorities of the EUSDR aiming at environment protection at the Danube region in order to handle environmental damages, as well as at restoring and maintaining the quality of waters and preserving biodiversity;
- PA2 reflects the priorities of the EUSDR aiming at improved mobility and multimodality;
- PA3 reflects the priority of the EUSDR aiming at promotion of culture and tourism and people-to-people contacts;
- PA4 reflects the priorities of the EUSDR aiming at developing the knowledge society through research, education and information and supporting the competitiveness of enterprises, including cluster development.

The following table shows the linkages between the EUSDR's priority areas and actions and the Interreg-IPA CBC Hungary-Serbia Programme's priority areas. The "+" signs mark explicit contribution.

*Table 24: The connections between the EUSDR and the Interreg-IPA CBC Hungary-Serbia Programme*

<b>EUSDR Priority Areas and actions</b>	<b>Programme priorities</b>			
	PA1 Risk management	PA2 CB traffic	PA3 Tourism & culture	PA4 SME
<b>1) Connecting the Danube Region</b>				
To improve mobility and multimodality		+		
To encourage more sustainable energy				
To promote culture and tourism, people to people contacts			+	
<b>(2) Protecting the Environment in the Danube Region</b>				
To restore and maintain the quality of waters	+			
To manage environmental risks	+			
To preserve biodiversity, landscapes and the quality of air and soils	+			

EUSDR	Programme priorities			
<b>(3) Building Prosperity in the Danube Region</b>				
To develop the knowledge society through research, education and information technologies				+
To support the competitiveness of enterprises, including cluster development				+
To invest in people and skills				
<b>(4) Strengthening the Danube Region</b>				
To step up institutional capacity and cooperation			+	
To work together to promote security and tackle organised and serious crime				

According to the programme rules, correspondence of the given project proposals and the priorities of the EUSDR is awarded by extra scores (with a maximum of 2% of maximum scores).

### ***EUSAIR***

The EU Strategy for the Adriatic and Ionian Region (EUSAIR) is a macro-regional strategy adopted by the European Commission and endorsed by the European Council in 2014. The Strategy was jointly developed by the Commission and the Adriatic-Ionian Region countries and stakeholders, which agreed to work together on the areas of common interest for the benefit of each country and the whole region.

The general objective of the EUSAIR is to promote economic and social prosperity and growth in the region by improving its attractiveness, competitiveness and connectivity. With four EU members and four non EU countries the strategy will contribute to the further integration of the Western Balkans through the following four thematic pillars:

- Sustainable Tourism;
- Environmental Quality;
- Connecting the Region;
- Blue Growth.

Since the main focus of EUSAIR is given to maritime aspects, there is a limited scope for contributing by the Interreg-IPA CBC Hungary-Serbia. The following table shows the potential connections between. The "+" signs mark explicit contribution.

Table 25: The connections between the EUSAIR and the Interreg-IPA CBC Hungary-Serbia Programme

EUSAIR pillars and topics	Programme priorities			
	PA1 Risk management	PA2 CB traffic	PA3 Tourism & culture	PA4 SME
<b>Pillar 1 – Blue Growth</b>				
Blue technologies				
Fisheries and aquaculture				
Maritime and marine governance and services				
<b>Pillar 2: Connecting The Region</b>				
Maritime transport				
Intermodal connections to the hinterland		+		
Energy networks				
<b>Pillar 3: Environmental Quality</b>				
The marine environment				
Transnational terrestrial habitats and biodiversity	+			
<b>Pillar 4: Sustainable Tourism</b>				
Diversified tourism offer (products and services)			+	
Sustainable and responsible tourism management (innovation and quality)			+	

As it can be seen from the table above, sustainable tourism is a thematic area offering the widest scope for synergies since both the EUSAIR and the current Programme aims to diversify the tourism offer as well as promote sustainable and responsible tourism management. Apart from these, there are two more points of synergy, one regarding the intermodal connections to the hinterland and the other: the transnational terrestrial habitats and biodiversity.

### **Horizontal principles**

In order to shed light on the way how the projects approached the horizontal principles, all the projects approved by the MC had been analysed based on their input for the horizontal principles criteria.

The findings are summarised in the table below. A project is marked with “+” sign if it explicitly states how it is going to contribute to the given issue and it is marked as “(+)” if it is only superficially linked to the given topic. As it is clearly visible from the table below, the vast majority of the projects are committing themselves to take active steps in order to promote equality between men and women and equal opportunities, while only less

than half of the projects show similar commitment with regard to the sustainable development principle. Climate change and social innovation had not been explicitly mentioned in the descriptions; however, in some cases synergies can be identified.

*Table 26: Summarising table on the existence of specific actions the projects undertake for equality and non-discrimination, sustainable development, climate change and social innovation*

<b>Name of the project</b>	<b>Equality and non-discrimination</b>	<b>Sustainable development</b>	<b>Climate change</b>	<b>Social innovation</b>
TRANSDIA	+			
PROSOCENT	+			(+)
CB BASKET	+			
TISATUR	+			
CULTSTREAM	+	+	(+)	
YOUTH-TOGETHER	+			(+)
CRAMANTOUR	+			
THEATRO	+			
CHECK-IT	+			
LIVES	+			(+)
MODERN FOLKING	+			
SWEM-PAL	+	+	(+)	
SO-BAJA2	+	+		
PALMCULTURE	+			
IDENTIS	+	+		
ART&CRAFT	+			(+)
TISAWATERTOURS	+	+		
OASIS				
ARECCDEV				
CET	+			
HEALTH-TOUR	+	+		
RILIAM	+			
REHAB NATCULT HERITAGE FOLKCOOLTUR	+			
CULTOUR	+	+	(+)	
VOBANISTA	+			
WATERTOUR	+	+	(+)	

Name of the project	Equality and non-discrimination	Sustainable development	Climate change	Social innovation
CULHUSRBTOUR	+	+		
DANUBE WINE ROUTE	+	+	(+)	
BAJA-SOMBOR GREENWAYS		+		
NATESS	+	+		
MILLS' ROUTE		+		
CETTVYP				
COMMONHERITAGE		+		
CBS-CD	+			
K3CI	+			(+)
OLD HABITS IN A NEW GUISE				
AGRINNO	+	+	(+)	
AGROCRAFT2	+	+		
TASQ	+	+		
IKNNOW	+	+		
ITC MIND	+			
CORNUCOPIA		+		
SOCIOAGRO	+	+	(+)	(+)
HANDYCRAFT2	+	+		(+)

The horizontal principles were introduced in line with the CPR Directive (articles 7 and 8) and even though the applicants could choose if the project will have neutral or proactively positive contribution to the horizontal principles, they had to be taken into consideration. Most of the projects regarded the inclusion of horizontal issues as a forced requirement, a box that had to be ticked, and this results in many cases in *'materials without content'* as one of the interviewed person claimed. Many interviewees also stated that in the projects the horizontal principles are not dealt with in a complex manner, but rather as an artificially included need that is thus left without considerable and measurable impact. At the same time, most of the interviewees emphasised that it is a positive idea to include the horizontal principles in the application materials and in some cases – where they organically fit with the nature of the project – it is definitely a good requirement; however, it should not be a strict requirement, only a suggestion.

In line with the EU level legislations, there are three horizontal principles that the Interreg-IPA Cross-border Cooperation Programme Hungary-Serbia took into

consideration: equal opportunities and non-discrimination, sustainable development and equality between men and women.

The ***equal opportunities and non-discrimination*** horizontal principle is quite versatile as it deals with providing the same opportunities and protecting everyone from any form of discrimination regardless of the person's nationality, ethnic origin, sex, religion or belief, disability, age or sexual orientation. Depending on the projects' profile, there are distinct interventions and measures mentioned that need to be taken, in order to tackle these issues.

The mitigation of the potential discrimination on the basis of nationality and ethnic origin is mentioned the most often. For instance: *'Special attention will be paid to youth originating from ethnic minority communities, particularly the Roma. This project will offer equal treatment for its beneficiaries in the pursuit of an improved access to physical education and sporting facilities. Monitoring the consistency of the project with EU horizontal policy on equal opportunities will be possible through assessing the number of involved participants, who come from economically disadvantaged families and from communities of ethnic minorities.'*

Furthermore, there are cases where the measure proposed to bring the project and the horizontal principles closer together is linguistic. According to some of the projects, the key to providing equal opportunities for everybody regardless of their nationality lies within language-accessibility. For example: *'The promotional material and the web portal will be available in the Serbian, Hungarian and English languages to ensure equal opportunities for the use of native language in small communities and for ethnic minorities living in the border zone.'*

Disability is the second most widely treated aspect of the first horizontal principle. However, the vast majority of the allusions are so general that no actual measure can be identified. What is visible though is that several projects committed themselves to organise the different project activities in a venue that is easily accessible, e.g.: *'The project activities will be organised in a building that is accessible for the disabled.'*

Considering discrimination based on religion and belief, the solutions are formulated in a highly general and non-accountable way.

Age is another attribute that can give space for discrimination. The negative result of the analysis is that very few projects dealt with this aspect, but on the positive side, it has to be pointed out that those, which actually mentioned it usually gave a less generic answer, than in the first three categories. They approached the issue from the point of view of

reduced physical abilities caused by old age and tried to compensate this through different technical solutions.

**Sustainable development** has been tackled with a considerable sensitivity and depth in almost all the project materials. The solutions mentioned in the project materials can be classified into three different groups: measures applying *renewable energy solutions*, initiatives regarding *sustainable tourism* and measures for *disseminating knowledge*.

The first group is represented by a high number of projects. The most popular way to include this measure is the use of different renewable energy sources during the realisation of the projects. Energy efficiency is a suitable and sustainable solution that has been built in a number of projects for instance like in this: *'Although the renovation and convert of museum restoration workshop into tourist and education attraction are not linked to environmental permit, but during the renovations we take particular care of energy efficiency and environmental aspects of sustainability.'*

Other projects concentrated on sustainable tourism, for example: *'In developing new destinations of joint cultural paths we emphasise the preference of use green modes for transport as we focus on the environmental friendly "slow tourism"'*. Furthermore, a number of projects stated that they wish to promote sustainable tourism through developing bicycle route infrastructure as environmentally friendly means of transportation.

The above mentioned example is somewhat connected to the idea of the importance of dissemination of information and knowledge when it comes to sustainability. Several projects realised this and reflected upon including appropriate measures set among the planned activities.

It also needs to be mentioned that the projects also receive support in order to be able to attain their climate change objectives. In principle, all the selected projects of the programme need to (1) contribute to the requirements of environmental protection, (2) focus on resource efficiency and climate change mitigation, (3) provide ways to adapt to climate change, (4) promote resistance towards disasters, (5) avoid risks and at the same time (6) enable shift towards the quality prevention of environmental resources. Since the whole programme strategy is designed according to the concept of sustainable development, some objectives, priorities and individual interventions are directly focused on the promotion of technology development and infrastructural developments for the low-carbon economy, resource efficient and environment friendly developments.

The third horizontal principle is about ensuring **equality between men and women**. In many cases, the projects did not approach the issue with a content-rich solution or idea. The the most frequent inputs are fairly general and rather express a broad ideological

commitment, than actual measures to be taken. For example: *'The project activities will contribute positively to the horizontal principles as equal opportunities and non-discrimination and equality between men and women'*. However, there were some cases where the projects made a commitment to ensure the realisation of this principle by putting together a project management team, where at least half of the employees are women while also paying attention to that, both men and women should be working in similar roles, to be payed equally.

## 5.2.2 Territorial impact

### M 4.1 Mapping of the territorial coverage

For the sake of analysing the territorial coverage of the cooperation programme, two maps were plotted, based on the information available in the IMIS 2014-2020. The first map includes two (sometimes converging) types of information:

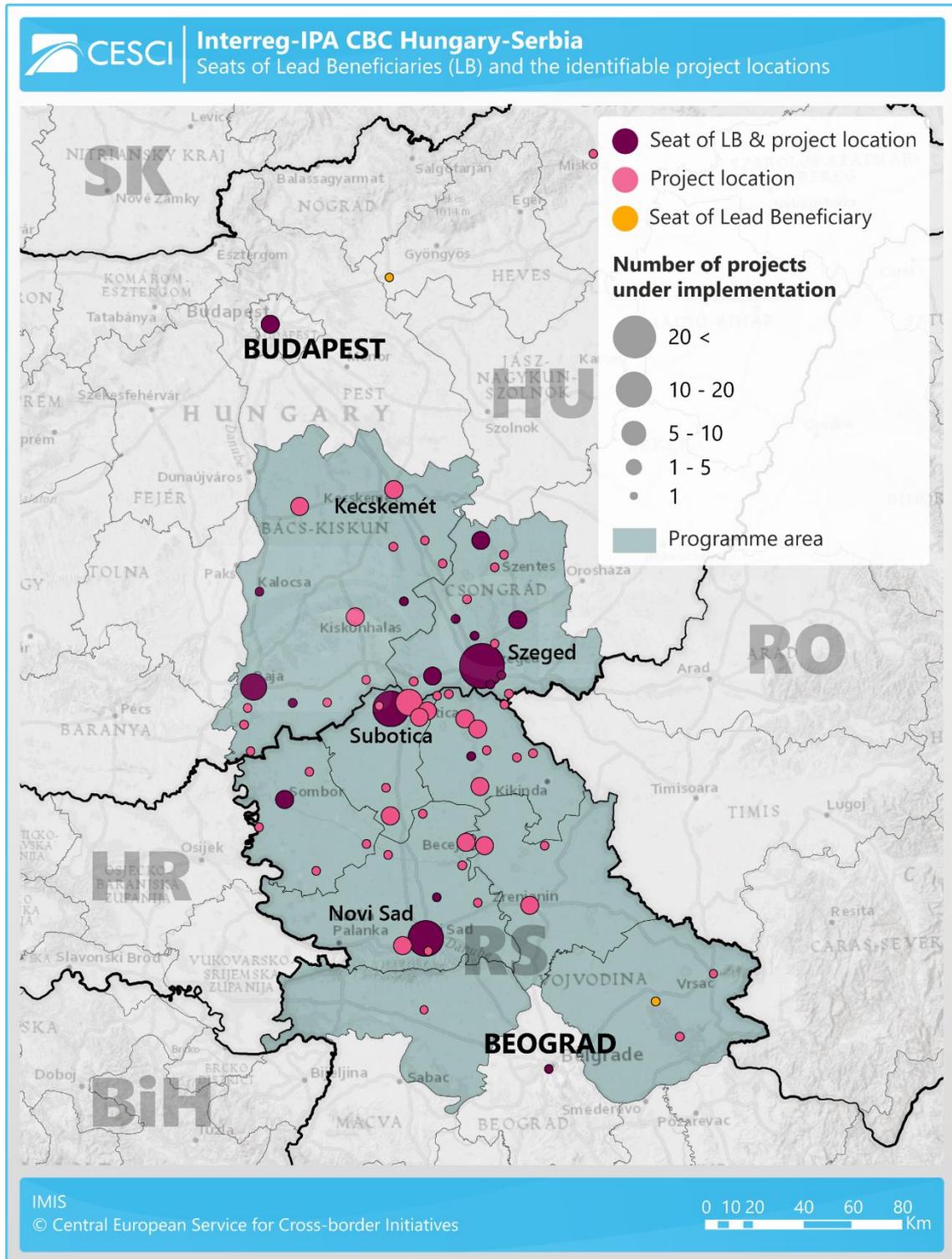
- the locations of lead beneficiaries' seats and
- the locations of project implementation.

The map shows the cases, when the two locations are identical.

Based on the picture provided by the map, the most active programme areas seem to be North Banat, North Bačka from Serbia and Csongrád from Hungary from regional point of view. The highest concentration of project locations and LBs can be found in the joint urban functional zone of Szeged and Subotica: the vast majority of the projects are realised along this urban axis. Another active area is the riverside of Tisa.

Some municipalities have major role in project implementation including Szeged, Subotica, Novi Sad and Baja. A large number of projects are carried out in the eastern section of the Serbian-Hungarian border area.

