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Strand	A

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

1.1 Programme area (not required for Interreg C programmes)

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

The territorial scope of the Interreg VI-A IPA Hungary Serbia Programme (2021-2027) (hereinafter also referred to as Interreg Programme, IP or Programme) covers the same area as the previous Cooperation Programme (2014-2020) between the two countries. The total analysed area covers 34 335 km² (larger than that of Belgium) with 2.76 million inhabitants (Latvia has a population of similar size). The border area covers as many as 9 distinct territorial units (see "Map 1: Map of the programme area" in the Annex), it 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-Csanád county (Csongrád-Csanád megye)
- Bács-Kiskun county (Bács-Kiskun megye).

The border area is divided into two by a 174.72 km long external border of the European Union and the Schengen Area.

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

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

1.2.1 Summary of main joint challenges

Territorial challenges

Regarding territorial cohesion the challenges are connected to the joint characteristics as well as deriving challenges of cross-border landscapes, functional urban areas, and the weak permeability of the border, the latter which makes sustainability and functional integration harder to reach at a cross-border level. The shared cross-border landscapes experience challenges in relation to climate change, agriculture, and environmental issues, which require joint solutions in protection, prevention, mitigation of negative impacts and landscape management measures. Despite huge potentials in intensifying cross-border transport, the flows of goods and people are limited due insufficient hard and soft infrastructure including the number and the capacities of border crossings, and the lack of multimodal public transport links. Territorial cohesion is supported by a potential of functionally interconnected urban network with cross-border catchment areas where joint urban management and development can be carried out.

Environmental protection and environmental sustainability

According to the natural landscape, the area is part of the transboundary Carpathian-Pannonian Region. Most of the mesoregions of the Pannonian Plain in terms of landscape structure are cut by administrative borders hardening their management for environmental sustainability. It is worth emphasizing that most of the mesoregions building the character of the border region are crossing the border. This landscape factor can be considered one of the most important cohesion factors of the programme area. Cross-border mesoregions requiring joint management and protection include Alföldi-Dunamente/Podunavlje, Alsó-Tisza-síkság/Potiska ravnica, Bácskai síkvidék/Bačka ravnica, Homokhátság/Peščani plato, and Maros-hordalékkúp/Moriška aluvijalna ravan. Protected and wildlife protected areas necessitate cooperation, also in harmony with tourism as a tool for creating a more inclusive economy. With sustainable solutions both the safeguarding of habitats and access to new employment and training opportunities in (eco)tourism should be supported. Such areas of outstanding biodiversity that require environmental protection, management and sustainable tourism development cover parts of Kiskunság Nemzeti Park, Kőrös-Maros Nemzeti Park, Duna-Dráva Nemzeti Park, Nacionalni park Fruška Gora, Specijalni rezervat prirode Gornje Podunavlje, Specijalni rezervat prirode Slano Kopovo, Specijalni rezervat prirode „Selevenjske pustare”, and Predeo Izuzetnih Odlika „Subotička peščara”, among others. Endangered species, shrinking original natural flora and fauna as well as migratory populations call for joint actions.

Large parts of the region have been suitable for agricultural cultivation; consequently the border region is predominantly an agricultural land. The dominance of the agricultural land use over the last two centuries has had a negative impact on the natural vegetation and

biodiversity. Only low share of natural areas has remained (e.g. wetlands along the Danube and the Tisa). Along with past shrinkage considering the original vegetation and habitats, unfavourable processes can be observed on the remaining natural areas (e.g. drying out wetlands). The degradation and transformation of vegetation can also be detected in the form of spreading of invasive alien species due to the climate change and human activities of the past few decades.

There are significant parallels and development opportunities in the study area regarding natural heritage. The types of natural values of high importance and relevance across the region include saline lakes and heaths, sand hills and dunes, as well as one of Europe's largest wetland habitats along the Danube and the Sava with alluvial forests, swamps, marshes, reeds covered with water seasonally and permanently. The transboundary character of biogeographical regions and the bordering nature protection areas underline the need for intensified cooperation in relation to natural values, habitats, migratory species and various protection areas to carry out nature protection and management measures to safeguard the biodiversity jointly.

Climate change strongly affects the Pannonian Plain, the core area of the programme area. There are extreme changes in the irrigation potential of the region because of climate change. Climate change comes with decreasing precipitation parallel to increasing temperatures in the region.

The border region is not only affected but heavily exposed to climate change and its negative effects. Since the number and severity of droughts are expected to increase, adaptation is a growing concern especially in relation to aridification (e.g. droughts, forest fires, decreasing groundwater level and deteriorating quality). The frequency of droughts increased in the inspected areas over the 50 years between 1962 and 2011. Extreme droughts have become more and more frequent in the second half of the period, besides the increasing trend.

Apart from aridification, the growing extremities in terms of water distribution on the supply side should also be underlined. The amount of precipitation days decreases, but that of days when a large amount of precipitation falls at once increases. This tendency affects the agricultural sector negatively on both sides of the border, damages soil erosion and flood control systems. Increasing frequency and intensity of hydrological (e.g. flooding, inland water) and extreme meteorological phenomena (e.g. sudden downpours, storms, hails) have become major challenges. Therefore, there is a need for better harmonised water management and water protection, further development of implemented projects and results, (inter-)institutional cooperation involving various stakeholders, management bodies in disaster and water management.

The aforementioned severe phenomena, droughts and inland waters in particular, which can occur in consecutive years, or even in the same year, affect the region negatively. Therefore, challenges connected to climate change and hydrological extremes are especially important to adapt to.

Integrated, river basin-based solutions would be welcomed. A jointly coordinated water quality monitoring system and hydrologic database of the environmental and health risks (e.g. from droughts, floods, hydrologic situation, drinking water contamination), sharing the best practices of drinking water resource management, and corrective actions for preventing drinking water contamination, the joint planning of water retention and infiltration reservoirs are needed.

The negative processes affect the cross-border natural environment, natural resources, and agricultural, horticultural and forestry production bases as well. The weak adaptation capacities result in growing production costs and risks to economic activities heavily relying on climate conditions turning increasingly unfavourable because of above average vulnerability to climate change. Regarding better adaptation techniques, need for additional support for comprehensive actions covering water management infrastructure, land use (built-up areas, railways, highways), irresponsible cultivation and appropriate agro-technics is crucial too.

Despite of high potentials in geothermal and solar energy as well as biomass, the utilisation level of renewable sources can be still considered low.

Settlement network's spatial structure

One of the main characteristics of the settlement network is the high density of cities within the border region. A large number of urban hinterlands are cut by the border hindering cross-border functional cooperation and access to certain urban services. Potential Cooperation axes of functional development include: on the eastern part along the Tisza/Tisa a group of riverside towns e.g. Szeged, Kanjiža, Senta and Bečej, on the central part the Kecskemét-Kiskunfélegyháza-Subotica-Novi Sad axis, while on the eastern part the axis along the Danube incorporating Baja, Sombor and Apatin. Especially regarding the aforementioned areas there is a need for joint territorially integrated (smart) solutions. The joint functional urban area of the Szeged-Subotica axis has the biggest potential for functional integration and joint management covering public transport, cultural, educational and other services.

Despite recent bilateral agreements and innovative ideas in healthcare provision, the implementation and management of cross-border patient migration has not been solved, rather uncontrolled one-sided patient migration to Hungarian inpatient facilities can be detected.

Transport connections

The border region can capitalize from important aspects of cooperation in the form of two Pan-European corridors: Corridor VII (the Danube river) and Corridor X (Budapest-Beograd-Niš-Thessaloniki/Sofia) are both crossing and uniting the border region.

The permeability and the cross-border cooperation is hindered by strict border regime introduced on the external border of the Schengen Area and the EU. Owing the transport routes of transnational importance, border crossings are often overburdened due to increasing and mass flows of transit traffic and migrant workers between the Balkans and Western Europe. Periodic congestion of border crossings tend to take occur, thus there is a need for decreasing waiting times at border crossings. At many crossings, the transferring capacity is weaker than required because of the limited opening hours and modes of transport and the long waiting times due to border control procedures.

Direct cross-border rail public transport has been out of operation. The lack of cross-border railway traffic within the border region is especially apparent between the cities of Baja, Sombor, furthermore between Subotica and Szeged despite potentials and existing railway tracks. A multimodal cross-border public transport integration, considering bordering urban areas and agglomerations of Szeged, Subotica and Baja, has high potential.

There is still high demand for cycle paths especially in relation to connecting the existing ones to form a widespread network of main/backbone as well as comprehensive elements

across the border. Significant development has taken place in terms of bicycle paths; however investments in bicycle services and additional supporting facilities are largely still missing.

Functional areas in the sense of territorial cohesion

- Landscape units: mesoregions having similar and cross-border characteristics determined by their natural features and the social-economic impact of its population (namely Alföldi-Dunamente/Podunavlje, Bácskai síkvidék/Bačka ravnica, Alsó-Tisza-síkság/Potiska ravnica, Maros-hordalékkúp/Moriška aluvijalna ravnica, Homokhátság).
- Areas exposed and vulnerable to climate change: first, droughts can be defined with the standardized NDDI rates based on the WATER@RISK project, where regarding NDDI anomaly, the range above 1.0 indicates drought. Secondly, areas with flood risk can be considered, where riverine flood risk is high (6-10 thousand) or very high (above 10 thousand) meaning that the number of affected people per thousand inhabitants is outstanding.
- Water bodies: either surface or ground water resources can have cross-border character, including river catchment areas, reservoirs or actual rivers and their tributaries.
- Network of natural heritage: network of sites rich in natural values such as different nature protection areas.
- Areas rich in renewable energy potentials: one of the most adequate spatial forms of cross-border renewable energy sources are the geothermal systems and reservoirs. The areas richest in geothermal energy can be found where the heat flow is above 100 kW/m² and where crustal thickness is less than 25 metres. Furthermore, rich in solar radiation of bioenergy can also be considered as seen as functional areas.
- Transport axes: important transport infrastructure across the state border of the given countries. Lines and service routes which form a comprehensive network owing to their cross-border character (e.g. Subotica-Csikéria-Bácsalmás-Baja line, railway branch lines between Baja and Sombor).
- Cross-border public transport networks: potential networks of intercity and suburban type of transport connections e.g. around Szeged, Subotica and Baja.
- The borderline and the crossings: those border areas in the vicinity of the border (30 min travel time) where there are insufficient number of crossings, where the density of border infrastructure is below the average of the whole border section. Crossings, especially those which are faced with joint challenges such as e.g. high peaks of traffic, need for elimination of bottlenecks, long waiting times, need for capacity building and speed up of border control procedures.
- Areas of isolated farmsteads and other rural areas with insufficient functions: areas where the proportion of population living in outlying areas is higher than 10%, and/or the number of (central) urban functions is low, i.e. the functional density is low. These areas generally suffer from weak provision and use of urban services.
- Hinterlands and FUAs: central urban cores and their cross-border hinterlands/influencing zones forming a functional urban area (FUAs, see the figure named Distribution of municipal functions in the border region with the hinterlands/gravitational zones and the relevant urban centres). There are as many as 36 cities, which can be considered to have the highest potential in cross-border functional urban cooperation.

- Hospitals, ambulance stations and their service areas: those institutions which are situated a maximum of 90 min from the border and have service areas reaching the state border zone of 30 min travel time. The network of healthcare institutions can be considered as building blocks of such functional areas. Functional areas can be those areas too where similar health care characteristics of the bordering population.

Joint intervention needs related to territorial cohesion

In the frames of summarizing the description of needs calling for investment, for the sake of better understanding a list of short descriptions is arranged according to specific objectives (chosen SOs are indicated by bold letters, and are more detailed).

- PO2 SO (ii): Joint preparation for the sustainable and efficient utilisation of renewable energy sources
- **PO2 SO (iv):**
 - o Coordinated actions for joint climate change adaptation with special regard to aridification, adaptation to and mitigation of extreme weather conditions and uneven distribution of precipitation
 - o Joint measures for sustainable agricultural production
 - o Risk prevention related to water bodies and to impact of climate change in particular
 - o Joint water management (measures related primarily to the quantity of water)
- PO2 SO (v): joint water management and protection
- **PO2 SO (vii):**
 - o Need for intensified cooperation in relation to jointly shared natural values, habitats, nature protection areas
 - o Actions to stop or reverse the degradation and transformation of vegetation, spreading of invasive alien species
 - o Need for joint integrated landscape management
 - o Joint water management (measures related primarily to the quality of water)
- PO3 SO (iii): Joint preparation of plans and studies to support new transport infrastructure; Joint creation of new cycle paths as part of networks of cross-border relevance
- PO5 SO (i): Joint smart city initiatives and solutions
- PO5 SO (ii): Joint development and provision of cross-border urban services within cross-border hinterland and functional urban areas
- PO4 SO (iii) and SO (iv): Knowledge exchange and joint trainings
- **ISO2:**
 - o Elimination of infrastructural and technical bottlenecks at border crossings to increase transferring capacity
 - o Development and modernization of security at border crossings.

Economic challenges

Due to economic cohesion the challenges and needs are concentrated mainly on the still weak utilisation of the positional energy deriving from the Balkan gate function and the location along the Budapest-Belgrade axis in the light of the EU integration of Serbia as well. Based on these energies, the synergies among joint and complementary features considering economic infrastructure, ports, main economic activities, multi-ethnic characteristics, as well as the members of the quadruple helix should be reached. The unfavourable economic structure, the low added-value and the weak management of heritage can be tackled by support for comprehensive development in business relations in the form of e.g. industrial-logistics zones, supplier networks and value chains, tourism destinations emerging within the border region.