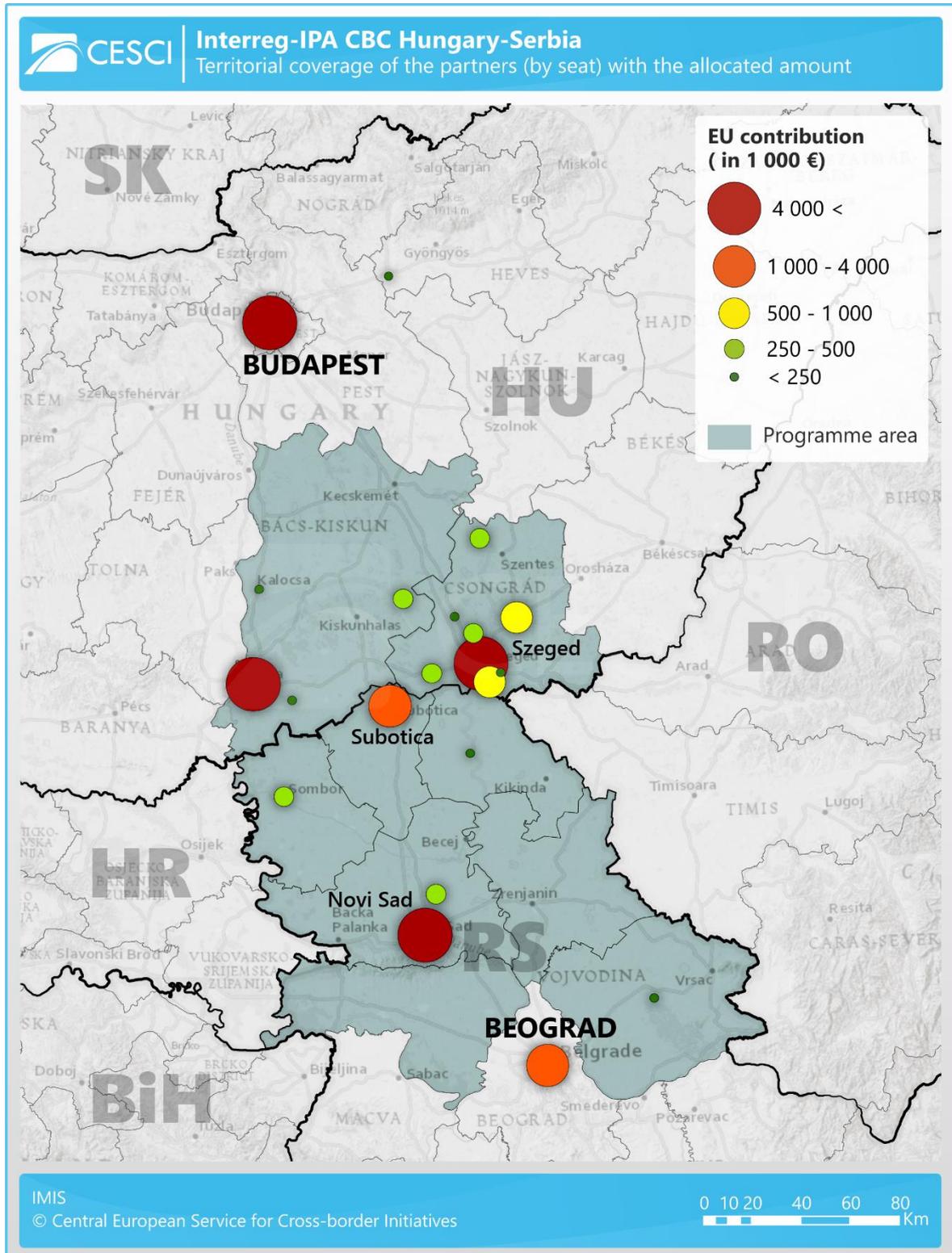
Figure 29: Seats of Lead Beneficiaries and the identified project locations [Source: IMIS 2014-2020]



As a general rule, the locations of LBs can be found in the close proximity of the border (except for such distant municipalities not included in the direct programming area but – according to the eligibility rules – enabled to be involved in the programme implementation with limitations, like Hatvan, Budapest, Belgrade, etc.). However, there are extensive eligible areas which exposed lower level of interests, which should be tackled in

the future. These areas are situated in Srem, Central Banat and South Banat regions and in Bács-Kiskun County, where the visibility and popularity of the cooperation programme should be strengthened.

Figure 30: Territorial coverage of the partners (by seat) with the allocated amount [Source: IMIS 2014-2020]

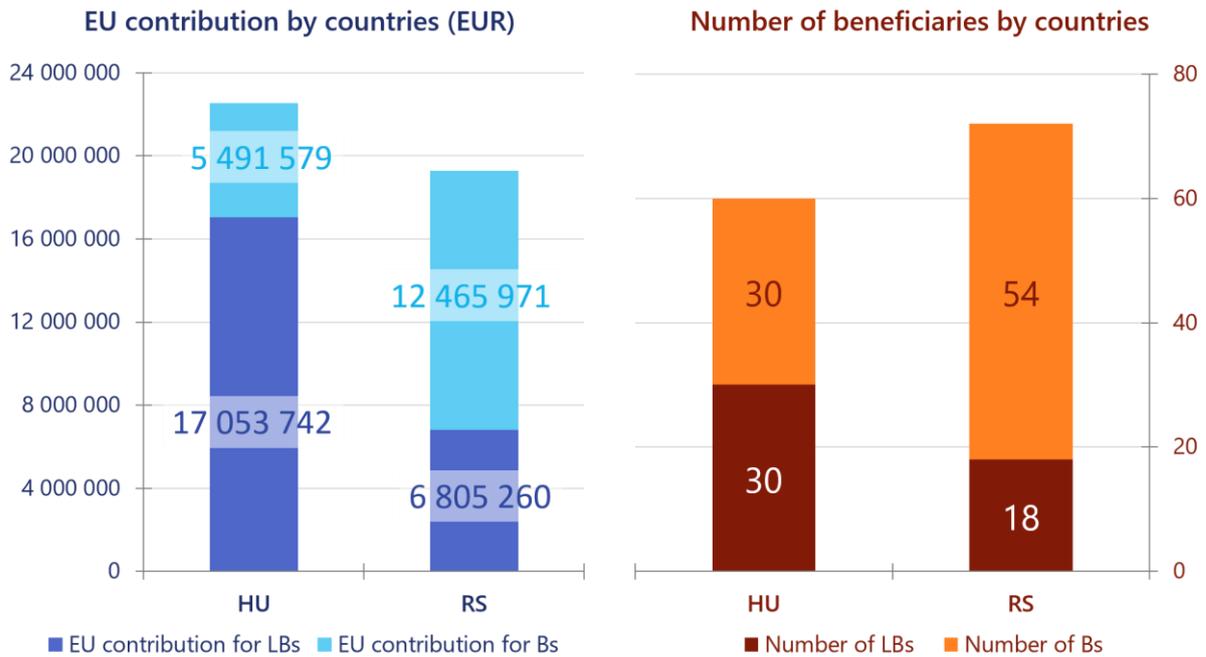


The second map describes the territorial coverage of the partners (by seat) together with the allocated amount. As it can be seen on the map, the partners' seat with the biggest allocated amount are at Budapest, Beograd, Szeged, Baja and Novi Sad. (This is partly justified by the strategic projects where national level authorities are involved in the realisation, partly the density of competent and experienced institutions.) The spatial concentration of the allocated amounts is the highest again along the Szeged-Subotica urban axis.

Furthermore, an even more nuanced picture can be gained about the territorial coverage through the country-level distribution of funding. Thus, the following figure shows the EU contribution and number of beneficiaries by countries. What is striking even for the first sight, it is the low representation of Serbian LBs. While the share of total funding so far shows 17% plus in favour of Hungary, the Serbian LBs represent 37,5% only of the total number of LBs. This can be due to the facts that

- a) in each programme targeting an external EU border, the EU member LBs used to be in majority – as a business as usual;
- b) as it can be seen from the territorial analysis, the economic performance and the socio-economic situation is better in Hungary than in Vojvodina which can be detected in the density of financially stable organisations, as well, ready to undertake the role of a lead;
- c) while the Hungarian partners are transferred the 10% national co-financing after the subsidy contract is signed, and they can apply for advance payment from the ERDF share of their project, the Serbian beneficiaries are not provided either with national co-financing or advance payment; this heavily influences the implementation of the project, especially during the starting phase what is a major reason of selecting Hungarian partners as LBs.

Figure 31: EU contribution and number of beneficiaries by countries [Source: IMIS 2014-2020]



#### M 4.2 Assessment of the strategic approach

Within the framework of this chapter, the wider impacts of the contracted projects are analysed. When speaking about strategic approach, the evaluators consider the larger perspective the projects aim at contributing to. For this purpose, the evaluators assessed the average project size according to both financing and number of involved beneficiaries in comparison to the previous programming period. At the end of the chapter – based on the project descriptions – the way the applicants tried to fit their ideas into the existing strategic documents and plans are also analysed.

The following table summarises the average size of the (already) contracted projects in the 2007-2013 and in the current programming period.

Table 27: Average size of projects by financing and the number of project partners<sup>9</sup>

	2007-2013	2014-2018 September
Number of implemented projects/ being under implementation	204	48
Aggregated value of projects (€)	57 714 855.90	49 195 945.31
Average project size in €	281 535.88	1 024 915.52

<sup>9</sup> Data source: IMIS 2014-2020, Final Evaluation Report of Hungary – Serbia IPA Cross-border Cooperation Programme 2007-2013

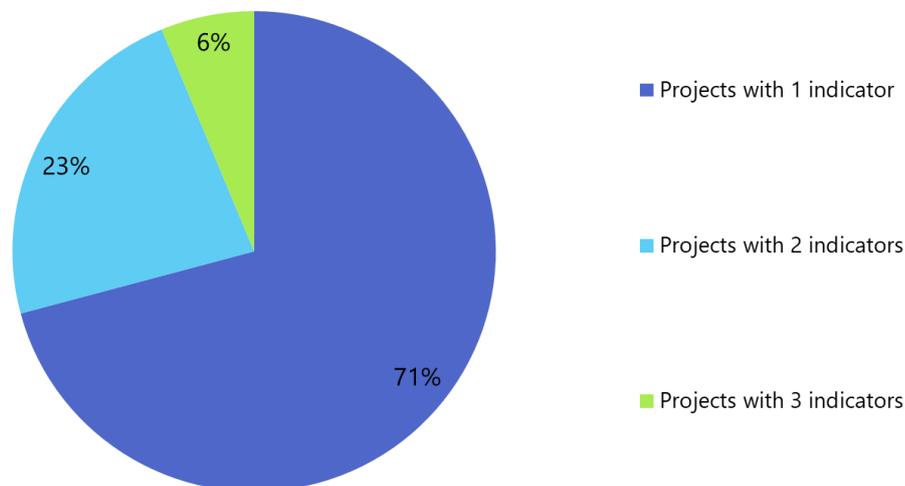
	<b>2007-2013</b>	<b>2014-2018 September</b>
Aggregated number of project partners	518	175
Average project size by number of partners	2.53	3.24 <sup>10</sup>

It is obvious that in the current period the average project size in € is almost 4 times higher than it was in the 2007-2013 period. It can be reasoned by the fact that strategic projects were selected for funding at the beginning of the programming period influencing the average value of the projects triggered so far. This forecasts a decrease in the value until the closure of the programme. Nevertheless, it is expected that the average project size will be remarkably bigger than it was during the previous programming period.

Regarding the average number of beneficiaries involved in a CBC project, an increase from 2.53 to 3.24 can be experienced. It means that the complexity of the partnerships has increased. Both indices imply a stronger strategic approach compared to the previous programme.

*Figure 32: Distribution of projects based on the number of programme output indicators<sup>11</sup>*

**Distribution of projects based on the number of indicators**



The strategic approach can be analysed based on the complexity of the projects. The higher number of indicators are concerned, the stronger of the project’s strategic aspect

<sup>10</sup> There was no Associated Beneficiaries involved

<sup>11</sup> Data source: IMIS 2014-2020

(i.e. complexity) is. It means that the projects targeting one indicator contributes to the joint development of the cross-border region with smaller impact than those contributing to more indicators. In addition, the strategic approach means that the horizon, the perspective of the project is wider than the concrete investment or activity: it can improve the cohesion and the quality of cross-border cooperation in more than one dimension. Seemingly, the highly developed proposals represent a small rate only, but one third of the projects contribute to more than one programme level indicator.

Another way of analysing the strategic approach is to assess how the projects embedded themselves in their strategic environment. Based on the application forms, it is visible that none of the projects exist in a contextual vacuum. Each project was able to link itself to at least one macro-regional or other national or local level strategy, but the vast majority of the projects are greatly embedded in their strategical environment, i.e. connection with previous programmes, current strategies and other points of reference.

These points of reference can be classified into three groups presented in the table below:

- those cited strategies, policies, programmes and projects that define the legal, sociological and economical context of the given project (1<sup>st</sup> column);
- those that establish a certain continuity of the project (2<sup>nd</sup> column) and
- those that define a certain relationship with other projects that the given projects are in accordance with (3<sup>rd</sup> column).

*Table 28: The points of references mentioned in the Application Forms*

<b>Project</b>	<b>Context</b>	<b>Continuity</b>	<b>Connectivity</b>
TRANS DIA	European Disability Strategy (2010-2020). United Nations Convention on the Rights of Persons with Disabilities. Europe 2020. European Charter of Fundamental Rights of the Lisbon Treaty. Hungary National Disability Program (2015 – 2025).		
PROSOCENT	New Széchenyi Development Plan of Hungary. Tourism Strategy of the Republic of Serbia. EU Strategy for the Danube Region.		EU 2020 Strategy. EU flagship initiative "Youth on the move". EU Strategy for the Danube Region.

<b>Project</b>	<b>Context</b>	<b>Continuity</b>	<b>Connectivity</b>
CB BASKET	New Hungary Development Plan. Social Renewal Programme. Danube Strategy. Youth Strategy (Serbia). Vojvodina Youth and Sports Strategy. Sports Strategy and the Action Plan on Youth of the Town of Subotica.		EU 2020 Strategy. EU flagship initiative "Youth on the move". EU Strategy for the Danube Region.
TISATUR	Algyő port development within TOP. Hungarian Kayak- Canoe Association program "Wandering Hungary". Oar Port Certification program.		
CULTSTREAM	Transnational Programme Environment and Culture Responsible Danube Region objective. EU Strategy for the Danube Region. ERASMUS+ Strategic Partnerships.		
YOUTH-TOGETHER	Education Strategy in Serbia. Danube strategy. Lifelong Learning Programme.		
CRAMANTOUR	EU Strategy for the Danube Region. South-Plain Turistical Program. Hungarian Cultural Strategy 2006-2020.		
THEATRO	United Nations Convention on the Rights of the Child. The Convention on the Protection and Promotion of Diversity of Cultural Expressions. National Youth Strategy of the Republic of Serbia. National Strategy for the Accession of Serbia to the European Union. Local Sustainable Development Strategy of City of Subotica 2013-2022.	Contract on future cooperation between Subotica and Szeged (2009).	Southern Opening Strategy. Children's strategic program of the Hungarian Cultural secretariat of state.
CHECK-IT	EU Strategy the Danube Region. New Hungary Development Plan.		Project of FRACTALS project ID: 632874. Project CompComp Project ID: HUSRB1002/1002/211/047. Project in Economic Development Programme (ID: GOP-1.2.1-09-2010-0004).
LIVES		Tisa Land Folks Project.	Fundamental development project "Maintaining and preserving cultural folk traditions in the cross-border area".

<b>Project</b>	<b>Context</b>	<b>Continuity</b>	<b>Connectivity</b>
MODERN FOLKING	EU Youth Strategy. EU's Danube Strategy.		National Youth Strategy of Serbia. Youth Action Plan of Autonomo Province of Vojvodina.
SWEM-PAL	Water Framework Directive of the EU. Natura2000/Ramsar.		
SO-BAJA2	Law on public roads No. 101/2005, 123/2007. Amendment to the Law on Public Roads. A statement of purpose on the overall development of infrastructural interconnection between Serbia and Hungary. Protocol of the eighth meeting of the economic cooperation between Serbia and Hungary. South-East Europe Core Regional Transport Network Development Plan. National Development and Regional Development Concept 2020.		Project HUSRB/0901/111/006.
PALMCULTURE	Cultural Development Strategy of Novi Sad. Smart Specialization Strategy of the Vojvodina Region.		
IDENTIS	Southeast Europe Transnational Cooperation Programme. South-Plain Operative Programme.		
ART&CRAFT	EU's Danube Strategy. Integrated Settlement Development Strategy, Hódmezővásárhely. Economic Programme 2014-2019, Hódmezővásárhely. Regional and Economic Development Strategy of the Hungarian Communities of Vojvodina. Local Sustainable Development Strategy 2013-2022 of the Municipality of Subotica.		
TISAWATERTOURS	Danube Region Strategy.		

<b>Project</b>	<b>Context</b>	<b>Continuity</b>	<b>Connectivity</b>
OASIS	Tourism Development Strategy of Republic of Serbia. Marketing Strategy of Vojvodina. Environment and Energy Operational Programme. Csongrad County Area Development Concept. Integrated Urban Development Strategy of Kistelek. Vojvodina Development Programme 2014-2020. Integrated spa development strategy. DKMT Regional Cooperation Development Strategy.		Project DAOP-3.1.2/A-11-2011-0003. Project KEOP-4.10.0/N/14-2014-0321.
ARECCDEV	Convention on Biological Diversity for the period 2011-2020. EU framework for rural development programmes. Lisbon Treaty on cultural heritage. Directive 2008/50/EC. Directive 2010/31/EU. European commission Open Access policy.		
CET	Interreg Danube Transnational Programme. EU Strategy for the Danube Region. Horizon 2020.		
HEALTH-TOUR	EUSDR. EUSAIR. Europe 2020. Partnership Agreement 2014-2020. National Reform Programme. National Development and Regional Development Concept 2020. Regional Development Concept of Bacs Kiskun County. Draft Regional Development Plan of Csongrad County. National Social Inclusion Strategy of Hungary. Strategic Plan of the DKMT Euroregion. National Priorities for International Assistance in the RS. National Employment Strategy. Tourism Development Strategy of RS. Development Plan of AP Vojvodina priorities. Marketing strategy of tourism of Vojvodina.	"Cooling Cubes" project.	

<b>Project</b>	<b>Context</b>	<b>Continuity</b>	<b>Connectivity</b>
RILIAM	Strategy for support to the development of SMEs, entrepreneurship and competitiveness from 2015 to 2020.		
REHAB NATCULT HERITAGE	Regional Development Operational Programme.	Cross-border development of Novi Becej in 2013.	
FOLKCOOLTOUR		Results of our previous Hungary-Serbia IPA Cross-border Co-operation Programme projects. SC6 Work Programme 2016-2017.	
CULTOUR	Twinning charter.	"Life in the farm" project.	
VOBANISTA	Danube Strategy. Hungarian Strategy on Tourism. Serbian Strategy on Tourism.	GINOP 2.3.3-15 on light pollution. European Commission LIFE program ECOLIGHT.	
WATERTOUR	European Disability Strategy 2010–2020. Youth in Action Initiative. European Sports Charter and Code of Sports Ethics. White Paper on Sport.	EU Youth Strategy 2010-2018. Cultural work plan for 2015–2018.	National Sports Strategy.
CULHUSRBTOUR	Europe 2020. Draft Regional Development Plan of Csongrad County. National Social Inclusion Strategy of Hungary. Strategic Plan of the DKMT Euroregion. Strategy of Sustainable Development of Novi Sad.		EU Strategy for the Adriatic and Ionian Region. EU Strategy for the Danube Region.
DANUBE WINE ROUTE	Ratified strategy of National Grape and Wine Industry 2025. Development Plan and Regional Development Strategy (Bács-Kiskun 2020). Danube Strategy. Cultural Development Strategy of the City of Novi Sad 2016-2026. Tourism Development Strategy of the Republic of Serbia 2015-2025. Programme for the Development of AP Vojvodina 2014-2020.		

<b>Project</b>	<b>Context</b>	<b>Continuity</b>	<b>Connectivity</b>
BAJA-SOMBOR GREENWAYS	Communication no. 352 (2010) of the EC. Complex water management development of the Baja-Bezdan Canal area. Amazon of Europe Mura-Drava-Danube.		EuroVelo. National Tourism Development Concept 2024 of Hungary. Tourism Development Strategy of Serbia.
NATESS	Europe 2020. Development plan of AP Vojvodina 2014-2020. Sustainable economic development, NDRDC.		
MILLS' ROUTE	European Union's neighbourhood programmes.		
CETTVYP	Vojvodina Regional and Economic Development Strategy.	South Great Plain Operational Programme. Interreg HURO 2007-2013 programme. Brother Settlements programmes and cooperation programme.	
COMMONHERITAGE	Tourism Development Strategy of both Serbia and Hungary.	„Treasure house of heritage”. Earlier programmes from periods of 2004–2013.	Marketing Strategy of Vojvodina.
CBS-CD	Strategy of Cultural Development of Novi Sad 2016-2026. Draft Strategy for Enhancing the Situation of People With Disabilities in the Republic of Serbia Until 2020. Universal Declaration of Human Rights.		European Disability Strategy 2010-2020. National Basic Education Plan of Hungary.
K3CI	European Union Strategy for Danube Region. Creative Europe Programme 2014-2020. South East Europe 2020.		European Platform.
OLD HABITS IN A NEW GUISE	Erasmus. Határtalanul. Jean Monnet. Tempus. Europe for Citizens.		European Union Strategy for Danube Region.
AGRINNO	Agriculture Development Strategy of Serbia. Rural Development Strategy.		Danube Region Strategy. Hungary National Rural Development Strategy (2012-2020).
AGROCRAFT2	EU Framework for Rural Development Policy 2014-2020.	National Action Plan for Organic Production	National Network for Rural Development in Serbia.

Project	Context	Continuity	Connectivity
		Development in Serbia 2011. Rural Development Programme (RDP) for HU.	
TASQ	Food law regulation (EC) 178/2002. (EC) No 509/2006 on agricultural products and foodstuffs as traditional specialities guaranteed. (EC) No 1852/2001 regulation on novel food. EU Strategy for the Danube Region. EU Common Agricultural Policy 2014-2020 (EU) No 1306/2013. Good Agricultural Practice (GAP standards). Strategy of agriculture and rural development Republic of Serbia. Strategy, Development program of Vojvodina Region 2014-2020. Strategic Research and Innovation Agenda for the European TFP SMEs.		
IKNNOW			Europe 2020 Strategy. National Smart Specialization Strategy. Hungarian Economic Development and Innovation Operational Programme. Regional and Settlement Development Operative Program. National Research and Development and Innovation Strategy (2013-2020). National Strategy for young people of Republic of Serbia.
ITC MIND	Europe 2020 – TP7. EU Strategy for the Danube Region. National Development and Regional Development Concept 2020. Program for SMART specialization in research and innovation AP Vojvodina 2015-2020. Economic Development Program of Vojvodina 2014-2020. Industry Development Strategy and Policy in Serbia 2011-2020. Strategy for support the		

Project	Context	Continuity	Connectivity
	development of SME, entrepreneurship and competitiveness in Serbia 2015-2020. Education Development Strategy of Serbia to 2020. National Employment Strategy of Serbia 2011-2020. Strategy of Scientific and Technological Development of Republic of Serbia 2016-2020. The Partnership Agreement of Hungary 2014-2020.		
CORNUCOPIA		Benchmark research of the "Sustainable farming of Farmstead" project.	
SOCIOAGRO	2030 Agenda for Sustainable Development.	Policy Brief on Social Entrepreneurship.	
HANDYCRAFT2	EU Framework for Rural Development Policy 2014-2020. EU Framework Programme for Research and Technological Development. Open Method of Coordination.	Rural Development Programme.	Learning for Change EU Initiative. National Network for Rural Development in Serbia.

The first group contains those strategies, policies, programmes and projects that are mentioned by the given project. These referenced documents are not necessarily strongly linked to the project and often are not used in order to implement its specific points, but rather to convey a certain mission or ideology along the lines, which the given project wishes to represent in its own activity. For instance, one project mentions that *'exploiting the potential in tourism and conscious tourism development are included in several programmes, thus the project is coherent both with national and local programmes [such as the] Danube strategy: project is in line with objectives of PA3 regarding tourism, cultural heritage and improvement of dialogue between cultures.'* or *'Since the Hungary–Serbia CBC programme is part of the Interreg family, it is no wonder that there are synergies between our project and priorities of other Interreg programmes. For example, CET ties in with priority 2 of the Interreg Danube Transnational Programme: Environment and culture responsible Danube region (specific objective 2.2: Foster sustainable use of natural and cultural heritage and resources).'*

The second group is characterised by those documents that are referenced in order to establish a certain continuity for the given project. These form a temporal synergy as in most of these cases the referenced strategy or policy has already been concluded, however, together with the given project they create a continuity, a continuous synergy. A

prime example for this could be the below cited project that positions itself as the direct continuation of an already finished programme: *'The project has synergies with the EU Youth Strategy and "Youth in Action" (Programme for young people for 2007 - 2013). "Youth in Action" was the European Union programme that had helped young people since 2007 to boost their skills and develop their personal capacities through non-formal learning'*.

The third group, which is probably the most frequented, consists of those macro-regional strategies, other policies, programmes and projects that are mentioned because they are in a certain relationship with the given project. For example: *'Project contributes to the main EU strategies: EU 2020 Strategy - The priority: Inclusive growth of the Strategy is addresses social cohesion, as the way to achieve growth at EU level'* or being in accordance with (for example: *'The Szentes Sport concept is in accordance with the Hungarian National Sport Strategy, Law on competence of local self-government (adopted in 2011, no. CLXXXIX) and Law on sport (adopted in 2004, no. I).'*

In summary, the close analysis of the application forms showed that most of the projects (41) has named at least one strategy, policy, programme or project that defines its legal, sociological or economical context and thus rendering the first group of the classification the most frequented. This effect is further emphasized by the fact that these 41 projects assembled an impressive list of 153 such entries (not eliminating the duplications). The second group, which meant to establish a certain continuity of the project with previous similar initiatives is the smallest, only 15 projects named such a historical connection. The third group defining a certain relationship with other initiatives that the given projects are in accordance with has 19 examples that together mentioned 39 such points of references. Furthermore, it can be observed that a significant number of the projects (21) mentioned examples that belong to only one category, while only 5 projects mentioned points of references from all three categories. However, since 53% mentioned examples from two, or more than two categories it can be concluded that the projects have a relatively strong strategic embeddedness.

### 5.2.3 Permanency

#### **M 5.1 Sustainability analysis – project results**

The Interreg–IPA Cross-border Cooperation Programme Hungary–Serbia puts great emphasis on ensuring the sustainability of the project results, thus when it comes to the analysis of the programme, attention must be given to the assessment of the sustainability aspects of the projects. For this purpose, a contextual analysis was carried

out: with the help of the word cloud method, the most frequent solutions were identified and analysed. This had been done through analysing all the application forms available in the IMIS 2014-2020 and reviewing the methods and tools that the selected projects planned to use in order to ensure the sustainability of their results.

In the IMIS 2014-2020, the application forms of 5 selected projects were not available at the time of the evaluation, thus the analysis was based on the inputs of 43 projects. However, probably it is safe to say that disregard of the above 5 projects will not significantly distort the validity of the observations, regarding the different trends in the propositions ensuring the sustainability of the projects' results.

In terms of sustainability, the evaluators assessed three (institutional, financial and social) aspects.

### *Institutional sustainability*

The analysis of institutional sustainability is hardened by the fact that in many cases, only a generic or brief answer had been provided. However, some trends were still noticeable, as represented also in the word cloud below, according to which there are two distinct solutions applied in this field:

1. methods based on the cooperation of the project partners and
2. methods based on a certain document (such as contracts, strategies, etc.).

*Figure 33: Word cloud method visualisation of the institutional sustainability aspect*



The first category is characterised by the hope or conviction that the cooperation will create a firm foundation for continued partnership of high intensity and efficiency. One project for instance includes that *'the applicant partners will manage the project together'*

thus expressing that the continuity and sustainability lies within the good cooperation of the given stakeholders, related organisations and institutions.

The second category contains those popular methods that aim to ensure institutional sustainability of the projects' results through the use of certain documents. The most evident example is when one beneficiary (sub)contracts a third entity (business contract) to maintain the given activity, thus providing a legal guarantee for the sustainability of the project. For example in the case of a project, the institutional sustainability is *'ensured by signing a Cooperation Agreement between the Provincial Secretariat for Agriculture, Water management and Forestry, Institute of Field and Vegetable Crops, European Affairs Fund - AP Vojvodina from Serbia and the CSMF Kft. on the Hungarian side.'*

Another type of similar solutions (though in some cases without legal guarantee) is the use of different strategies. Some of the projects conclude with the elaboration of joint strategies, which tackle the question of institutional sustainability as well. For example one project explains that *'the Partners will develop common strategic plan'* that will properly tackle the issue.

### ***Financial sustainability***

The analysis of the solutions of financial sustainability also gives a less heterogeneous image. In addition, it has to be underlined that a large number of generic answers have been given what made the information hardly assessable.

As it can be seen on the word cloud below, the solutions proposed can be categorised into three different groups:

1. methods ensured individually, by each beneficiary;
2. methods outsourcing the financial burdens;
3. methods excluding the possibility of appearance of new expenses.

Figure 34: Word cloud method visualisation of the financial sustainability aspect



The most often cited solution is to render the task of financial sustainability within the responsibilities of each beneficiary and their financial plans. Since the project partners are committed to sustain the results financially, they can in fact be expected to be responsible for the financial sustainability and implementation of the activities after the project ends. Thus, the most frequently received input was very similar to this example: *'each partner institution will contribute to sustainability by providing financial support'*.

Secondly, many projects suggested that they could find a way to somehow 'outsource' the financial burdens of the project to an institution or organisation that is able to take up the role of the financer. This institution can be a city council (*'the City of Subotica's annual budget and the Subotica Town Development Magistracy PE will maintain'*), a CSO (*'the local hunting association will provide the necessary means'*), national and international sources (*'for sustainability national and international financial sources (RTD programmes) are considered'*) or other donors.

The third solution is to ensure that no additional expenses will appear during and after the realisation of the project. For instance, one project states that the *'moduls implemented in the educational system cause no other expenses'*.

### **Social sustainability**

The analysis of the projects' relevant input resulted in the conclusion that many projects simply had not reflected on this aspect in any way, or just in very brief and general terms. However, some trends could still be observed, which are represented also on the word

cloud below. According to these trends, there are two distinct categories: those projects that focused on

1. methods related to event organisation and
2. those related to dissemination of information.

*Figure 35: Word cloud method visualisation of the social sustainability aspect*



Firstly, several projects regard the organisation of different cross-border events, tournaments and educative school programs as prime opportunities for maintaining those social bonds created during the project implementation period. This is aptly put by a beneficiary, saying that the *'exchange programme will allow students to get to know each other and provide a basis for future business contacts or friendship'* which is nicely completed by this input *'promoting basketball among youngsters from both side of the borders, educating them to sport, creating sport opportunities, tournaments and further experiences and programmes will maintain the interest and have a strong community-forming power.'*

Secondly, a large number of projects pointed out the importance of dissemination of information in various shapes and forms in the pursuit of ensuring social sustainability. One identified solutions was to publish the documents prepared in the framework of the project which can be useful for further local stakeholders. As one project partner wrote: *'project outputs will be freely available to urban inhabitants and environmental, water, traffic, health and meteorological management Institutions and all other interested authorities and organisations in both countries'*.

In some cases, the know-how transfer is backed up by the creation of a platform, e.g.: *‘the portal with online database will also have a potential to expand well beyond the eligible cross-border area, including businesswomen from all areas of Serbia and Hungary.’*

Finally, awareness raising and education of target groups and general public on the chosen project topics (e.g. on the negative effects of the ragweed) ensure the long-term perspective of the project itself. This can be further completed by the fact that all local stakeholders will be able to use parts of the project result of any given project as an example for good practice, to develop own initiatives and projects, which in some sense are perfectly in line with the utmost goal of social sustainability: not only keeping alive the already present initiatives but inspire others to take similar actions.

### **M 5.2 Sustainability analysis – project partnership**

One of the key aspects of long lasting success of the CP lies within the sustainability of the project partnerships. Previous empirical experiences prove that if a partnership is formed on an ad-hoc basis, in a hurried way, and is lacking a proper foundation, then it will have an adverse effect on its sustainability. Subsequently, when it comes to the evaluation of the programme, it is essential to shed light on how permanent the current partnerships are, what kind of historic background do they have and what future prospects do they claim to envisage for themselves. In order to be able to paint a detailed image about these issues, first the partnerships registered in the IMIS 2014-2020 had been analysed according to the following criteria: type of organisations; legal status of the beneficiaries and sociogram of the partnerships. In parallel, the applicants had been asked to fill out an online questionnaire, where the following questions were asked:

- What was the reason of selecting the partner?
- How long is the partnership with the beneficiary (in years)?
- Give examples of previous joint projects or project proposals together with the beneficiary.
- Give examples of joint events held with the beneficiary.
- What kind of joint prospects for the future do you foster with the beneficiary?
- How do/did you want to guarantee the sustainability of the partnership after the completion of the project?

The answers of 53 respondents to these open-ended questions resulted in a detailed, rich qualitative database that is analysed below, as well as completed with some statistical statements deducted from those answers that were quantifiable.

#### ***Analysis of the partnerships based on the IMIS 2014-2020***

The number of partnerships based on the data registered in the IMIS 2014-2020 is 132, 45% of which are Hungarian and 55% Serbian. The table below shows that there is no a

common pattern regarding the type of partners. In Hungary the two biggest groups are budgetary organisations of the central state budget and non-governmental organisations, while in Serbia the groups of public bodies and the local municipalities are the most frequent partners. The biggest difference can be observed concerning *public bodies*, as in Serbia there are 26 entities falling under this category while in Hungary only two such stakeholders are involved in a partnership.

*Table 29: Summarising table of the types of institutions*

<b>Type of institution</b>	<b>Hungarian</b>	<b>Serbian</b>	<b>Total</b>
Local government	14	20	<b>34</b>
Public body	2	26	<b>28</b>
Non-governmental organisation	14	11	<b>25</b>
Budgetary organisation of the central state budget	16	7	<b>23</b>
Public non-profit company	9	4	<b>13</b>
Non-profit company	3	2	<b>5</b>
Foundation		2	<b>2</b>
Church	1		<b>1</b>
Development agency	1		<b>1</b>
<b>Total</b>	<b>60</b>	<b>72</b>	<b>132</b>

Generally speaking, the public sector is overrepresented among the beneficiaries: the share of public and private stakeholders in Hungary is 70%-30%, while in Serbia 86%-14%.