Economic logistics

In the programme area as many as 35 industrial zones and 20 logistics centres operate. The eastern dynamic area incorporates the industrial parks and logistics zones of Szeged, Hódmezővásárhely, Kistelek, Makó, Rösztke, Tompa, Klárafalva, Nagylak, Kecskemét, Kalocsa, Kiskunhalas and Kiskőrös from Hungary and the ones of Subotica, Ada, Bečej, Horgoš, Senta, Kanjiža, Bačka Topola from Serbia. Insufficient capacities on the western side of the programme area can be found between Baja, Kiskunhalas, Tompa, Subotica, Kula and Sombor.

The border region is rich in ports for logistics purposes (Szeged, Baja, Novi Sad, Bogojevo, Bačka Palanka, Beočin, Pančevo, Sremska Mitrovica, Senta). Apart from growing figures considering cargo there are large differences in terms of all main characteristics of the given ports from technical to human capacities. Notable non-harmonised and/or parallel features can be detected, often hardening cross-border cooperation. .

Economic structure

Agriculture plays a significant role in the border region's economy. Agriculture has a long tradition, and it had a historically decisive role in economic development and in the status of biodiversity of the programme area. The region is still one of Europe's main agricultural producers. On both sides, agriculture has a larger share in the regional economy than the national average (HU: 4.5% of total GVA; RS: 7.3%). In almost all analysed counties and districts, the share of agriculture is two or even three times higher compared to their particular countries (e.g. Zapadnobački Okrug with 25.1%). Moreover, significance of waterfowl farming and food processing is important in the region.

There are fruits (e.g. peach, cherry, plum) and vegetables (e.g. tomato, potato, red and spicy paprika) that account for a larger share of the national yields than would be proportional to the Serbian and Hungarian side of the programme area. Another area where the border region stands out is wine making. Viniculture has a long tradition on both sides of the border. This is reflected in extensive vineyards of transnational relevance (e.g. Hungary's largest wine region, the Kiskunság) making up above average shares in agricultural lands in Bács-Kiskun megye, which leads the Hungarian charts with the most extensive vineyards and the biggest production figures, and in Južnobanatski Okrug and Sremski Okrug. Cross-border agro-industrial cooperation historically has played, and still plays, a decisive role.

In spite of outstanding agricultural production in the field of crop cultivation, horticulture, and viticulture, there are still untapped potentials. Both sides have to face similar challenges in

relation to climate change and increasing market competition. Therefore, there is room for knowledge-sharing from breeding research to mitigation of climate effects by the introduction of new technologies.

Industry (30.2% of GVA) plays by far the leading role in the analysed region. This is not because of the long tradition in industrial activities but rather the consequence of the slow tertiarization and the lack of emergence of activities with higher added value. The reasons behind low added value are the still high share of semi-finished (interim), low-processed products, and the low level of processing within the border region.

In industrial activities both joint (food industry) and complementary (HU: automotive, rubber, plastic and construction material industries, manufacture of machinery and electrical equipment; RS: textile, leather, clothing and metal industries) features in industries can be detected.

There is an extremely low share of non-industrial and non-agricultural activities in the economic structure despite growth potentials lying in digitisation, ICT sector and creative industries. The border economy is characterised by weak service sector, especially in relation to business, financial, scientific services, information, and communication.

R & D & I

The largest area of the analysed region does not stand out as a knowledge and technology-driven region with its relatively low share of GDP invested into research and development (1.2%) despite of notable capacity and important stakeholders especially in Szeged (Hungary) and Novi Sad (Serbia).

None of the related statistical regions have a high share of skilled workforce, which makes the formation of a prosperous innovation ecosystem more difficult. Economic restructuring to a more technology and knowledge-intensive development pattern has been a long and slow process; this is reflected in low employment in hi-tech sectors including ICT.

The eligible area can be characterized as a technology-follower region with a low share of hi-tech industries and deficit in knowledge production and transfer. Cross-border smart specialisation has a strong basis owing to joint and complementary economic structures on the two sides. Together with the improvement of knowledge transfer and management it would not only increase R&D&I activities but would help reaching higher added-value.

Economic relations

The foreign trade relations have gone through a profound improvement between 2012 and 2019, however only at a low level the border region was capable of capitalizing on this growth.

The border zone is a territory that can be considered as the gateway to the Balkans. However, the exploitation of this location advantage in economic cooperation is still limited by lack of support of technology advancement, business relations and adequate skills development and trainings..

There are still unutilised potentials in strengthening the capital flows across the border in order not simply to increase mutual investments but to channel the flows to the analysed border area.

Culture and tourism

Regarding heritage, the existing built elements show huge compatibility. Joint and complementary features cover heritage elements of archaeological discoveries from the Neolithic period until the Roman times (especially in Srem), through the architectural and historical heritage from the Middle Ages and the pre-Ottoman times and the baroque period (e.g. churches and monasteries), to the late architectural styles of the 19th-early 20th century. Among the elements local characteristics emerging in art nouveau buildings (e.g. in Subotica, Szeged) and rural-folk architectural forms (e.g. isolated farmsteads) should be listed as outstanding and unique features of both sides.

Apart from tangible heritage, intellectual cultural heritage elements should also be listed with multiple elements including crafts, creative industry and other values of regional or nationwide importance. While notable development and cooperation have emerged in relation to classical fields of culture such as folk (applied) arts, little attention was given to modern creative industry. In the programming period between 2014 and 2020 the thematic focus of cooperation was on activities related to puppetry/children's theatre and film festivals mainly. The cultural organisations have cooperated for the purpose of increasing audience, support of education, information, promotion and experience exchange. The border region is missing strategic, sustainable, and developing cooperation between cultural organisations in the field of contemporary and modern art. An important problem is a lack of networking activities.

At the same time it has to be underlined that heritage elements are not exclusively characteristic to Hungarians or Serbs living on both sides of the border, but also of several nationalities in the multi-ethnic Vojvodina and the Southern Pannonian Plain. Further potentials lay in building on cultural diversity and multi-ethnic background. Still weak level of cooperation and obstacles to harmonised and institutionalised joint management weaken the cohesion. Despite of potentials some joint projects and past cooperation, the heritage elements are rarely developed into tourism products and few related services have been created. Because of weak capitalization, still low intensity of mutual tourist flows can be shown.

The higher utilization of the destination of Szeged and its surroundings has an effect on the Serbian side of the border as well, but this effect does not exist the other way round. The area of the subregion along the Danube falling within the programme area is, despite its great conditions, under-utilized on both sides of the border, compared to the results of its surroundings from a tourism point of view. Another important difference between the two sides: tourism along the subregion of the Tisza/Tisa is relatively successful on the Hungarian side, while Tisza/Tisa as a destination base is practically unexploited on the Serbian side, except for a short section closest to the border.