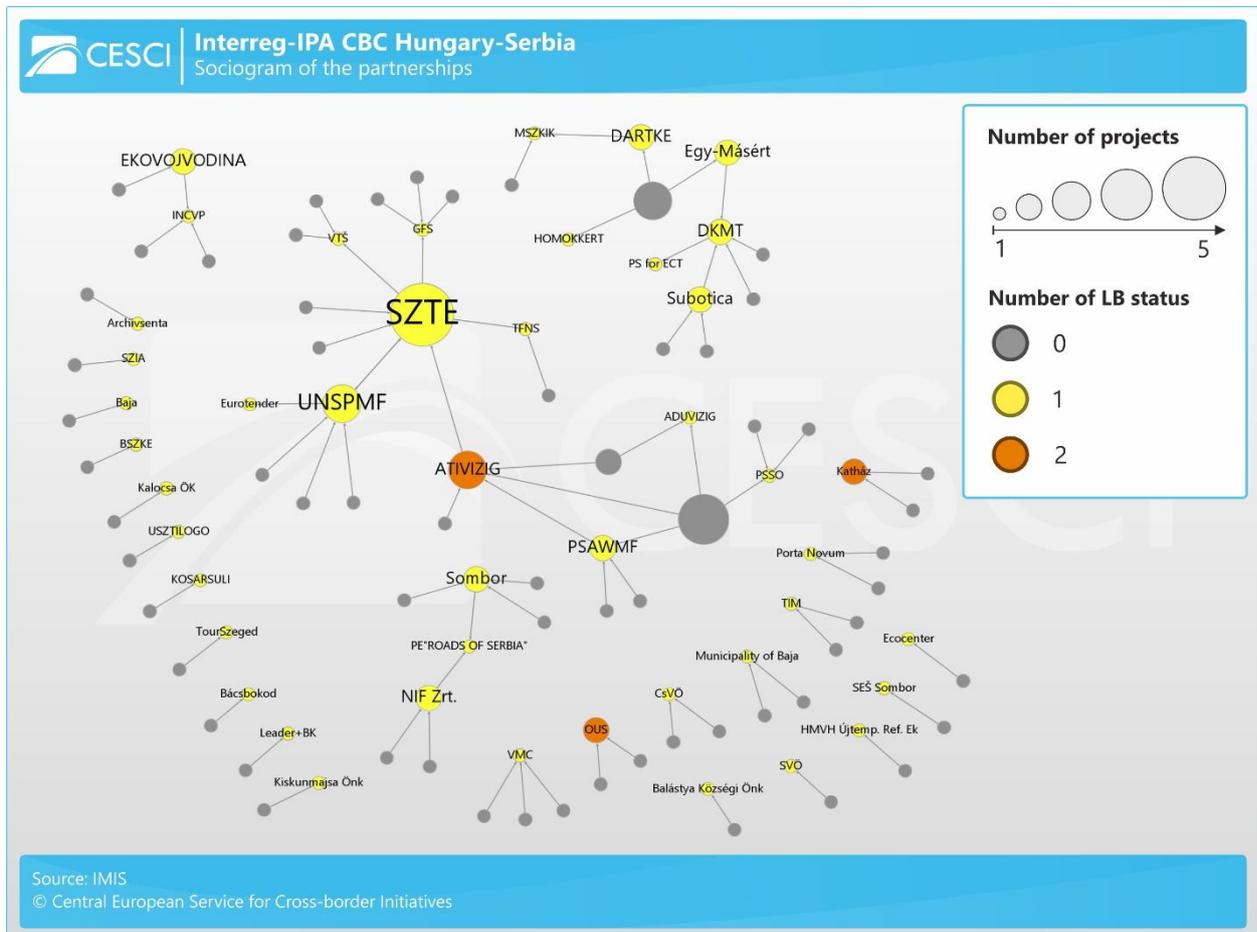
*Table 30: Summarising table of the legal status*

<b>Legal status</b>	<b>Hungarian</b>	<b>Serbian</b>	<b>Total</b>
Public	42	62	<b>104</b>
Private	18	10	<b>28</b>
<b>Total</b>	<b>60</b>	<b>72</b>	<b>132</b>

The sociogram below visualises the complexity of the partnerships. The first observation is that there is an overrepresentation of those partners, who only participate in one project (out of 108 partners 92 is involved in one project, only). There are only 5 beneficiaries, who are involved in 3 or more projects, while the highest number (5) of interest in projects can be detected at the case of the University of Szeged (SZTE). Furthermore, it can also be noted that no entity is playing the Lead Beneficiary role in more than two projects, while there are only 3 beneficiaries, who are simultaneously Lead Beneficiaries in 2 different projects. The sociogram also represents that the complexity of the networking is not overly elaborated, there is only a limited number of interlacement.

It means that the partnerships are rather arranged on a bilateral basis, larger networks have not been developed yet – notwithstanding that one identifiable around the University of Szeged.

Figure 36: Sociogram of the partnerships



### Reasons for selecting the partner (online survey)

The respondents were asked to give the reason of their selection of the partner in relation to each of their partners they are working with, which meant that the beneficiaries identified 95 different partnership relations altogether, concerning their first, second, third and fourth partners. According to these answers, four distinct reasons of selection of the project partners can be established:

1. previous good experiences;
2. compatibility of their visions;
3. proven expertise and
4. recommendations.

Previous good experiences definitely play an important role in selecting the project partner (for example: 'We have been working together for more than ten years, we have lot of common experiences.'). Others even specified in which programme did they work

together, adding further credibility to their claim that the partnership is based on solid grounds: *'Good cooperation which has been established previously working together on two successfully executed Interreg-IPA CBC projects and scientific collaborations'*.

The second important aspect proved to be the compatibility of the stakeholders' visions and missions. A high proportion of respondents pointed out that they chose the given partner because their profile fit well with the content of the given project idea. For example: *'Common interest regarding the project objectives as well as locations, and their unique qualification for the work we planned to do through the project'* or *'mutual interest in the project theme and in the development of touristic potentials of the region as well as compatible resources'*.

The third considered aspect seems to be the level of expertise of the project partner. From the answers, it was visible that the beneficiaries made an effort to select partners that have the capacity to add real value to the project. For instance, one respondent identifies the following as the reason for selecting the given partner: *'because of the great experience in organising and cooperation with organisations that participate in cross-border cooperation programs'*. Others only listed the specific abilities that they based their decision on, these were: *thematic experience, credibility, skills and knowledge in IT sector, experiences and expertise in development of SMEs and entrepreneurs*.

Finally, some of the decisions were made based on the received recommendations. For example, one beneficiary reported that they *'established cooperation through a mutual contact and after a formal meeting'*, where another said that the first beneficiary suggested to create a partnership with the given partner because of their specific experiences on the given field of the project.

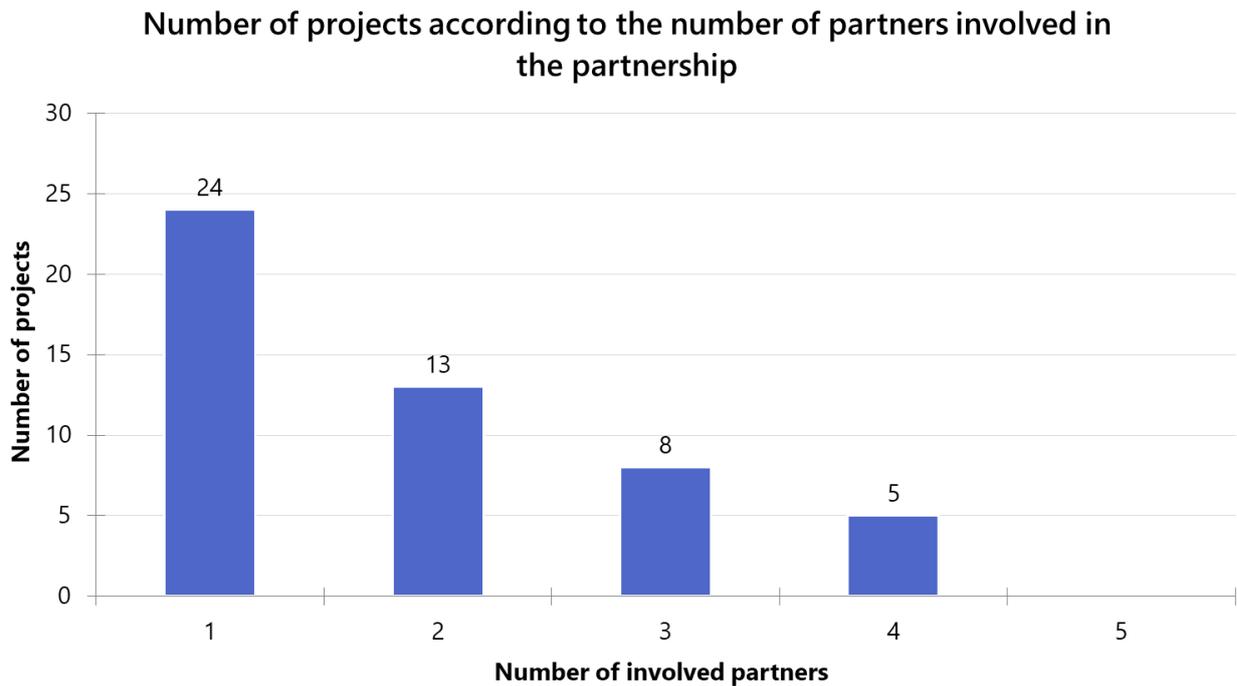
### ***Historic background (online survey)***

In order to assess the sustainability of the partnerships, it is important to know how long the partnership is with the given beneficiary. Even though the results might be to some degree biased as the respondents might not regard the online questionnaire an official document, thus might have taken less care in providing absolutely exact data, it is a reasonable expectation that they know fairly well the answer to this question. Consequently, the results can be informative on the general trends of the length (pre-history) of the partnerships.

According to this information, more than half of the projects (48%) has only one partner, 26% has two and 16% has three. Only 10% of the projects involves four project partners.

Furthermore, the data represented in this subchapter refers to those beneficiaries, who filled out the online questionnaire<sup>12</sup>, thus cannot be considered as representative.

*Figure 37: Number of projects according to the number of partners involved in the partnership [Source: Questionnaire]*

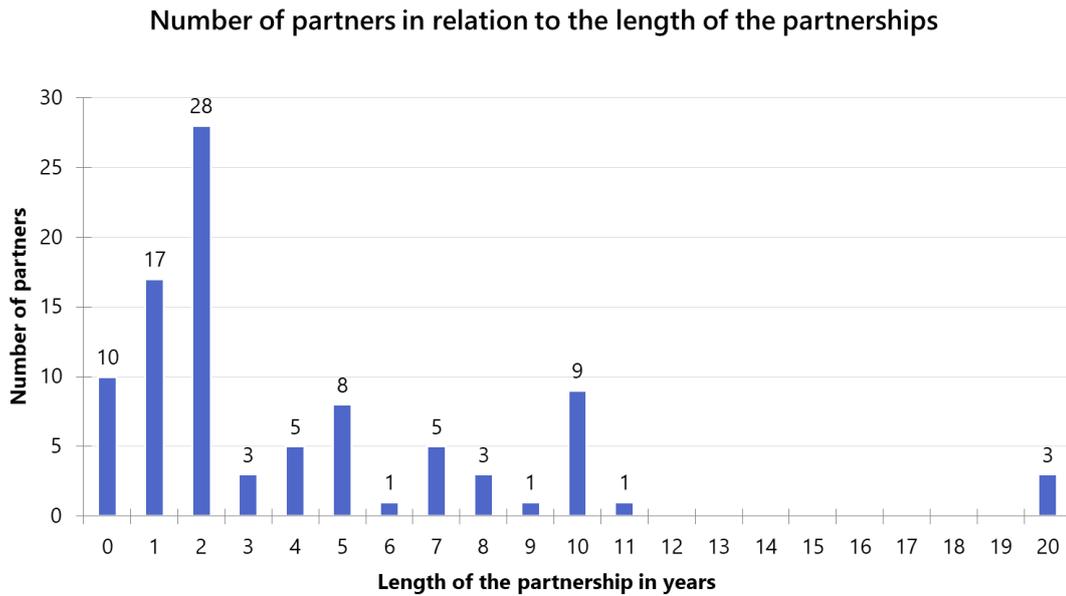


Moreover, the number of partners had also been assessed in relationship to the length of the partnerships. As it can be seen, the most frequently is the partnership of 2 years, a total of 28 partnerships fall into this category, while 17 have been created a year ago and 10 are completely new. This shows that the majority of the partnerships can be considered as new ones.

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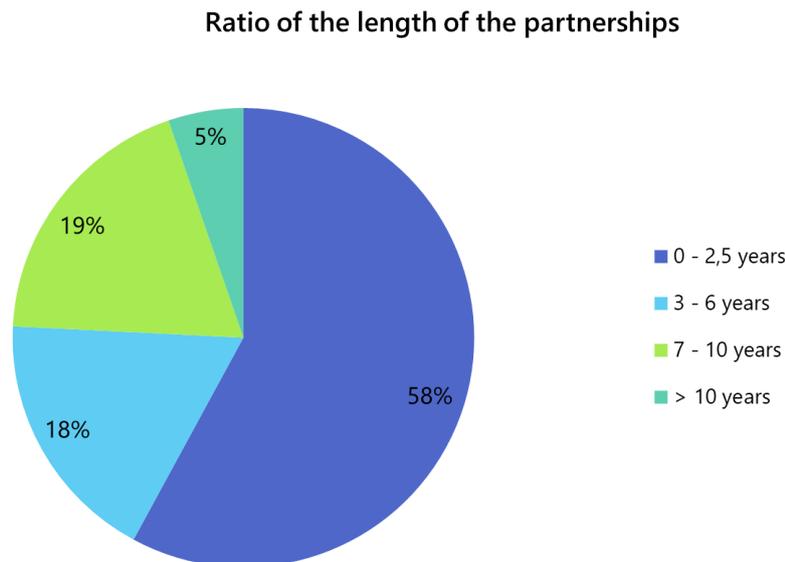
<sup>12</sup> In this case, the question was answered by 50 respondents.

Figure 38: Number of partners in relation to the history of the partnerships [Source: Questionnaire]



From the above data it can also be concluded that the majority (58%) of the partnerships are younger than 2,5 years. As it can be seen from the diagram below, 18% of the partnerships is 3-6 years old and 19% is 7-10 years old. Those partnerships that are reported to be functional for more than 10 years represent 5% of the total number of partnerships assessed (3 in total).

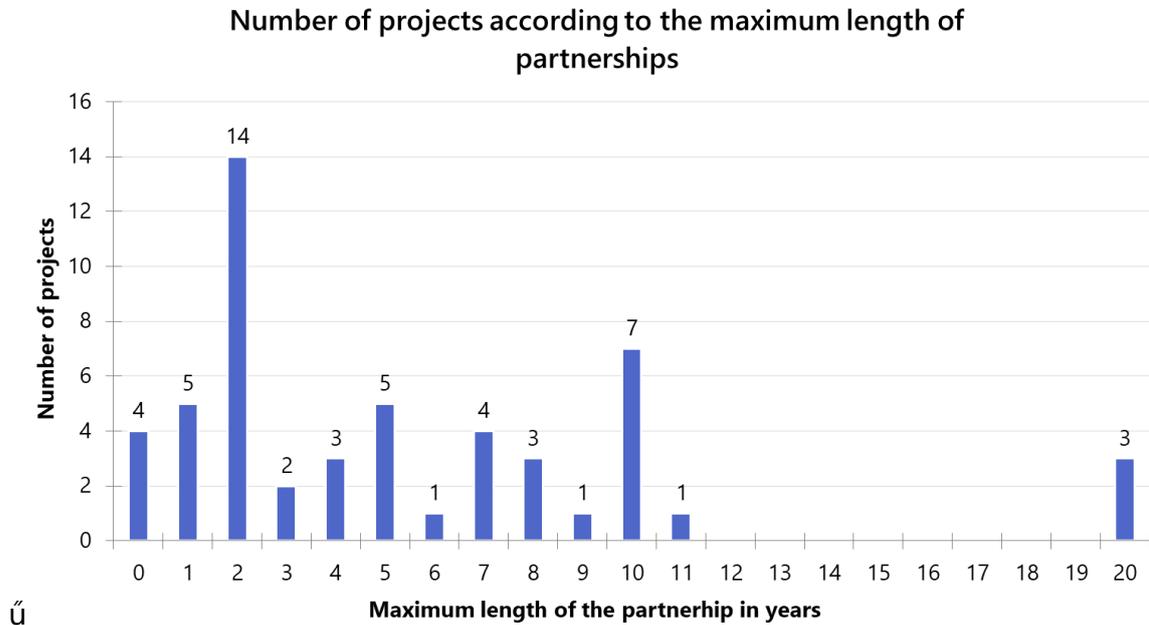
Figure 39: Ratio of the length of the partnerships [Source: Questionnaire]



Finally, it can also be informative to analyse the maximal length of the partnership(s) within the given project. Since almost half of the projects have more than one partner, for each project, the most permanent partnership had been selected and assessed in order to see how the trends are affected if – in this way – the totally new partnerships and the less

permanent partnerships are eliminated. As it is clear from the diagram below, even though the distribution of the project length is more even, no real change is visible, meaning that the trend-setters are not the oldest, lengthiest partnerships.

Figure 40: Number of projects according to the maximum length of the partnerships [Source: Questionnaire]



In order to justify the history of the partnership, the beneficiaries were requested to give examples of previous joint projects or project proposals. 36 respondents answered the question referring to their previous cooperation experiences. However, each respondent was asked to give examples of previous joint project proposals drafted together with their (one, two, three or four) partners amounting to a total of 184 examples. These were collected in their original form in the table below:

Table 31: Examples of previous joint projects or project proposals together with the beneficiary [Source: Questionnaire]

Elaboration of a detailed feasibility study concerning Szeged-Röszke-Horgoš-Subotica-Csikéria-Bácsalmás-Baja railway line, 2. Elaboration of design for approval of Szeged-Röszke-Horgoš-Subotica railway line and further documentation concerning Subotica-Csikéria-Bácsalmás-Baja railway line
THE FIRST THROUGH IS COOPERATING IN THE IPA PROJECT AND WE ARE OVER YEARS AGAINST THE CONSTRUCTION AND MAINTAINED ROADS AT THE TERRITORY OF THE SOMBOR CITY
HUSRB/1002/212/123, Project acronym: CHI
HUSRB/0901/121/002
We have been exchanging examples of good practice on several occasions.
H2020, CEE project preparation
Confidekt - HAI was our external experts
Gastro Club, Cross-border regional green economy model

BGA twin settlement programme
The two organisations had jointly implemented the Project named: Cross-border media promotion of interculturalism across the Pannonian region, within the Hungary-Serbia IPA Cross-border Cooperation Programme
FeeLMS for Creativity project, Erasmus + programme of the EU
Drainstorming, building 3 patches of bicycle road
before this, only plans
Hungary-Serbia IPA Cross-border Cooperation programme implemented within the 2007 – 2013 European Union financial framework under the Instrument for Pre-accession Assistance (IPA), Development of xenobiotic-degrading bioaugmentation products (BIOXEN), HU-SRB/0901/214/150, 2010-2011.
Hungary-Serbia IPA Cross-border Co-operation programme implemented within the 2007 – 2013 European Union financial framework under the Instrument for Pre-accession Assistance (IPA), Development of an enzymological (laccase-based) remediation product and technology (LACREMED), HU-SRB/1002/214/147, 2012-2013.
Bilateral project within Serbian-Hungary Science and Technology Cooperation, Screening for biologically highly active metabolites produced by endophytic fungi, 2018-2019
Joint trainings
Joint trainings
Enhance of PwD in the companies for employment of PwD
work together on education for sign language
Cooperation in Education: HUSRB/0901/221/001 Hungary-Serbia IPA Cross-border, total budget of 274640
Research cooperation on developing innovative fish feed for promotion of healthy food in the region
TRADinBORD1-Hungary-Serbia CBC 2007-2013
URBAN-PATH project (IPA HUSRB)
Gastro train (HU-SRB/0901/221/044), ASTRA program (PT047/PP/13/24/506)
Development of a Road Border Crossing at Kübekháza (HU) - Rabe (SRB) area
HUSRB/0901/214/052, HUSRB/1002/214/078, HUSRB/1002/214/126, HUSRB/1002/214/193, HUSRB/1203/214/091
Several joint projects on restoration artworks, common exhibitions, common research, conferences, we had a common ipa project proposal which failed
Participation in EU projects
Designing roads
Project "Promotion of multiculturalism and tolerance in Vojvodina", activities Quiz "How well do we know each other", Summer camp "Camp without borders"
Confidekt
Gastro Club, Cross-border regional green economy model
Organisation of trainings, education

EU Funds training
We were involved in many joint activities in the field of agriculture
Opening conference
Workshops, publication, early warning system, precipitation monitoring network in Novi Sad

Similarly, the respondents were requested to give examples of the joint events that they previously organised with their partners. Even though – as it was pointed out above at the numerical analysis – the majority of the partnerships are relatively new and thus did not have plenty of time to organise many such events, 52 respondents were able to enlist a series of joint events such as conferences, workshops, sport events, preparatory discussions, cultural activities, press conferences, etc. The table below shows these events unchanged in details.

*Table 32: Examples of joint events organised together with the beneficiary [Source: Questionnaire]*

Conferences, workshops, meetings
trainings, experiences sharing meetings
"Bible stories" drawing competition; Painting programmes linked to János Tornyai; Folk art workshops organised around the festivities
Conferences, project events
project meetings, opening/closing conferences
participating in joint international basketball competitions
until now we have had no joint event yet
regular visits to expositions
At this stage we had project Opening Event, and Joint Art Meeting
dance house meetings, folk-culture events
expos, markets, shows
joint training camps
joint events of previous projects
World conference on transport research 2016, 1st logistics and intermodal summer school for the Danube region 2014
bilateral meetings, village days
During the above mentioned Project a number of joint events were organised by the partner organisations, such as a regional survey, production of a cross-border TV series etc.
Opening Project Event
Workshops, seminars, events
professional meetings
We have organised together many Workshops, Symposiums, Round Tables, Conferences as a part of

dissemination activities but also independently trying to disseminate the gained knowledge and experiences.
Opening conference
Conference about Social Entrepreneurship
When beneficiary organised event in the filed of employment or social entrepreneurship they call us.
Renewable energy virtual laboratory, REVLAB
Opening conference, Educational campaign, Field measurements
An educational seminar held in Szeged, A Seminar for promotion of healthy food to pre-school and primary school educators and consumers held in Novi Sad, Workshop held in Novi Sad and Szeged
Festivals
More common short films about the region
Workshops, monitoring station networks, final publication.
informal meetings
Through the project we realised mutual education and we straightened the cooperation. During the 8 years after the project there were a cooperation in different ocasions, mutual celebratings of school days, anniversaries, food festivals...
Events during the above-mentioned projects
Project meetings, conferences
Tech Trend Show in Szeged
conferences, exhibitions, public lectures,
World Custer Congress, Opening Project Event
project closing events
Opening and closing ceremonies of aforementioned activities
Partner 2 participating in many Events organised by Lead Beneficiary to be more familiar with the scientific and technical applicative activities of the one.
Opening conference, Educational camp
Workshops, Symposiums, Seminars
Surface research, publication, workshops
Joint actions on education sports organisations to write project proposals and capacity building
Exhibitions
Opening Project Event
Joint organisation of EU Funds training
Opening conference, Educational camp, Measuring campaign
Workshops, Symposiums
Workshops, early warning system in both cities (URBAN-PREX)
Opening conference
Workshops, publication, early warning system, precipitation monitoring network in Novi Sad

### *Future prospects (on-line survey)*

The answers given by the beneficiaries to the question on prospects for the future were mostly along the lines of expressing their desire and commitment to maintain the given partnership. For instance: *'We can keep the connection in order to continue with the improvement of the considered catchment in Serbia by following up with the latest ideas used to improve the state of the Kolonto catchment in Hungary.'*

Others even envisaged to enlarge the scope of their cooperation: *'After the project we will continue our cooperation through the different activities: sport, cultural, cultural heritage, tourism, ecological and we will continue exchange of experiences, skills and knowledge gained through the project';* or *'we plan to expand our cooperation with the beneficiary in the future'.*

Furthermore, the respondents were asked about how they plan to guarantee the sustainability of the partnership after the completion of the project. Here, the most frequent answer was that the partners are motivated to guaranteeing the sustainability of the partnership; or since the partners joined their resources in order to attain a goal that is important for them for a number of reasons, they will not cease to be interested in the issue after the conclusion of the project period. For instance, one project beneficiary stated that *'All partners in the project are truly committed in increasing quality level of traditional product, market development and ensuring of sustainability of market. This cooperation could be continued through similar projects in future since this project will provide good connection between beneficiaries through activities in both region.'*

As about the exact way of how they plan to maintain these connections, some said that sharing news and circulating relevant information among each other would result in a strong and lively network that has a value and resiliency in itself, independent from the project and its time restrictions. Others committed themselves to continue to organise a wide variety of events, meetings, festivals in order to facilitate the process of nurturing these personal and professional relationships that are necessary for keeping the partnerships functional in the present and in the future, too. For example: *'Partners will organise yearly visits for the young in the following period and thus ensure sustainability of the partnership and cooperation of the schools.'*

### M 5.3 Assessment of the integrated approach

Integrated approach is assessed considering the obligations of Regulation No 1303/2013 and Regulation No 1299/2013 of the European Parliament and of the Council<sup>13</sup>. The analysis is based partly on the programme documents, where the tools are designed and on the calls, where the tools are implemented (technical description); partly on the information gathered from the programme management (interviews) and the lead beneficiaries (on-line survey). The assessment focuses on the impact of the designated tools on territorially integrated approach. First, the integrated approach in the given cooperation programme, then the main findings are treated.

#### *Integrated approach in the cooperation programme*

The programme does not contain the tools of CLLD and ITI. There are no actions forming part of an ITI project financed by other OPs. The programme supports five strategic projects, but they have moderate impact on integrated approach, they remained standalone instead of creating a higher degree of complexity in terms of activities and involved partners. ColourCoop project represents an exemption: the strategic project includes several different activities strengthening and complementing each other in a synergic way, and it foresees further activities continuing the activities to be started. This way, the project itself represents some components of the philosophy of the ITI tool. However, taking into account that the border itself represents the external frontiers of the EU, with its Schengen criteria, integrated interventions known from the highly integrated internal EU borders cannot be expected here.

#### *Main findings of the integrated approach*

Based on the programme documents, the interviews and experiences of the applicants, the following main findings related to the integrated approach can be summarised:

- the programme lacks integrated approach tools;
- there is a need for additional financial allocation to the integrated calls and projects if a decision is made to increase impacts in this field;
- special mechanisms might be useful in the case of HUSRB as well – if there is an openness from the beneficiaries for more integrated, more complex developments;

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<sup>13</sup>REGULATION (EU) No 1303/2013 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 17 December 2013 laying down common provisions on the European Regional Development Fund, the European Social Fund, the Cohesion Fund, the European Agricultural Fund for Rural Development and the European Maritime and Fisheries Fund and laying down general provisions on the European Regional Development Fund, the European Social Fund, the Cohesion Fund and the European Maritime and Fisheries Fund and repealing Council Regulation (EC) No 1083/2006; REGULATION (EU) No 1299/2013 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 17 December 2013 on specific provisions for the support from the European Regional Development Fund to the European territorial cooperation goal

- strategic projects may represent a more integrated approach in relation to water management, transport, cultural cooperation and tourism since they contain several activities of different nature representing a higher level of complexity. Based on the experiences with these projects, the tool can be further developed in the next programme.

## 5.3 Efficiency

### 5.3.1 Performance management

#### M 6.1 Institution assessment

##### *Management structure*

In the Cooperation Programme, the following authorities and bodies were determined:

*Table 33: The identified authorities and bodies*

Authority/body		Name of authority/body	This authority/body is responsible, among others for...
Managing authority	MA	Ministry of Foreign Affairs and Trade/ Budapest, Hungary Department for Cross-border Cooperation Programmes <sup>14</sup>	... the management and implementation of the Programme towards the European Commission. Certain tasks were delegated to the JS.
National Authority	NA	Ministry of Foreign Affairs and Trade, Deputy State Secretariat for International Affairs in Hungary	... setting up the control system in order to validate the expenditures at national level, and for ensuring national state co-financing. Moreover, the National Authorities are responsible for handling of irregularities.
		Department for cross-border and transnational cooperation programmes and cooperation with local and regional authorities and organisations for more efficient use of funds, Ministry of European Integration (MEI) of the Government of the Republic of Serbia	
Certifying authority	CA	Directorate of EU Assistance of the Hungarian State Treasury	... drawing up certified statements of expenditure and applications for payment, and submitting them to the European Commission.

<sup>14</sup> In 2018 this department transferred from the Prime Minister's Office to the Ministry of Foreign Affairs and Trade.

Authority/body		Name of authority/body	This authority/body is responsible, among others for...
Audit authority	AA	Directorate General for Audit of European Funds (EUTAF) in Hungary	... verifying the effective functioning of the management and control system. The work of the AA is assisted by the Group of Auditors.
Control Bodies (First Level Control)	FLC SRB	Division for First Level Control of Projects Financed under IPA Component Cross-border and Transnational Cooperation Programmes, Department for Contracting and Financing of EU Funded Programmes – CFCU, Ministry of Finance Government of the Republic of Serbia	... controlling the invoices or accounting documents submitted by the Beneficiaries on the territory of the controller.
	FLC HU	Széchenyi Programme Office Nonprofit LLC	
Joint secretariat	JS	Széchenyi Programme Office Non-profit LLC	... assisting the Programme bodies – MA, CA, AA, JMC and NAs – in carrying out their respective duties. The JS provides assistance to potential applicants, and by keeping the regular contact with Lead Beneficiaries of contracted projects, it supports efficient project implementation on both sides of the border.
Joint Secretariat Antenna	JS Antenna	JS Antenna – Subotica	... contributing to the implementation of tasks delegated to the JS. JS Antenna provides information and support for beneficiaries in the Serbian border area.
Joint Monitoring Committee	JMC	List of JMC members see at the end of the chapter	... supervising and monitoring the Programme implementation, and selecting of the projects.

The different authorities/bodies have their own rules of procedures.

### *Project life*

The cooperation programme is implemented through calls (CfP), subsequently, the selected beneficiaries implement their projects. The main steps and the responsible entities of this process within the programme are the following ones:

- Partner search (Potential Beneficiaries)
- Calls for Proposals (JS)
- Developing the proposal (Potential Beneficiaries)

- Submission of project proposals (Potential Lead Beneficiary)
- Formal Assessment of the projects (JS)
- Quality Assessment of the projects (External Assessment Experts)
- Decision-making (JMC)
- Contracting process (MA, JS, FLC, Lead Beneficiary and Beneficiaries)
- Project implementation (Lead Beneficiary, Beneficiaries, JS, FLC)
  - Reporting via Progress Reports every 4 months and reimbursement of expenditures (Lead Beneficiary, Beneficiaries)
  - Implementing publicity requirements (Lead Beneficiary, Beneficiaries)
  - On-the-spot checks (FLC)
  - Monitoring visits (JS)
  - Validating expenditure (FLC)
- Presenting results (Lead Beneficiary, Beneficiaries, JS)

### *List of JMC members*

Voting members from Hungary:

- Ministry of Foreign Affairs and Trade (NA)
- Bács-Kiskun County,
- Csongrád County,
- Ministry of Foreign Affairs and Trade
- Ministry for Innovation and Technology
- Ministry of Finance
- Ministry of Agriculture
- Ministry of Interior

Voting members from the Republic of Serbia:

- Ministry of European Integration, Government of the Republic of Serbia (NA)
- Government of Autonomous Province of Vojvodina,
- Standing Conference of Towns and Municipalities,
- Ministry of Internal Affairs,
- Ministry of Foreign Affairs,
- Ministry of Environmental Protection,
- Ministry of Economy,
- Ministry of Trade, Tourism and Telecommunications,
- Ministry of Construction, Transport and Infrastructure
- Ministry of Agriculture, Forestry and Water Management.

Observers in the JMC:

- European Commission

- CSEMETE Nature and Environment Protection Association, Hungary
- Social Cooperation for Bácsalmás, Hungary
- Chamber of Commerce and Industry of Serbia
- The Office for Cooperation with Civil Society, Serbia
- Governmental Audit Office of EU Funds of the Republic of Serbia
- National Priority Axis Coordinator
- Hungarian State Treasury – Certifying Authority
- Directorate General for Audit of European Funds – Audit Authority
- Széchenyi Programme Office – Hungary.

### M 6.2 Capacity assessment

Within the framework of the chapter below, the evaluators are analysing one of the main factors of efficiency, which is the use and design of capacities. The capacity assessment has two dimensions: one is about the description of the available capacities and their needs in terms of skills, professional experiences and development needs; while the other focusses on the way these capacities are utilised.

The Managing Authority is operating within the framework of a separate department in the Ministry of Foreign Affairs and Trade in Hungary. The MA has been moved from the Prime Minister’s Office according to a decision made on 22 May 2018. It continues its operation as a separate department with 3 units. 17 persons in total are employed at the department, who are responsible for the management of 7 cooperation programmes. In general, the involvement of 5 more people would be necessary for legal, monitoring and evaluator positions.

Regarding the National Authority on the Serbian side, as for September 2018, 9 persons work on the Programme: 1 programme coordinator, 2 Head of Units dealing with programmes with shared management, 1 employee in the technical assistance team, 1 Head of the Unit and and 1 employee responsible for horizontal tasks and procedures, 1 Head of the Unit and 1 person on temporary contract for NA support and irregularities and Head of the National Authority. In the same time, two persons working on programmes with shared management are on maternity leave. This number of staff seems appropriate for managing the programme on national level.

At the Joint Secretariat in Budapest and Szeged, 9 people are employed: the head and the deputy head of the Joint Secretariat, 4 programme managers (out of which one is recently on maternity leave), a programme and financial, a communication and an office manager. In addition, two persons are employed by the Serbian National Authority at the JS Antenna in Subotica (financed from the TA budget).