Cross-border tourism is very much concentrated on few locations. In the District of Mórahalom 50.6% of all foreign overnight stays are from Serbia, while the rate in the case of District of Szeged is 17.5%. The vast majority of incoming Serbs on the Hungarian side of the programme area stays either in Szeged, Mórahalom or Kecskemét. The popular destinations of Hungarian tourists are outside of Vojvodina (except for Subotica or Novi Sad), but large number of tourists cross the border region to reach the Mediterranean resorts every year. Tourism in the border region heavily based on cultural tourism (festivals, religious and art nouveau buildings) health tourism (including thermal and wellness spas and Hungarian health care facilities) and gastronomy, but the potentials in active tourism, ecotourism, nautical tourism, hunting and fishing, rural tourism have been underutilized.

Little focus was given to the comprehensive management on destination level across the border. The TDM offices and tourism organisations of the border region have not established

cross-border organisations or networks to boost tourism, its obstacle is the different organisational structure.

Functional areas in the sense of economic cohesion

- **Cross-border industrial-logistics zones:** such zones are a dense network of industrial parks, logistics centres, industrial zones, business parks and free zones incorporating Szeged, Hódmezővásárhely, Kistelek, Makó, Rösztke, Tompa, Klárafalva, Nagylak in Hungary and Subotica, Ada, Bečej, Horgoš, Senta, Kanjiža, Bačka Topola in Serbia in particular.
- **Ports and transnational waterways:** the ports of cross-border relevance with joint and complementary capacities, especially the Danube ports of Baja, Dunavecse, Novi Sad, Apatin, Bogojevo, Bačka Palanka, Beočin, Pančevo, and the Tisza/Tisa ports of Szeged and Senta.
- **Gateway to the Balkans:** parts of the border zone can function as a hub for international business relations not just in logistics but in other activities. Cross-border business relations and networks outline such areas where business to business cooperation and related organisations such as cross-border clusters, supplier networks, economic chambers can capitalise from this location advantage, positional energy in light of the EU integration process too.
- **Wine regions:** designated wine-making regions where the share of vineyards in land use and wine production is above the respective national averages. The regions are Kiskunság wine region, Hajós-Baja wine region, Csongrád wine region in Hungary, Srem region, South Banat region, Subotica region, furthermore the regions of Potisje, Banat, Telečka, and Bačka in Serbia.
- **Network of cultural heritage:** network of joint and complementary built heritage, cultural heritage sites such as historical monuments, castles, palaces, art nouveau buildings or folk art/rural architectural forms.
- **Thematic routes:** cross-border routes with a network approach which thematically connect and territorially integrate different points of interest, attractions, infrastructure, products, services and stakeholders from both sides of the border in relation to at least a single tourism branch/sector (e.g. cycling tourism).

Joint intervention needs related to economic cohesion

In the frames of summarizing the description of needs calling for investment, for the sake of better understanding a list of short descriptions is arranged according to specific objectives (chosen SOs are indicated by bold letters, and are more detailed).

- **PO1 SO (i), PO1 SO (iii) and PO1 SO (iv):** Smart specialisation; Support for cross-border innovation ecosystem; Joint industry 4.0 initiatives
- **PO1 SO (iv):** Joint RDI activities and technology development; Joint trade development and promotion; Joint investment promotion, business development services
- **PO1 SO (iv) and PO5 SO (ii):** Joint creation of short value chains based on regional products; Joint measures for sustainable agricultural production
- **PO2 SO (iv):** Joint actions aimed to reduce the impact of climate change regarding agriculture; Joint measures for sustainable agricultural production

- PO2 SO (vii): Development of cross-border sustainable tourism, ecotourism routes and products
- PO4 SO (v):
 - o Development of joint cross-border cultural tourism routes and products
 - o Development of cross-border sustainable tourism, ecotourism routes , products and Joint information services
 - o Creation of cross-border destination management, support of related organisations and services
 - o Support of creative industries.

Social challenges

Regarding **social cohesion** the biggest challenges are formulated mostly around the weak population retention force of the border region, and the still dot-like, non-institutionalised forms of people to people cooperation and the underutilised existing structures. The similar reasons behind the challenges of aging, outmigration, unemployment, poverty, and in general in easing the border effect in living, income and labour market conditions are of great magnitude to take into account at drafting the future programme. Last but not least, trust-building and the creation of a common sense of belonging in civic society and media are worth not to be underrated when it comes to P2P initiatives in such a diverse part of Europe.

Demographical conditions

The demographic situation is one of the crucial points of cohesion regarding social problems. Compared to the European averages ageing of population is significant, especially in some rural areas. Csongrád-Csanád county in Hungary and Zapadnobačka and Severnbanatska in Serbia are in the most disadvantageous situation from the point of view of ageing tendencies.

The population retention force is low resulting in depopulating rural areas, while parallel to this process agglomerations of large cities (Szeged, Kecskemét, Novi Sad) are growing as attractive targets of immigration. The most pressing demographic issues (ageing, emigration etc.) are concentrated on the Western part of the border area, which assumes a subregion with spatial deficiencies along the Danube.

On the one hand, our focus area has the worst poverty indicators in the Mid-Danube-Tisza Plain. On the other hand, the lack of towns creates inland peripheries and poverty between the Danube and Szeged. Districts consists of rural area with high share of population living in isolated farmsteads tend to have the worst poverty indicators. The territory of the farmlands extends to the territory of Vojvodina (especially relevant regarding Banat and Srem). Cross-border cooperation in creating a more inclusive economy for areas hit by high poverty rates is still lacking.

The social cohesion, regional identity, and sense of belonging have been weakening due to intense migration from and to the border region in the last few decades owing to internal and external crises (wars following the break-up of the former Socialist Republic of Yugoslavia, the financial and economic crisis of 2008-2009) and the stronger attraction force of external target areas (mainly regional centres, national capitals and Western European countries). However, temporal and permanent migration flows especially towards Hungary have intensified in recent decades partly owing to labour and student migration apart from existential reasons. Special migration types emerged along the Tisza/Tisa and around the

cross-border hinterland of Szeged in particular, which has involved ethnic Hungarian to live, work or study in Hungary.

There are complex and joint challenges in relation to Roma integration and segregation, poverty in rural areas, in farmsteads in particular. Roma people have similar social intervention needs (e.g. high share of early school leavers, bad living conditions, exclusion from training and employment) on both sides of the border.

Education, training

Education has an important role in shifting the economy from its cheap manual labour basis to an economy with higher competence and skilled employees. Low educational attainment is one of the most decisive factors in terms of cohesion within the border area.