In general, staff members of the JS must have knowledge and experience with CBC programmes and the target area; they must speak English and (at least) one of the programme languages and should have managerial skills. Having appropriate experiences is more important, than the qualifications. In addition, the following position-specific knowledge and skills are necessary:

*Table 34: The experiences, knowledge and skills necessary for the given positions*

<b>Position</b>	<b>Experiences, knowledge, skills</b>
Head of Joint Secretariat	<ul style="list-style-type: none"> <li>• 5 years of experience in the relevant field;</li> <li>• 1 year of experience in team leadership;</li> <li>• high level knowledge of the EU programme cycle.</li> </ul>
Deputy Head of Joint Secretariat	<ul style="list-style-type: none"> <li>• 2 years of experience in the relevant field;</li> <li>• high level knowledge of the EU programme cycle.</li> </ul>
Programme manager	<ul style="list-style-type: none"> <li>• 2 years of experience in the relevant field.</li> </ul>
Programme and financial manager	<ul style="list-style-type: none"> <li>• 2 years of experience in the relevant field;</li> <li>• high level knowledge of the EU programme cycle;</li> <li>• good command of Microsoft Office tools.</li> </ul>
Office Manager	<ul style="list-style-type: none"> <li>• high user-level computer literacy;</li> <li>• 2 years of experience in the relevant field.</li> </ul>
Communication Manager	<ul style="list-style-type: none"> <li>• Experience in information and communication tasks</li> <li>• Excellent communication skills both in written and spoken English</li> <li>• Excellent IT skills, strong proficiency in MS Office applications, and experience with content management systems</li> <li>• Experience with databases and electronic administrative systems</li> </ul>

According to the recent experiences, regardless of the fact that many people apply for a particular position, it is not easy to find appropriate staff members.

On the first control level, there are huge difficulties in terms of capacities on the Serbian side where 15 positions are dedicated to the FLC, responsible for cross-border and transnational programmes. Altogether 5 employees are responsible for the present CP which is only half of the necessary capacity. At the same time, the national framework does not allow the increase of the number of the staff. The lack of capacity is mainly rooted in the wide range of tasks including several of those, which are outsourced on the Hungarian side; such as responsible engineering, on-site checks and IT support for the IMIS 2014-2020.

Regarding the profile of the staff members, it is essential that people who work on the programme are familiar with financial management, accounting, public procurement (PRAG) and national legislation on the employment rules for public servants, travel and construction laws, etc. Of course, it is important to be aware of the European Union's rules, especially with regard to financial matters (due to the shared management).

### M 6.3 Lead time assessment

The lead time assessment aims to analyse the efficiency of programme management in terms of the procedures applied and the model of timing of these procedures. The evaluators are examining the operation of the particular management bodies and the relevant consequences of their cooperation.

The Managing Authority of the programme is operating in the Ministry of Foreign Affairs and Trade in Hungary together with the MAs of other CBC programmes. Since the concerned department in the Ministry is responsible for 7 programmes in total, and the implementation of each programme is at a different progress level, the workload is constantly high. In line with the closure of the 2007-2013 programmes, the situation is getting better, but after the allocation of the actual budget, the process will turn back because the accounting process and the planning for the next period are to be carried out in parallel.

The workload of the National Authorities mainly depends on the tasks performed in the Managing Authority.

According to the experiences gained during the previous programmes, in the Joint Secretariat the peak periods are 1-1.5 year after the signature of the Subsidy Contracts. Since there is a general delay in the programme implementation, the same shall be expected for the current period as well. The better involvement of the JS Antenna in the operation and the implementation of strategic projects instead of more, smaller ones with a greater number of project partners may have a beneficial effect on the JS workload. However, if a problem arises in case of the strategic projects, it will cause great difficulties in the programme implementation.

The European Commission encourages the involvement of intermediary bodies, but according to the JS, it would make the processes more difficult, and would mean a higher workload for the JS.

At first level control level, on the Serbian side, the belated start of the IMIS 2014-2020 system has caused a peak period, since the reports of the projects of the first two calls arrived at the same time.

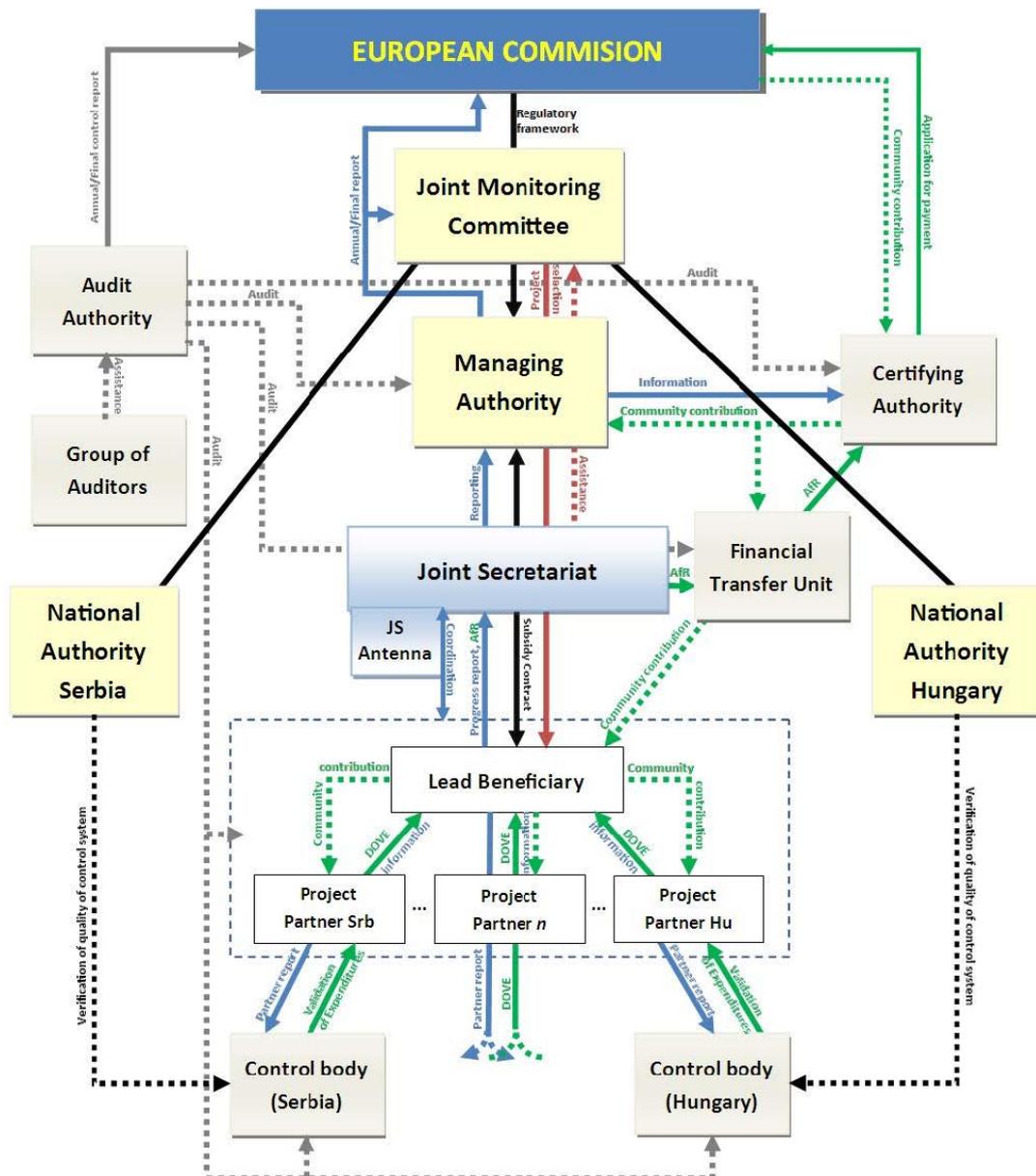
With a view to get knowledge on the system, the FLC controllers attended a training performed by the IMIS office offering services to all cross-border cooperation programmes, not by the system developers, which did not make the process efficient. Furthermore, the lack of knowledge turned up not only on the FLC controllers' side but also on the applicants' side which also meant extra tasks at FLC level.

### M 6.4 Assessment of the procedures

A further point to be considered when evaluating the efficiency of the programme is the performance procedures especially from the point of view of their fine-tuning. Subsequently, the analysis attempts to shed light on the clear share of responsibilities; management of procedures; handling of disputes; quality assurance of the procedures: handling of feedback, self-monitoring methods; transparency of the evaluation and selection processes. The main sources of information for this sub-chapter are the CP, the interviews, and the relevant sections of the online survey.

The flow chart below shows the organisational relations between authorities and bodies already introduced in chapter M 6.1.

Figure 41: Management and control structure



The most important outcome of the interviews was that the vast majority of the procedures were delivered in a high quality due to the extended experiences of the participating entities. It can be concluded especially from the interviews that frequent and efficient communication among the interested parties is a reality to which many respondents attribute the smooth operation. In the opinion of the Serbian authorities, the MA and the JS in Budapest communicate well with the Serbian side compared to other programmes involving Serbia. The communication within the bodies and management units works properly; there are tight connections on a daily basis. Formal and informal meetings and exchanges ensure effectiveness.

However, there are still a couple of problem points, which leave room for improvement. The most often mentioned difficulties are connected to the human resource capacities and to the IMIS 2014-2020 system.

The problem with the human capacities lies in the low number of employees working on the different aspects of the programme procedures. For instance, in the case of the Managing Authority, it is reported that approximately five more additional employees would render the distribution of workload manageable; thus currently they are working on finding a way to enlarge their team.

The other problem mentioned often by the interviewees is the IMIS 2014-2020 system, which is a complex platform designed to facilitate the different procedures. The problem is that the start of its operation was fairly belated, causing several troubles resulting in significant delays. Also, a considerable number of criticism arrived stating that IMIS 2014-2020 is not user friendly at all, which paired with a lack of preparatory trainings on the system itself for beneficiaries and project partners, which resulted in a chaotic situation (further burdening limited human capacities of the JS at the time and MA). In addition, there is a lack of permanent IT support on behalf of the developers.

Another important aspect of evaluating the procedures concerns the project partners' view on the level of transparency of the evaluation and selection procedures of the programme. In order to gain insight into this issue, the beneficiaries had been asked about it in the online survey. The results show a high level of satisfaction since more than half of the respondents said that they found the procedures to be transparent and the information on the evaluation criteria and the selection procedures provided to be correct and available. One third of the respondents were a bit more critical and stated that the procedures are not transparent enough, but the information is provided in due time (as forecasted) and the lack of transparency did not harm the fair process. However, there were about one tenth of the respondents, who considered either that the procedures are hardly transparent (the evaluation criteria are fairly published and easy to

find but the applicants are not informed in the steps taken and the progress of the evaluation) or the procedures are unfair and the decisions are made in an ad-hoc and not transparent way.

The respondents were further prompted to give more detailed explanations for their evaluation of transparency. Here, most of them reiterated that they were satisfied with the level of transparency of the procedures and the quality of information they have received. However, there were a couple of observations that should be taken into consideration. One of the respondents suggested that the evaluations should be published so that each project could be verified by any applicant as this would mean a better circulation of information. Another respondent remarked that they had not known the exact points they had got and felt that they 'would have needed more information about the weaknesses of the proposal/application to avoid them later and have a better one in the next round.' The high rate of answers indicating some sort of failures in transparency may indicate changes in the communication of the programme, too.

### **M 6.5 Assessment of the assistance provided**

The technical assistance is the fifth priority axis of the Interreg-IPA CBC Hungary-Serbia programme and it aims to help the implementation of the programme, to involve all the relevant partners and to increase the capacity of the stakeholders for the cross-border actions. Subsequently, the TA's specific objective is to ensure the effective management and implementation of the HU-SRB CBC Programme.

In practice, this is achieved through five different types of actions:

- actions related to human resource management of bodies responsible for the implementation of the programme;
- actions related to office/facility management of bodies responsible for the implementation of the programme;
- actions related to the overall management of the programme;
- actions related to strengthening the institutional capacity of relevant partners and
- actions related to the visibility and publicity of the programme.

The table below shows the relevant output indicators:

*Table 35: Output indicators that are expected to contribute to the results*

<b>ID</b>	<b>Indicator</b>	<b>Measurement unit</b>	<b>Target value (2023)</b>	<b>Source of data</b>
OI/5.1	Number of projects administered	project	-	Monitoring system

ID	Indicator	Measurement unit	Target value (2023)	Source of data
	by the JS			
OI/5.2	Number of publicity events	events	-	Joint Secretariat
OI/5.3	Number of employees	employees in FTE	-	Joint Secretariat

The project beneficiaries had been asked about their experiences related to the level of assistance provided by the relevant programme implementation bodies. The main aspects of the inquiry were *clarity*, *availability* and *user friendliness* of the provided information; as well as the assistance offered to project and partnership development, project implementation and during the monitoring process.

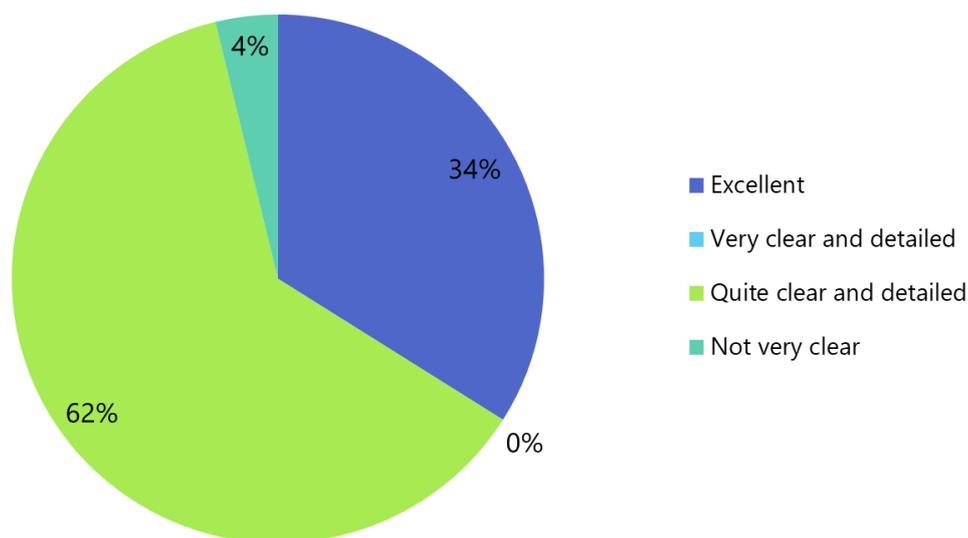
The assessment of the 53 project beneficiaries' experiences was based on the answers given to the 11 relevant questions of the online questionnaire.

### Clarity of information

All the beneficiaries had to evaluate the clarity of the information on the calls available at the programme website. According to the answers, the level of clarity of the information was quite high as only 4% claimed that they did not find the information very clear. In contrast, 96% of the respondents selected one of the two highest categories; 34% ranked it excellent and – the majority – marked it to be “quite clear and detailed”.

Figure 42: The respondents' view on the clarity of the information on the call

#### The respondents' view on the clarity of the information on the call

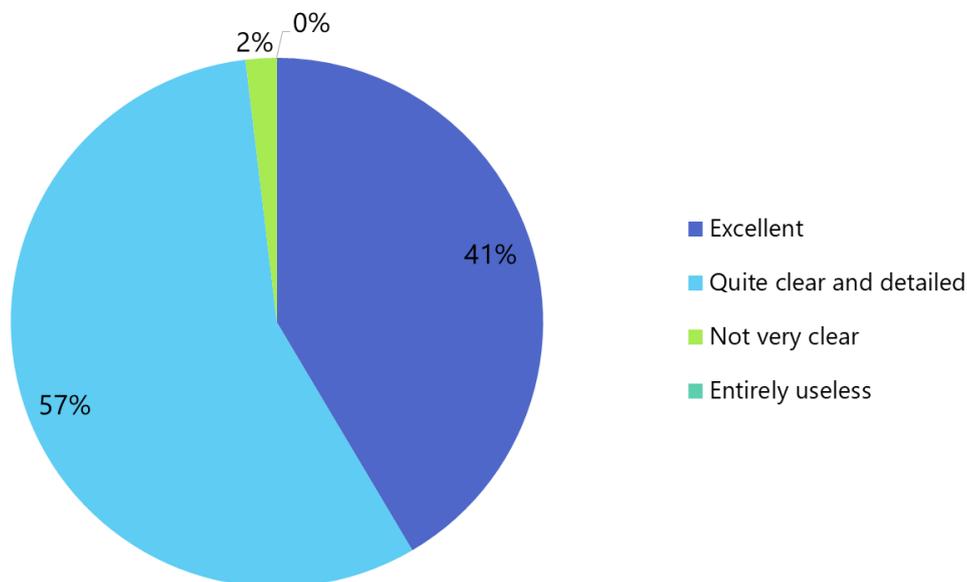


### *Availability of information*

The respondents were requested to evaluate the information on the application rules available at the programme website. After analysing the results, it can be said that the information on the rules of application is more than satisfactory: 41% opted for the excellent rank and 57% for the quite clear and detailed. Nobody chose the worse ranking option for this question, and a mere 2% answered that they had found the information to be not very clear. Subsequently, it can be said that there is a little more room for improvement, but this aspect of technical assistance seems to be on the right track.

*Figure 43: The respondent's view on the availability on the information*

#### The respondent's view on the availability on the information



The respondents were also asked to explain their reasons behind their votes. The distribution of the types of answers naturally reflected the proportions of the previous question, however, the detailed answers shed more light on certain important aspects. First of all, many respondents pointed out that the information was clear, available and easily understandable, and in addition to this, whenever they had had questions, they had been able to pose them to the different programme management bodies and had received prompt and helpful answers.

Secondly, there were voices confirming that the information available had been clear, but pointed out the large quantity of rules and regulations that they had needed to familiarise themselves with in order to be able to know where to look for the different pieces of information that they need in a given specific situation. They claimed that it was

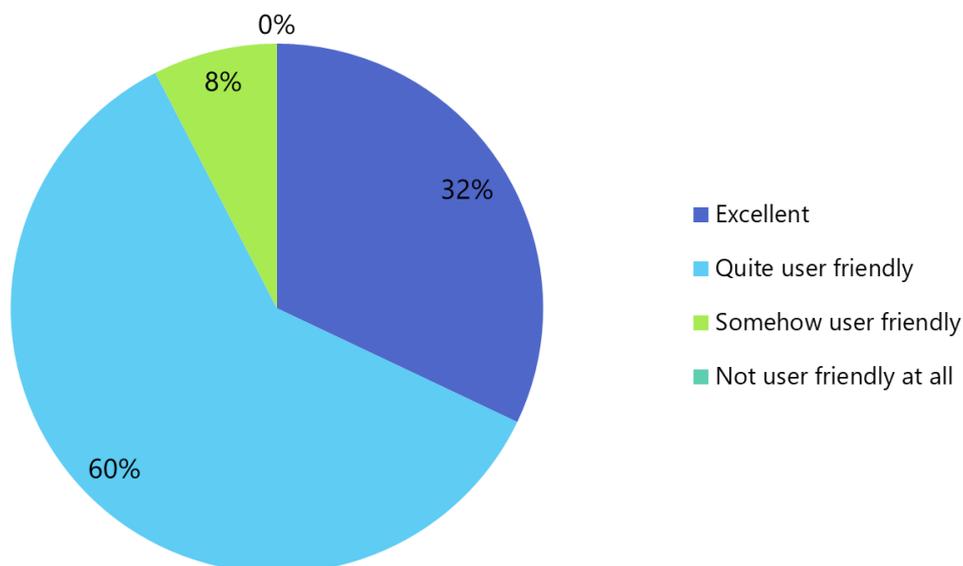
quite challenging to read through around 1000 pages and – together with others – suggested that it would be ideal, if more compact, shorter overviews would also be available apart from the exhaustive documents, especially because there is a fear that the partners will not have the capacity to read through everything and thus will continuously ask the lead beneficiary or the programme manager for guidance.

### *User friendliness of the information*

The next question addressed the user-friendliness of the information on the call available on the programme website. There is also a general trend of satisfaction, 32% considered it to be excellent and 60% stated that it is quite user-friendly. Only 8% were more critical and chose the third option but nobody thought that the information on the calls published on the programme website was not user-friendly at all.

*Figure 44: The respondents' view on the user friendliness of the information*

#### The respondents' view on the user friendliness of the information



### *Support*

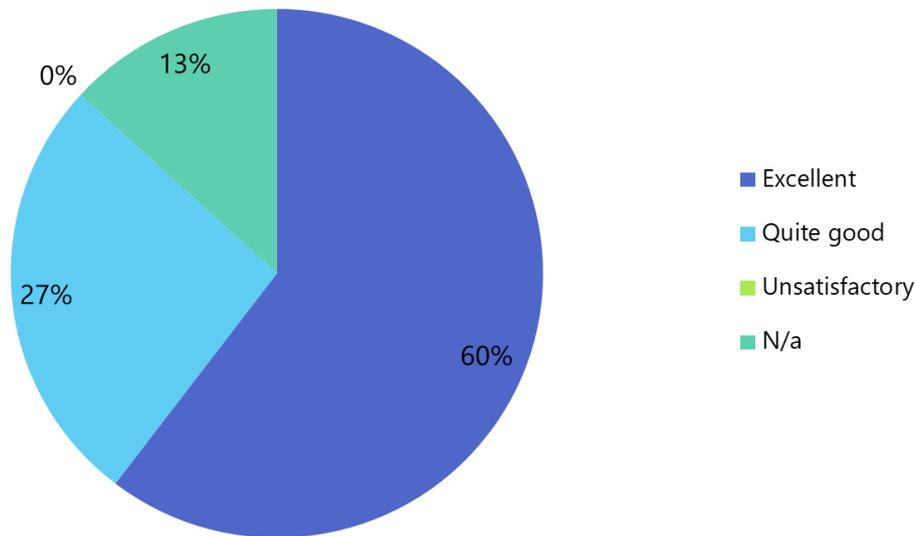
In the pursuit of getting a close image on the level of technical assistance provided, the responding beneficiaries were also asked whether they had got any support on behalf of the programme implementation bodies (Joint Secretariat, National Authorities, JS Antenna) during the project development. Most of the respondents were positive about it.

Although this is already an important piece of information, also the quality of the received support was asked. 60% of the responding beneficiaries said that the help they

had received from the programme managing bodies had been of excellent quality, while 27% claimed that it had been 'quite good'. Nobody expressed dissatisfaction, however, for some reason 13% did not provide any answer for this question.

*Figure 45: The respondents' view on the quality of the received support*

**The respondents' view on the quality of the received support**



All beneficiaries mentioned that the Joint Secretariat had always been available and prompt with their answers, meeting all the expectations towards them. Some also pointed out that the most important information had also been disseminated on the Info Days on several occasions and in three languages, where also space had been dedicated for specific, personalised questions.

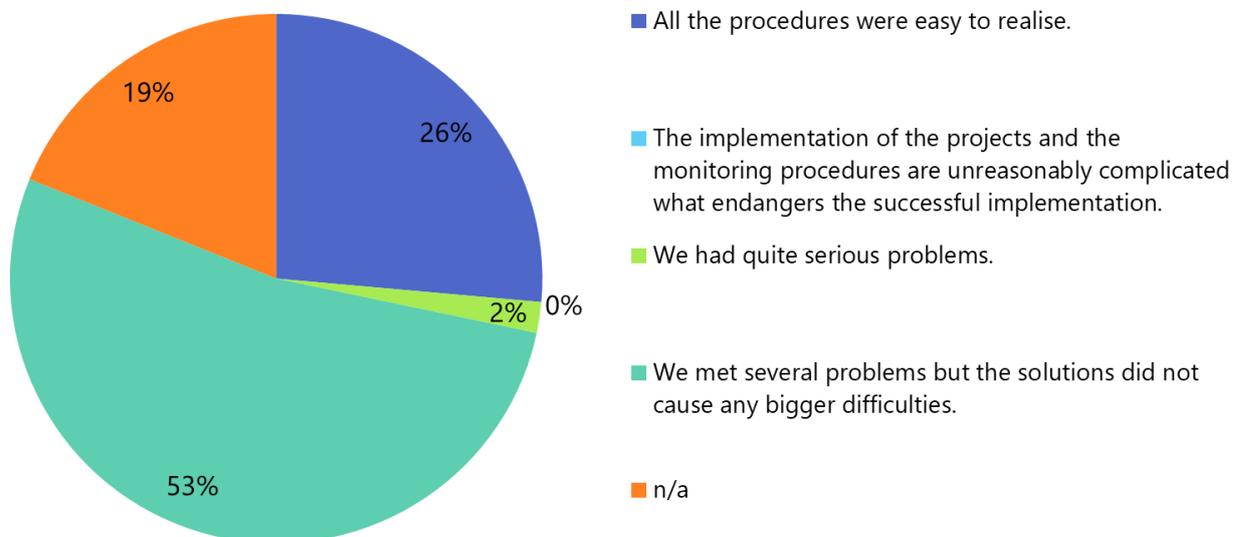
When it comes to the assistance provided by the JS and the JSA during the implementation of the project, a similarly positive image can be drawn from the answers. 43 respondent claimed that they had received 'perfect support' in project implementation and monitoring, while 5 answered that the support provided had rather been appropriate than unsatisfactory. Nobody selected from the more critical or negative options.

Finally, in this section the respondents also had the possibility to freely express, if and what kind of difficulties they had encountered so far. Here a number of beneficiaries called the attention on the delays of the system (mainly the delays in selection of the projects to support). Most of the respondents pointed out that they were only at the very initial phase of their implementation meaning that they could only anticipate the difficulties yet to come.

Finally, the respondents had been asked about their opinion on the administrative burdens of implementation and monitoring of the project. The majority of the respondents, expressed modest optimism claiming that they had met several problems but managed to find solutions that would not significantly disturb the programme. 26% was the ratio of those respondents, who claimed that they had found all the procedures easy to realise. While 2% stated that they had faced quite serious problems, while nobody reported that the implementation of the projects and the monitoring procedures had unreasonably been complicated to the point where it would endanger the successful implementation of the projects. Further 19% left this question blank.

*Figure 46: The participants' view on the administrative burdens*

### The participants' view on the administrative burdens



The final question of this section was dedicated to the explanation of the quite serious problems, if a respondent encountered any. Again, in line with the above mentioned results, most of the beneficiaries stated that problems had occurred only at the beginning of their project's implementation, thus have not yet encountered serious problems.

One exception was the case of the respondent, who pointed out a methodological problem, namely that only those costs could be submitted for reimbursement that were paid within the given trimester (which differs from other programmes, where the only precondition of reimbursement, that is the fulfilment date of an activity has to be before the end of the trimester, but payment can happen between the end of reporting period and the submission of elaborated report).

## M 6.6 Simplification test

The chapter below consists of the evaluation on

- how the recommendations on simplification of the previous programme period have been taken into account,
- the implementation rules of the current CP, including the scope of eligible expenditures, simplified cost options, procurement and state aid rules, reporting and e-application processes, from the perspective of administrative burdens.

The assumptions are based on the results of the interviews with the public bodies, the online survey and document content analysis of the present and the previous cooperation programmes.

In the Final Evaluation Report of Hungary – Serbia IPA Cross-border Cooperation Programme 2007-2013, the following recommendations were drafted:

1. to use online, electronic submission system for both application and implementation in line with the “e-Cohesion” principle
2. to decrease the number of supporting documents or allowing electronic submission or launching one-fold registration including every general supporting documents
3. to define a shorter period for administrative tasks
4. to apply automatic project selection procedure in case of projects with smaller budgets (P2P projects)
5. to decrease the financial problems during the implementation by offering advance payment or increasing the ratio of advance payment
6. to simplify the procedure of cost justification (such as overheads, flat-rates, copies of invoices, etc.)
7. to extend the circle of eligible beneficiaries to SMEs.

The following table identifies the responses given by the current programme to the recommendations listed above. Regarding the colour coding, green means that the action is fully implemented, yellow shows that it is in progress or partially addressed, while the red coloured matters have not been addressed yet or are not expected to be tackled.

*Table 36: Recommendations and responses in terms of simplification*

<b>Recommendation</b>	<b>Response</b>
Online, electronic submission system	The IMIS 2014-2020 as online application and reporting tool was launched in line with the publication of the 2 <sup>nd</sup> call for proposals on 3 <sup>rd</sup> October 2016.

<b>Recommendation</b>	<b>Response</b>
Less/easier submission of supporting documents	The list of mandatory supporting documents is the same as it was in the last programming period. However, thanks to the IMIS 2014-2020, only scanned version must be uploaded, instead of sending hard copies.
Shorter period for administration	After closing the particular project period, there are 90 calendar days for submitting the project partner report, then 45 calendar days for the first level control. Subsequently, the LB has 90 calendar days for submitting the project report, which must be approved within max. 60 calendar days. This means max. 240 calendar days between the end of the project period and the cost reimbursement.
Automatic project selection procedure	There are no automatic procedures.
Advance payment	Projects automatically receive an advance payment in an amount of 15 % of the total IPA support. In addition, Hungarian Beneficiaries also receive the amount of national co-financing in advance.
Simpler cost justification	Flat-rate opportunity in case of staff cost: 10% or 20% of direct costs other than staff cost. There is no need for documentation.
	Mandatory flat-rate in case of administrative cost budget line: 15% of staff cost. There is no need for documentation.
Involving SMEs	SMEs are not eligible for direct support.

Most of the challenges of the previous programming period were partly or fully addressed when planning the current programme. However, it is worth analysing how the results of these programming intentions are perceived on the ground/in practice. To this end, the evaluators requested the beneficiaries about their administrative experiences (online survey) and the representatives of the programme bodies (interviews).

### ***Eligible expenditures***

In terms of the eligibility of expenditures, it seems that the Beneficiaries are satisfied with the current system, only 5% of them made remarks on the issue. These were about the lack of full harmony of the EU and Serbian rules, the difficulties of accounting the travel costs and desire to extend the form of personnel cost.

### ***Simplified cost option***

The programme management bodies are open for applying simplified cost options (flat-rate means simplification in monitoring processes, as well), however it seems that the possibility in case of the staff cost, is barely exploited by the Beneficiaries. This statement was confirmed by the respondents of the survey as well. 35% of the respondents

welcomes the flat rate options, however they apply it only in case of the administrative and office costs (which, in reality, is not an option but an automatism of the programme).

Based on the online survey, it was understandable which costs can be reported under flat-rate rules. According to a respondent, simplified cost option was a great opportunity, but it was not clear during the application, what costs could be considered eligible. Changing in timing of eligibility of costs would be practical as an applicant responded (e.g. a trimester ends on 05. 31. but the salaries and personal costs for May cannot be settled in reimbursement of the affected period, as they are paid only on 5<sup>th</sup> June, although it would happen before the deadline of submission of trimester report). In the opinion of another applicant, the circle of simplified cost option could be broader, e.g. events could be financed this way.

### *Advance payments*

The vast majority of the respondents indicated that there was a need for advance payment. Others highlighted that the lack of advance payment of national contribution on the Serbian side meant serious problems while implementing a project. In addition, it was mentioned that in the case of NGOs (especially in Serbia), a higher pre-financing rate would be desired. Based on a response, 15% is transferred in advance, but the implementation would be considerably more secure with a 50% advance payment.

According to some respondents, the delays in the transfers also used to cause difficulties.

### *Public procurement*

Regarding the public procurement procedures, according to the opinions of interviewed beneficiaries, there are shortages of information concerning the application of the PRAG rules, which may be rooted in language issues and the difficulties of the related terminology (there is a need for clear explanation). In addition, Beneficiaries would call for specific templates for the required documentation and annexes.

A respondent found it problematic that such rules were only written in English. Therefore, the translation of rules to national languages is advised. Based on comments of another applicant, PRAG has been simplified, but still makes purchases difficult. Helping this, the JS has translated the Single tender procurement documentation (below 25.000 EUR) to Hungarian and Serbian.

### *State aid rules*

Since the SMEs are not eligible for direct funding, state aid rules are relatively rarely applied. In these cases, it seems that the general and project-specific guidance of the management bodies are enough for the adequate application and implementation.

An applicant found state aid rules in the case of smaller amounts unnecessary and unjustified. Some answers reflected on the strictness of these rules.

### *E-application and reporting*

There was a delay in the development of the IMIS 2014-2020, consequently, the integration of all functions necessary both for the management bodies (including the FLC) and the applicants took more time than it was expected. The system was launched at the time of the 2<sup>nd</sup> call for proposals, which means that there are limited experiences from both the management and the beneficiaries sides. It is expected that the integrated system will make the administrative procedures easier, quicker and paperless. Both parties welcome the establishment of the system, however it needs time to eliminate the technical failures on the one hand and to teach its utilisation to the beneficiaries and applicants on the other.

Going beyond the e-submission, according to the respondents' opinion, the administrative procedures should be simplified, in addition, the number and scope of supporting documents and annexes should be decreased as much as possible. The IMIS is seen as an overcomplicated system, which shows problems with its operation time to time. According to an answer, some have invested a lot of time, work and effort to understand how the IMIS 2014-2020 system works, how the platform organises and displays the data they enter. Based on another opinion and recommendation, the reporting surface should be able to handle more projects without log-in and log-out with different certificates in case of the Beneficiaries having more than one project. The reporting of salaries and travel costs is not allowed without uploading attachments to the invoice folder, which is neither really logical nor clear.

An applicant suggests the publication of a short overview of the most important rules so that the beneficiaries do not have to read all the guides. This would also help the LBs that are the ones taking all the work on when a partner does not read the rules. This would probably even help the project managers, because they could also answer the other beneficiaries' questions more easily.

There are three topics where the programme has not advanced with simplifications: i.e. the shortening of administration procedures (this could be facilitated by shortening the list of supporting documents); application of automatic selection procedure (at the moment, it does not seem to be feasible); involvement of the SMEs (direct involvement is not realistic).

### M 6.7 Assessment of ownership

One of the main aims of the European Commission in respect of cross-border programmes is to strengthen their ownership principle. It means that the programmes should not be only the tools of cross-border integration and cohesion, but also those of democratisation. Although direct target group of the programming and decision-making are the NUTS III level municipalities (and the relevant ministries) creating the frames for regional ownership, there is a clear effort to open the gate for further stakeholders. In compliance with this tendency, different stakeholders (local municipalities, regional development agents, professional bodies, CSOs, etc.) used to be invited to take part in the programming, as it was the case with the current IPA programme as well. At the same time, when speaking about programme implementation, the situation is different.