Higher education institutions are the most important institutions of international cooperation in the educational system. The University of Szeged, the Neumann János University, University of Public Service (Faculty of Water Sciences) and the University of Novi Sad have showed the greatest potentials in terms of joint educational programmes and materials, and other forms of collaboration. The students originating from Vojvodina represent a growing share among those of the University of Szeged.

Especially in Vojvodina the official status of the language of ethnic Hungarians and other minority groups can be capitalized in facilitating knowledge exchange and joint education and training activities. Still bilingualism in education and learning should be facilitated as a socio-economic development potential. In Hungary apart from Hungarians originated from Vojvodina the Serbian language is not widely spoken, and ethnic Serbians speak little Hungarian in Vojvodina.

Despite of potentials, uncoordinated portfolios of the school system persist on all levels, on the level of tertiary education in particular. Major initiatives on tertiary level in establishing or preparing a joint education component, e.g. accredited training, or a joint programme have been largely missing.

Furthermore, similarly high level of early school leaving on both sides should be mentioned among the major challenges that would require improvements in mentorship programs.

Besides the education of young people, there are other opportunities for vocational training: adult education, re-training or choosing a new career. This can contribute to the consistent development of the border region's human resource capacities in other ways than training young people, and as a result, cross-border labour flow would happen instead of emigration. Many Serbian and Hungarian specialists have confirmed that vocational training can keep their graduates from leaving the country in many professions.

Employment market cooperation

Harmonising vocational training systems more efficiently could create opportunities to collectively manage the labour shortage in increasingly interconnected border region labour markets.

Emigration for employment is typical on both sides of the border, especially in Serbia. Outmigration of skilled and required workforce to external labour markets (e.g. Germany) has led to growing labour shortages. With the lack of staying professionals and economic development the demand for skilled and qualified workers has exceeded the labour force

supply of the border area. The emigration of highly qualified professionals generates further problems in the region, such as slowing economic development, declining labour productivity and loss of competitiveness.

Labour power reserve shifted towards labour force with low educational attainment. Thus, high unemployment among the least qualified jobseekers (with only primary education or less), or unskilled labour is a relevant emerging challenge. Management of the youth unemployment and integration of the multiple disadvantaged groups into the labour market require increased efficiency of labour market services in both areas.

There is one aspect of this quite negative demographic and human resources phenomenon that has a positive effect on cross-border cooperation (data from the 2011 census): the Hungarian, Croatian, Bunjevci employees living in Vojvodina are working way above the republic average (1.7%) in Hungary. 59.4% of the Hungarians, 2.9% of the Croatians, 11.7% of the Bunjevci working abroad from Serbia are working in Hungary. These migrant workers represent a strong potential in the labour sector and economic sector connections. The spread of cross-border labour market co-operations, training programmes and atypical forms of employment can influence the process of mitigating labour emigration from the currently peripheral areas.

People to People connections

The ecological core area of Hungarian and Serbian minorities is along the Hungarian-Serbian border between Szeged and Subotica, and both can be considered bilingual. The Hungarian community on the Serbian side can serve as a great linguistic link. 98% of the 250.000 Hungarians in Serbia live in Vojvodina, therefore this community is the main driving force behind cross-border cooperation and an important inter-ethnic link across the state border.

However, apart from a thin strata of the population, the language knowledge and reciprocal language use by border people is still limited just like the implementation of bilingualism e.g. in teaching on secondary level.

The improving interstate relationship has resulted in some improvements in the form of sports, festivals, headquarters of Hungarian companies in Vojvodina, Serbian entrepreneurs in Hungary etc. consequently more border citizens are working, learning or training in these institutions and communities. These potentials lying especially in sports, festivals, and entrepreneurial life can be capitalized from.

Trust-based relations to be revitalized as basis for any future cooperation including hard infrastructure and major projects represent a high cohesion value in the border area.

In spite of having cross-border and intercultural movements and occasions, the potentials in cross-border family ties, meeting points, and migrant communities of double identity and bilingualism which could act as a link among border people are largely untapped.

P2P cooperation and project implemented used to be carried out with sole focus on physical outputs. No emphasis on the long-term management, maintenance and/or institutionalisation of social relations (e.g. mutual trust, new links) was put. Despite of their potential role in creating functional integration as well as cohesive cross-border communities of shared roles and responsibilities, there are underutilized existing structures and institutions of cooperation (partner settlements and town twinning, BTC EGTC, DKMT Euroregion etc.).

There is a need for reinforcing, capacity building for civic society as well as cross-border media. Despite large number of such applicants, still a weak sector can be found in the border area.

Functional areas in the sense of social cohesion

- **Ageing areas:** areas affected by severe ageing, i.e. settlements in Hungary and municipalities (opština) in Serbia where the ageing index exceeds 1.5 as of 2018.
- **Dependent areas:** areas affected by high level of dependency, i.e. settlements in Hungary and municipalities (opština) in Serbia where the dependency ratio exceeds 53% as of 2018.
- **Depopulating areas:** areas affected by severe population loss, i.e. settlements in Hungary and municipalities (opština) in Serbia where the population decrease was above 5% based on the years between 2013 and 2018.
- **Areas of emigration:** areas affected by severe population loss, i.e. settlements in Hungary and municipalities (opštine) in Serbia where the population decrease was below -1 as of 2018.
- **Disadvantaged areas:** based on complex indexes incorporating the dimensions of education, unemployment, income, and poverty indicators where complex socio-economic challenges affect high proportion of the border population.
- **Educational networks:** networks based on certain groups of institutions which have joint or complementary capacities (e.g. based on their level of education, language, or training offer) and other features.
- **Cross-border commuting zones:** areas situated within 60 minutes travel distance from the border, where notable number of employees cross the border on a daily or weekly basis to work in the neighbouring country.
- **Areas with employment-related challenges:** areas where certain challenges such as high unemployment, high number of unfilled vacancies, low labour incomes.
- **Networks of civic relations:** the spatial organisational network of various stakeholders and the attached places, venues (e.g. festivals) which support mutual understanding, shape a common identity and create intercultural and interethnic bridges by cross-border movement of border people in the frameworks of community building activities.
- **Partner settlements:** twinning settlements having strong interconnections and mutual, joint activities at each other's place, often supported by a formal agreement and/or an annual event; the spatial networks of municipal territorial cooperation activities.
- **Cross-border structures:** the institutional and partnership network and the most active areas of intervention (project locations, event locations etc.) regarding EGTCs and Euroregions which contribute to the stronger cohesion of the Hungarian-Serbian border region (see figure named Cross-border structures in the border regions).

Joint intervention needs related to social cohesion

In the frames of summarizing the description of needs calling for investment, for the sake of better understanding a list of short descriptions is arranged according to specific objectives (chosen SOs are indicated by bold letters, and are more detailed).