According to the interviewees' opinion, the involvement of local municipalities, civil associations and other regional level entities into the decision-making is a preferred option. In addition, in the procedures of the programme, the involvement of other national level stakeholders would be supported apart from the already invited ones. The conflict of interest created by the involvement can be eliminated by the separation of duties, similarly to the mainstream EU programmes. At the same time, the JMC is not considered as the owner of the programme: the owners are the states and the beneficiaries.

The Chambers and some NGOs are present at the JMC meetings with an observer status (even more, the MC meetings can be attended by any stakeholder of the programming region) but the voting rights are exercised by the traditional members, i.e. national authorities, the county representatives, ministries and the national level representatives of the municipalities. In the opinion of the representatives of the JS, representation is not identical with ownership, hence the ownership principle is not injured by the limitations of the JMC – guaranteeing at the same time its operability.

To sum up, the responses connected to stakeholder involvement, further democratisation by involving more local and regional stakeholders, would be worth considering to enhance the ownership of the programme.

Interviewees stated that most likely wider and deeper dissemination of information regarding both the programme and the specific projects would help the local stakeholders and actors to reach a higher level of ownership.

The question of ownership was raised in the online questionnaire, too. From among the 53 respondents one was a member of the JMC, another used to participate in the meetings with an observer status, further three beneficiaries were involved in the programming, but not in the work of the JMC. Especially the low representation in the

programming is worth to think about, since 88% of the selected projects' beneficiaries filled in the questionnaire. It means that they are the real owners of the programme but they did not take part in its shaping what is an important lesson to learn for the next programming period. The selected beneficiaries should be addressed directly during the designing procedure in order to strengthen the ownership of the programme. This way, also the programme indicators could be selected in a more fit-for-purpose way. It is a general problem that the applicants can hardly fit their ideas into the set of indicators: they have to truncate their proposal in order to meet the indicators. The involvement of the beneficiaries in the programming might facilitate the identification of more relevant and places-based indicators. In parallel, the beneficiaries' ownership would be strengthened.

### 5.3.2 Costs of operation

#### M 7.1 Cost efficiency assessment

Within the framework of the cost efficiency assessment, costs related to the Technical Assistance priority axis of the programme of the previous and current period (2007-2013 and 2014-2020) are analysed in two aspects.

In general, the TA priority axis aims to support the implementation and audit of the cooperation programme itself, to ensure its visibility and to strengthen the institutional capacity of the involved partners from the border regions.

Both in the previous and current programming periods, the Technical Assistance priority axis was managed according to a project-based approach. All programme management activities, reimbursed by TA, shall be prepared in the form of "TA project proposals" to be approved by the Joint Monitoring Committee. The TA budget covers the operation of all programme management bodies, including the Joint Secretariat, the National, the Management, Audit and the Certifying Authorities.

For the assessment, two indicators are applied: the staff cost/budget ratio gives the rate in terms of staff cost in relation to the total budget of the programme, while the specific administrative cost ratio indicates the unit cost of the programme level administration of the implementation of one project. It was planned that both indices would be compared with those of the previous programme, however in case of the staff costs for the 2007-2013, the evaluators faced a lack of appropriate data.

### *Staff cost/budget ratio*

The staff cost/budget ratio is based on the TA Datasheets in force. The total allocated staff costs is 4 813 951.14 euro, which represents 62.83% of the total TA budget and 6,28% of the total Programme budget. Because of the lack of data, the evaluators were not able to calculate the indicator for the previous programming period. However, comparing the values to those of the Slovakia – Hungary Cross-border Cooperation Programme 2014-2020 (67% and 4% subsequently), they seem not to be strikingly different.

### *Specific administrative cost ratio*

The specific administrative cost ratio can be calculated and evaluated by using the proportional TA cost for the first 4 years of the programme implementation (considering the n+3 rule) and the actual number of supported projects according to the IMIS 2014-2020 including those of the TA. As a result, the TA cost per project is 295 790.89 € which is ten times higher, than it was in the last programming period (28 899.90). However, this comparison is somewhat skewed, as the amount for the current programming period is calculated for the 12 projects that is currently under implementation, while the amount for the previous programming is calculated with the 204 projects (not considering the additional 7 TA projects). Subsequently, it can be reasoned by the relatively low number of supported projects, which is due to the delay of the programme kick-off and the publication of the calls for proposals. In case, the number of supported projects is similar as the previous programming period, also the specific administrative cost ratio will be similar. Furthermore, it also needs to be noted that one part of the TA budget for the previous programming period had been used for the preparation of the next programming period.

*Table 37: Specific administrative cost ratio in the previous and the current programme<sup>15</sup>*

	<b>2007-2013</b>	<b>2014-2020</b>	<b>Estimated values for 2014-2017</b>
TA budget (€)	5 895 580.00	7 661 648.00	3 549 490.75

<sup>15</sup> Sources: Final Evaluation Report for the On-going Programme Evaluation of the Hungary – Serbia IPA Cross-border Cooperation Programme 2007-2013, IMIS 2014-2020

	<b>2007-2013</b>	<b>2014-2020</b>	<b>Estimated values for 2014-2017</b>
Projects implemented /under implementation	204	n.d. expected 72 already running + betw. 30 and 50 = betw.102 and 122	Only 12 under implementation in 2016/2017, but 72 selected
Specific administrative cost ratio (€/project)	28 899.90	-	295 790.89

As a conclusion, the assessment of the cost efficiency can hardly be performed because of major shortages in appropriate data. In case of the staff cost/budget ratio, the baseline value is missing, while the value of the specific administrative cost ratio is distorted by the estimation.

## 5.4 Prognosis and risk assessment

In this chapter, the evaluators summarised and assessed the major risks that the programme management is facing and a prognosis was drafted in line with the recommended steps to be taken.

### 5.4.1 Major risks the programme is facing

#### Delayed performance

As analysed above (see subchapters 1.2–1.4), programme level commitments regarding the absorption of funds and the level of compliance of the planned indicators are not met. The delay has multiple reasons.

1. On the one hand, due to the delay in the approval of the relevant EU legislations (at the end of 2013), the programming could start with a remarkable delay compared to the official starting date (1<sup>st</sup> January, 2014).
2. On the other hand, the electronic monitoring system of the programme was developed very slowly. According to the unanimous opinion of the stakeholders, this delay with the IMIS 2014-2020 was the main reason of delays in reaching planned indicators and the performance framework indicators. „The late delivery of results is a risk for the future achievement of programme goals” – as one interviewee told us.. Thanks to the efforts invested by the staff of the JS, the Interreg-IPA CBC Hungary-Serbia programme was the first among the Hungarian programmes opening the IMIS 2014-2020, but it needed much work. There were several problems with the start of the system causing serious delay in programme implementation, for instance:
  - the designation procedure was slowed by errors in the functioning of the IMIS 2014-2020, it became possible to check and approve the reports only at the end of 2017, which was the final deadline;
  - the national level programme bodies in Serbia were not able to finance their activities since the TA-related functions of the IMIS 2014-2020 were only delivered in 2018 summer that made it impossible to report and to reimburse the amount spent;
  - in the absence of the IMIS 2014-2020, the first call had to be launched on paper-base. The second call was launched in the IMIS 2014-2020 with functioning online application. Nevertheless, some beneficiaries could not

be contracted and get access to the system and therefore could not upload their reports, what caused further financial problems for them (there were applicants, who had to wait 1,5 years for reporting!).

3. Thirdly, further delay stemmed from the changes in the management of the programme. First, there were changes at ministerial level in the Republic of Serbia, while in 2018, the Managing Authority was moved from the Hungarian Prime Minister’s Office to the Ministry of Foreign Affairs and Trade. The latter change further prolonged certain procedures (in parallel with the period of the opening of the IMIS 2014-2020) when the contracts could not be signed and certain project related decisions could not be finalized.
4. Furthermore, most of the time during this period, the JS was operating with only three full time PMs. The situation was worsened by the decision of the hosting institution of the JS to further decrease the HR capacities thus, the JS was operating with only 2 full time PMs. Since this short-cut was carried-out during the contracting of the selected projects which is one of the busiest period that requires intensive communication with beneficiaries, preparation of numerous documents and effective management of all JS tasks all these burdens resulted in work overload of the existing JS staff.
5. Finally, since the designation procedure lasted long, some of the TA contracts have been signed only in 2018.

*Table 38: The impact of the risk its clarification and handling method*

<b>The impact of the risk</b>	<b>Clarification</b>	<b>Handling</b>
<b>Medium</b>	<p>The indicators of the performance framework foreseen to 2018 are not reachable which will cause the issuing of a warning on behalf of the EC.</p> <p>At the same time, according to the opinion of the interviewees, the serious delays do not endanger the completion of the programme in due time.</p> <p>This opinion is backed by the high allocation rate that can ensure the accurate completion of the programme. In addition, the human capacities of the programme are very good, the commitment of the stakeholders is at high standard.</p>	<p>The most important task is to accelerate the programme implementation by sharing the knowledge on the IMIS 2014-2020 and creating appropriate and prompt mechanisms for necessary corrections.</p> <p>Taking into account, how the IMIS 2014-2020 makes simple the whole procedure, it is expected that the programme will be completed in due time.</p>

### Further problems with the IMIS 2014-2020 (in function)

Although, the IMIS 2014-2020 is operating now, still there are many smaller or bigger errors making the progress of the programme difficult, e.g.:

- the LBs have to upload the same documents twice: first as part of FLC level, and later on at partnership level reporting;
- to download a document, the user has to click 9 times; in the case of 10 documents, it means 90 clicks, and so on;
- the IMIS 2014-2020 team operates a site, dedicated for complaints and further development needs, but the developments come out very slowly or in some cases not at all;
- the IMIS 2014-2020 cannot cope with the pre-payments, so every item has to be registered manually, which can cause mistypings;
- there is no option to correct the DOVE: if there is a mistake in the declaration (it happened several times, e.g. because of the automatic rounding of registered amounts), the system does not allow the correction, so a completely new DOVE has to be issued while the incorrect DOVEs are sent out automatically to the recipients.

*Table 39: The impact of the risk its clarification and handling method*

The impact of the risk	Clarification	Handling
Low	The difficulties with the IMIS 2014-2020 system hinder the correct implementation of the projects, slow down the monitoring and the decision-making procedures. At the same time, the most important is that finally, the IMIS 2014-2020 is available for everyone and it will ease the implementation.	The errors must be corrected in a short period of time and effective trainings should be organised in order to enable the stakeholders to apply the system. Further option is to set up an IT support team that can ensure the separation of tasks.

### Shortages of human capacities

On the Serbian side, within the existing structure of the First Level Control unit, 2 people are employed as Controllers, paid from TA of the programme. They deal with Beneficiary reports in full time. Additionally, 3 persons from the unit are partially assigned to the Beneficiary reports. Taking into account the workload and the strict deadlines, there is still a shortage in human capacities. Again, due to the late start of the IMIS 2014-2020 system, the tasks (new call, reporting of the first two calls, preparation of the next programme, and evaluation of the current programme) piled up and the final phase of the programme

implementation will be highly overloaded. These difficulties forecast serious capacity needs in the upcoming years.

*Table 40: The impact of the risk its clarification and handling method*

The impact of the risk	Clarification	Handling
<b>Medium</b>	The lack of human capacities at FLC level will slow down the procedures. Taking into account the pile-up of the different tasks, the capacities of all management bodies are expected to be booked. Further problem will stem from the monitoring tasks of the strategic projects. It means that the realisation of the monitoring tasks will be carried out slower causing very similar problems to the beneficiaries, than previously the IMIS 2014-2020 caused.	This problem cannot be easily resolved since there is no means for increasing human capacities. At the same time, at the level of the Serbian authorities, intervention should be taken in this direction. On behalf of the programme management, the IMIS 2014-2020 will create the opportunity for acceleration and this can result in sharing of the burdens.

### *The complexity of the strategic projects*

It is the first time in the history of Hungary-Serbia cross-border cooperation programmes that strategic projects are selected to implement with a higher allocation rate. 5 projects out of 6 submitted proposals have been contracted. Their budget amounts to nearly 20 million euros representing 30% of the total budget of the programme. These projects will have greater impact on the border area and they are more visible than other proposals. At the same time, these larger projects represent a much higher risk for various reasons.

1. Lack of previous experiences: while most of the beneficiaries have great experience in CBC projects, they do not necessarily have experience with cross-border projects of this size. Compared to the average size of ordinary IPA projects, these strategic ones amount to several million euros and usually contain larger infrastructural developments what is not common in this IPA programme.
2. Concentration of the resources: while strategic projects facilitate the absorption of programme funds and reaching of the indicators with less bureaucracy, in parallel, they represent higher risk. If one of the larger projects collapses, the loss at programme level both in financial and professional terms is much larger and might make necessary the modification of the whole programme. In the case of smaller projects, this risk is obviously smaller.
3. The complexity of the tasks: the strategic projects contain several activities of different nature. Compared to the simple projects of the programme, this factor

bears a higher risk of errors taking into account the differences between the two administrative systems.

*Table 41: The impact of the risk its clarification and handling method*

<b>The impact of the risk</b>	<b>Clarification</b>	<b>Handling</b>
<b>High</b>	The higher allocation needed for the implementation of the strategic projects represent a higher risk, in parallel. Even more, the whole programme can be affected by the failure of these larger projects. Besides, on behalf of the JS, the monitoring of these projects necessitates greater attention that could not have been given, due to the lack of sufficient human capacity (the head of JS used to be responsible for 2 Strategic projects as the Deputy Head but could not assign them to PMs due to the fact that there was a lack of capacity at that time. As of November, the Head of JS is no longer the PM to any of the strategic projects at all	The capacities and the experiences make affordable and feasible these projects. In addition, considering the level of the risk caused by the strategic projects, there is a need for more attention to be given to them. The JS team should involve external experts in special cases in the monitoring process.

#### 5.4.2 Prognosis

Taking all the conditions into consideration, according to the general opinion of the representatives of the management, the appropriate completion of the programme is not endangered, the lost time will be made up. The major factor of the acceleration will be the IMIS 2014-2020 system itself, making the administration of the programme and project implementation procedures much simpler (when facilitating electronic tendering). It is expected that thanks to the acceleration and simplification of procedures, the burdens of the staff members will decrease, allowing more reasonable share of duties.

As a result, both the monitoring of the projects selected under the first two calls and the launch of the 3<sup>rd</sup> call and its projects will be completed in due time.

Since the HR capacity is now satisfactory, there are no barriers to a stricter monitoring process of the strategic and larger projects, and thus no endangering factor can be identified regarding the programme implementation.

## 6 ANNEX 1 – Acronyms

The table does not contain the project acronyms.

AA	Audit Authority
AEBR	Association of European Border Regions
AF	Application Form
AIR	Annual Implementation Report
AP	Action plan
CA	Certifying Authority
CB	Cross-border
CBC	Cross-border cooperation
CBR	Cross-border region
CESCI	Central European Service for Cross-Border Initiatives
CFCU	Ministry of Finance of the Republic of Serbia, Department for Contracting and Financing of EU Funded Programmes
CLLD	Community-led local development
CO	Communication Objective
CP	Cooperation programme
CPR	Common Provisions Regulation
CSO	Central Statistics Office
DKMT	Danube-Kris-Mures-Tisa Euroregion
DOVE	Declarations on Validation of Expenditures
DTD	Danube-Tisa-Danube Hydro-system
EC	European Commission
ERDF	European Regional Development Fund
ETC	European Territorial Cooperation
EU	European Union
EUR	Euro (currency)
EUSAIR	European Union Strategy for the Adriatic-Ionian Region
EUSDR	European Union Strategy for the Danube Region
EUTAF	Európai Támogatásokat Auditáló Főigazgatóság (in English: DGAEF = Directorate General for Audit of European Funds)
FLC	First Level Control
FTE	Full-time equivalent
GAP	Good Agricultural Practice

GDP	Gross domestic product
GHG	Greenhouse gas
GIS	Geographic information system
GVA	Gross value added
HCSO	Hungarian Central Statistical Office
HR	Human Resources
HU	Hungary / Hungarian
ID	Identification Data
IMIS	IMIS 2014-2020 (Common) Monitoring and Information System
IPA	Instrument for Pre-Accession Assistance
IR	Inception Report
IT	Information Technology
ITI	Integrated territorial investment
JMC	Joint Monitoring Committee
JS	Joint Secretariat
JSA	JS Antenna
LB	Lead beneficiary
LEADER	LEADER programme (Liaison entre actions de développement de l'économie rurale / Links between actions for the development of the rural economy)
LLC	Limited liability company
MA	Managing Authority
MC	Monitoring Committee
MEI	Ministry of European Integration
NA	National Authority
NGO	Non-governmental organization
NUTS	Nomenclature of Territorial Units for Statistics
OI	Output indicator
PA	Priority Axis
PM	Programme Manager
PO	Programme output indicator
PR	Programme result indicator
PRAG	Procedures and practical guide
RDP	Rural Development Programme
RI	Result indicator
RS	Serbia / Serbian

SME	Small and medium-sized enterprises
SO	Specific objective
SORS	Statistical Office of the Republic of Serbia
SRB	Serbia / Serbian
SZTE	University of Szeged
TA	Technical Assistance

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