- PO4 SO (i): Joint cross-border labour market services; Joint action plans for employment
- **PO4 SO (ii):**
 - o Enhancing cooperation based on educational networks, better alignment of training systems
 - o Development of joint learning materials and study programmes
 - o Joint development or transfer of new training programmes, as well as their introduction and application especially regarding digital and competitive skills
 - o Support for student and professional migration between two countries, exchange programmes
 - o Joint improvements regarding early school leaving and weak performance of the disadvantaged by trainings, as well as mentorship programmes
 - o Support for mutual bilingualism regarding language skills
- PO4 SO (iv): Joint activities in silver economy and active ageing
- **PO4 SO (v):**
 - o Joint measures in cross-border community building, strengthening of regional identity
 - o Joint heritage management of shared elements
 - o Support of more inclusive tourism and creative sectors incorporating disadvantaged people, rural and remote areas
 - o Development of cultural sites
- PO5 SO (ii): Development of joint social services in cross-border rural areas;
- **ISO1:**
 - o Joint event organisation, sports, religious and cultural programmes
 - o Support for the institutionalisation of regional partners
 - o Joint cross-border media contents, support for content production related to the programme area
 - o Capacity building for already existing cooperation forms including EGTCs, Euroregions and twinning settlements
 - o Support for joint actions of non-governmental, civic organisations
 - o Establishment of a joint online library of the development and regulatory plans
 - o Joint preparation of plans and studies

o Joint actions in eliminating legal obstacles by supporting new mechanisms related to labour flow, employment and living conditions.

1.2.2 Lessons learnt from past experience

Main findings of the first phase evaluation

The first phase evaluation of the previous Cooperation Programme (2014-2020) drafted a set of recommendations, most of them are valid for the current Interreg Programme (2021-2027). The recommendations below address three fields: some of the conclusions concentrate on the designing of the programme; others focus on the better implementation of the programme; finally, some of them target project implementation.

1. Designing of the next (2021-2027) programme

1.1 Strategic frames of programming

R_1.1 Clearer and unambiguous rules and timely delivered regulation are necessary at EU level

1.2 Structural factors of programming

R_1.2 Involve the selected beneficiaries in the designing of the next programme

R_1.3 Avoid delays in implementing the electronic application system

R_1.4 Consider the application of continuously open calls

1.3 Programme priorities and tools

R_1.5 Pay more attention to the small applicants when defining the priorities

R_1.6 Apply small projects

R_1.7 Re-consider the inclusion of the activities targeting the SME sector

R_1.8 Select more relevant indicators

R_1.9 Improve the cross-border character of the projects

2. Programme management

2.1 Communication

R_2.1 Keep and enhance the good practices of communication

R_2.2 Support the beneficiaries to better understand the logic, the rules and the mission of the programme

R_2.3 Enlarge the territorial scope of the programme

R_2.4 Improve the beneficiaries' communication capacities

R_2.5 Promote the best practice examples

2.2 Management procedures

R_2.6 Compensate the currently lacking human capacities as soon as possible

R_2.7 Survey the implementation of the strategic projects with special attention

R_2.8 Simplify further the mechanisms and make them more user-friendly

R_2.9 Broaden the scope of simplified cost options

R_2.10 Make the IMIS more user-friendly

R_2.11 Follow-up the level of contribution to EU2020 targets

R_2.12 Follow-up the level of contribution to EUSDR and EUSAIR

3. Project implementation

R_3.1 Encourage the beneficiaries to design their contribution to horizontal principles more seriously

R_3.2 Enhance the sustainability of cross-border partnerships and project results

Main findings of the stakeholder consultation

According to the recommendations of the first phase evaluation of the previous programme (2014-2020), the local stakeholders (among others the selected beneficiaries of the previous programme) were involved in the designing of the programme (2021-2027). Within the stakeholder consultation an online survey was carried out with the primary aim to gather information from the local stakeholders on a number of issues such as their opinion about the previous programme; preferences regarding the new programme; existing potential project ideas and their opinion on the tools and solutions which can be applied by the programme. The online survey had two rounds with almost the same methodology. The first survey was conducted in Summer 2019, the second one in the first quarter of 2020.

The respondents were invited to rate on a 1-4 scale to what extent in their opinion did the priorities of the INTERREG-IPA Cross-border Cooperation Programme Hungary-Serbia (2014-2020) meet the territorial needs of the border region. Risk prevention was awarded the highest, then cross-border traffic closely followed by culture and nature, then tourism, while SMEs got the lowest ranking.

The respondents were also asked to identify those difficulties that they perceived as obstacles when participating in the cross-border programme. According to the answers in 2019 the biggest difficulties have been posed by the lack of required own contribution especially among the respondents filling out the survey in Serbian (26% in total), which is in line with the 2020 results (21%). While in the 2019 survey the second biggest challenge (21%) was the lack of workforce, in the second round implementation difficulties (17%) were deemed slightly more problematic than lack of human resources (16%). Inappropriate thematic calls and language difficulties were ranked as mid-range problems, whereas lack of information and lack of eligibility was perceived as a smaller problem. However, in the 2020 survey, complicated procedures were signposted as problematic by respondents from Serbia (receiving 12 votes) while none from Hungary.

When asked about the support which would help the respondents successfully submit project proposals a handful of valuable answers were offered that could be categorized into 5 main groups:

- Help with funding issues: a pre-financing system available on both sides of the border would enlarge the pool of potential applicants.
- Help in finding the suitable partners: Several respondents said they need better networking to that end they seek after meetings / introductions and presentations of the work of interested organisations from both countries.
- Simplifying the administration: A quicker and easier administrative and accounting system would be welcomed.
- Information and training, including help in writing the project proposal: Specific info workshops with a practical example of AF filling as well as interpreting and answering questions regarding eligibility rules for specific calls were asked by many.
- Changing the thematic calls: Expansion of the topics would make it possible for more organisations to get involved.

Furthermore, during the consultation process, it was also mentioned that the financial supporting mechanisms, the proportion of own funding as well as the bank's approach are different on the two sides of the border. This makes the participation of the organisations on the Serbian side harder as even though they have profound professional knowledge, they have shortages in financial terms.

1.2.3 Synergies with macro-regional strategies

The EU Strategy for the Danube Region (EUSDR) is one of the four macro-regional strategies targeting the European Territorial Cooperation objective, adopted by the European Commission, and endorsed by the European Council. It provides an integrated framework for strengthening cooperation between nations of 14 countries including both Member States (e.g. Hungary) and non-EU countries (e.g. Serbia) covering 112 million people.

The synergy analysis on the connection between the IPA CBC Programme and the EUSDR is based on the document named "Embedding EUSDR into EU funds. A comprehensive tool." This tool was developed in order to fully embed the EUSDR into the EU funds.

For each selected SOs of the IPA CBC Programme at least one clear connection can be detected to the shortlisted EUSDR actions. With the exception of three cases (PA 1a Waterways Mobility; PA 7 Knowledge Society; PA 8 Competitiveness of Enterprises), all of the EUSDR's PAs also have synergy with the SOs of the IPA CBC Programme. However, in the case of the 'PA 2 Sustainable Energy', only an indirect relation can be observed.

Proposed SOs → PAs of the EUSDR ↓	PO2 – SO 2.4 Climate change adaptation, risk prevention	PO2 – SO 2.7 Biodiversity and reduced pollution	PO4 – SO 4.2 Education and lifelong learning	PO2 – SO 4.5 Culture and tourism	ISO1 Better cooperation governance	ISO 2 Safer and more secure Europe
PA 1a Waterway mobility						
PA 1b Rail-Road- Air Mobility						++
PA 2 Sustainable Energy					+	
PA 3 Culture and Tourism, People to People				++		
PA 4 Water quality		++				
PA 5 Environmental risks	++					
PA 6 Biodiversity and landscapes, quality of air and soils		++				
PA 7 Knowledge Society						
PA 8 Competitiveness of enterprises						
PA 9 People and skills			++			
PA 10 Institutional Capacity and Cooperation					++	
PA 11 Security						++

In the case of the above described thematic synergies, the Programme can facilitate the implementation of the Danube Strategy's objectives through the application of one or more of the following tools:

- Specific selection criteria benefiting MRS
- Targeted calls for proposals
- Inclusion of transnational component
- Joint or synchronised call for proposals
- Complementary projects
- Labelling projects.

Horizontal principles

All actions within the programme will respect the horizontal principles of fundamental rights, gender equality, equal opportunity, non-discrimination, and promoting sustainable development and UN sustainable development goals during project preparation, implementation and follow-up period. Actions addressing accessibility to people with disabilities, promoting distant learning and social inclusion for disadvantaged members of the communities are encouraged. Horizontal principles are a must, they are to be assessed and the applicants are encouraged to prepare projects planning specific actions designed to advance

and promote the values of the horizontal principles. Furthermore, in line with Article 9 (4) and Recital 10 of CPR, in order to comply with the “do no significant harm” (DNSH) principle, all types of actions defined in chapter 2 have been assessed, and the result was that they are compatible with the DNSH principle. With regard to the support of climate objectives, the programme plans to reach 43%, for environment objectives 43% and for biodiversity objectives 21%.

Strategic Environmental Assessment has been carried out in both countries in national language according to legislation and the report and annexes are appendix of the programme.

During the implementation of the Programme the MA will promote the strategic use of public procurement to support POs. Beneficiaries should be encouraged to use more quality-related and lifecycle cost criteria. When feasible, environmental and social considerations as well should be incorporated in the procedures.

Programme will consider to promote the New European Bauhaus initiative and the MA/JS will inform the MC about it and provide opportunities how to adjust in the implementation.

1.2.4 Synergies with other funding programmes and instruments

With regard to the funding instruments **at EU level** thematic synergies are detectable; however, the territorial availability of certain instruments in some cases may limit its applicability to the Member State level.

Beside Interreg programmes, the Border Management and Visa (BMVI) as well as the Connecting Europe Facility (CEF) can contribute to developments (transport corridors, border crossing points) related to cross-border mobility.

EU’s common agricultural policy (CAP) can contribute to certain water management issues through supporting agricultural producers. CAP can also contribute to tourism developments through diversification of agricultural activities.

Results of the Horizon 2020, the EU Framework Programme for Research and Innovation, may contribute to tackling social challenges of the programme area, support for green transition, and to the facilitation of digitization processes.

The LIFE programme can provide a synergistic link for environment and nature protection, energy and climate policy projects. In parallel with this, due to the selection of the relevant SOs (PO2–SO 2.4 and PO2–SO 2.7) the programme could directly contribute to the implementation of the Green Deal as well, mainly regarding the actions within the topics 'Climate ambition' and 'Preserving and protecting biodiversity'. Indirect effects could be also exerted in the sense of mainstreaming sustainability.

The Erasmus+ programme can contribute to the objective of education and lifelong learning indirectly, as well as Creative Europe can indirectly contribute to the objective of enhancing the role of culture and sustainable tourism in economic development, social inclusion and social innovation.

At **interregional level**, with the measures of the overlapping or neighbouring INTERREG programmes could also be built up synergies. In the sense of the cross-border cooperation component, the cooperation programmes between the following countries could be relevant: Romania and Serbia, Romania and Hungary, Croatia and Serbia. Based on the draft programmes, thematic synergies could be observed in the field of environment, climate

change, biodiversity, social issues and tourism. The Danube Transnational Programme will support cooperation initiatives on a higher territorial level. With the programmes of the interregional cooperation component, thematic synergies could be built up.

Projects financed by INTERREG programmes are expected to have cross-border effects. On the other hand, in connection with the documents and financing instruments at the **national level**, their focus on developments primarily within the borders of the given country should be emphasized. However, it should be kept in mind that according to the relevant provision of the Common Provisions Regulation (CPR) in case of programmes covered by the CPR all or part of an operation may be implemented outside of a Member State, including outside the Union, provided that the operation contributes to the objectives of the programme. In addition, national level programmes can be utilized to supplement given domestic elements of cross-border developments within the national border.

Consequently for Hungary the “Country Report Hungary 2019” is an important document to consider when drafting plans and developments. With regard to climate change Hungary should increase cross-border cooperation to identify the most suitable adaptation and risk prevention and management measures, including sharing of best practices and developing harmonized data systems. Environmental implementation is still a challenge in Hungary. The need for protection of water sources remains high. Targeted investment in employment, social, educational and healthcare including infrastructure in lagging behind regions and for disadvantaged groups will be key to foster development in Hungary. Regarding education, different types of activities would be welcomed. Tourism is mentioned regarding non-urban areas to carry out integrated developments based on endogenous potentials. The Country Report supports cooperation activities also cross-border to foster the integrated social, economic, cultural and environmental development, including rural and urban areas.

The document of “Partnership Agreement for Hungary on the European structural and investment funds” (draft version) served as the basis for the analysis of synergies. The Partnership Agreement (PA) for the period from 1 January 2021 to 31 December 2027 sets out the developments for which cohesion funds coming to Hungary from the Union's Multiannual Financial Framework (MFF) will be used. The following table shows the possible synergies with the objectives of the planned mainstream programmes and the proposed SOs of the current CBC Programme.

Proposed SOs → Hungarian Operational Programmes ↓	PO2 – SO 2.4 Climate change adaptation, risk prevention	PO2 – SO 2.7 Biodiversity and reduced pollution	PO4 – SO 4.2 Education and lifelong learning	PO2 – SO 4.5 Culture and tourism	ISO1 Better cooperation governance	ISO 2 Safer and more secure Europe
Digital Renewal OP Plus	+	+	+		+	
Human Resources Development OP Plus			+			
Economic Development and Innovation OP Plus			+	+		
Integrated Transport OP Plus						+

Proposed SOs → Hungarian Operational Programmes ↓	PO2 – SO 2.4 Climate change adaptation, risk prevention	PO2 – SO 2.7 Biodiversity and reduced pollution	PO4 – SO 4.2 Education and lifelong learning	PO2 – SO 4.5 Culture and tourism	ISO1 Better cooperation governance	ISO 2 Safer and more secure Europe
Environmental and Energy Efficiency OP Plus	+	+				
Territorial and settlement development OP Plus	+	+	+	+	+	

National programmes financed by the Hungarian state budget may also contribute to the objectives of the CBC Programme (e.g. *Modern Cities Programme, Hungarian Village Programme, Kisfaludy Programme, Catching-up settlements programme, or National Environmental and Remediation Program*, to name a few). Further information on synergies can be found in the territorial analysis of the programme.

In case of Serbia, the document titled “*Partnership for development. Priorities for international assistance for the period up to 2025*” served as the basis for comparison, whose main aim is to identify, inter alia, the key priorities and measures that will be proposed for funding from the international development assistance. Within two pillars (Pillar 1: Good governance; Pillar 2: Knowledge-based, sustainable and inclusive economy), the strategic measures were drafted in nine sectors. The following table shows the synergies between these sectors and the specific objectives of the cooperation programme.

Proposed SOs → Sectors of the Serbian “Partnership for development” ↓	PO2 – SO 2.4 Climate change adaptation, risk prevention	PO2 – SO 2.7 Biodiversity and reduced pollution	PO4 – SO 4.2 Education and lifelong learning	PO2 – SO 4.5 Culture and tourism	ISO1 Better cooperation governance	ISO 2 Safer and more secure Europe
1. Public administration reform					+	+
2. Justice						
3. Home Affairs	+					+
4. Environment and climate change	+	+				
5. Energy	(+)					
6. Transport	(+)					+
7. Competitiveness			(+)	+		
8. Human resources and social development			+			
9. Agriculture and rural development	+	(+)	(+)	(+)	+	

The same applies for Serbia as for Hungary; in addition to the above, programmes and strategies financed from the Serbian state budget can also contribute to the realization of the objectives of the cooperation program. The table above can also be used to understand the thematic fit of each programme. More information on the strategic programmes and plans of the Government of the Republic of Serbia can be found on the following website:
<https://www.srbija.gov.rs/dokument/45678/strategije-programi-planovi-.php#>

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

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

Table 1

Selected policy objective or selected Interreg-specific objective	Selected specific objective	Priority	Justification for selection
PO2 a greener Europe	<i>iv. promoting climate change adaptation and disaster risk prevention, resilience, taking into account eco-system based approaches</i>	1. A greener region	<p>The region is exposed to negative consequences of the climate change to a higher degree than the global average. Therefore, coordinated actions which would support joint preparation are required for timely and efficient mitigation of the effects of climate change.</p> <p>The risks and challenges identified by Territorial Analysis are of a transboundary nature and they are equally affecting the Southern Great Plain and Vojvodina. Therefore, close cross-border cooperation is needed to adapt to and mitigate extreme weather conditions and uneven distribution of precipitation and water supply causing droughts, floods and such challenges.</p> <p>Climate change adaptation and environmental risks are intrinsically cross border and even transnational issues, so tackling them jointly is more efficient by default. The topic was fairly popular among the participants in the consultation process as well.</p> <p>Several risks which impact the border area relate to either cross-border water flows or inland water. It is reasonable, therefore, to cover such preventive measures under the risk prevention activity, rather than a separate water management related Specific Objective. It is advisable, though, to avoid narrowing down the focus of risk prevention actions to water related risks. Instead, all areas that may potentially be hazardous for the environment or otherwise hinder sustainable development should be covered as well. It is recommended, therefore, to focus the Specific Objective on climate change related risk prevention actions and to give preference to nature-based solutions.</p> <p>As agriculture plays a significant role in the region’s economy and it is to a great extent exposed to the effects of climate change, joint actions aimed to reduce the impact of climate change in the Programme area are needed.</p> <p>However, climate change adaptation should not be narrowed down to a single Specific Objective because adaptation to the climate risks may be addressed at multiple levels, from legislative changes to education, economy or society in general. In order to reach measurable contribution in a Programme of this size, more targeted solutions should be sought. This approach could contribute to the objectives of Green deal with a higher impact. Under this SO grant will be provided to finance projects, since no financial instrument will be applied.</p>

Selected policy objective or selected Interreg-specific objective	Selected specific objective	Priority	Justification for selection
PO2 a greener Europe	<i>vii. enhancing protection and preservation of nature, biodiversity and green infrastructure, including in urban areas, and reducing all forms of pollution</i>	1. A greener region	<p>The Territorial Analysis identified a series of challenges which are related to biodiversity and pollution. Firstly, in terms of landscape structure, most of the mesoregions of the Programme area have a cross-border character, being fragmented by state borders. This situation is creating challenges when it comes to managing the environmental sustainability. The share of natural, untouched areas is low, while there are unfavourable processes observed on the remaining natural areas (e.g. drying out wetlands). This is accompanied by degradation and transformation of vegetation and by the spread of invasive alien species due to the climate change and human activities. The Territorial Analysis identified the need for intensified cooperation in relation to jointly shared natural values, habitats (mostly wetlands, sandy and saline habitats), various natural protection areas centred around the rivers and ponds to carry out nature protection and management measures to safeguard the diversity of nature especially regarding sandy heaths and riverside forests, swamps and reeds.</p> <p>Current international/national focus on the subject matter creates a conducive environment for devising efficient actions. This is a popular and widely accepted topic, which not only attracts interest of the applicants, but also garners wide support from the society in general.</p> <p>A variety of diverse organisations and institutions are dealing with the issues of pollution and biodiversity, either directly or tangentially. By selecting this topic, the Programme will attract a wide range of potential applicants such as institutions and agencies for environmental protection, educational institutions, local communities, expert groups and associations, to name a few. Such diversification helps building multi-sectoral partnerships and ensures that the issue is tackled from multiple perspectives. This, in turn, secures greater impact of the activities and measures.</p> <p>The Specific Objective may be sufficiently focused to result in significant economic and social contribution. Easily connected to different intervention areas, such as education, sustainable tourism or climate change adaptation, climate change has maybe the most direct impact on the natural world and consequently it can be regarded as the most vulnerable target. Under this SO grant will be provided to finance projects, since no financial instrument will be applied.</p>
PO4 a more Social Europe	<i>ii. improving equal access to inclusive and quality services in education, training and lifelong learning through developing accessible infrastructure,</i>	2. Enhancing the human and cultural values	<p>In the current CBC Programme many institutions have already participated in educational cross-border initiatives. It would be well advised to capitalize on educational networks as a type of potential functional cooperation areas by enhancing cooperation based on the participating organisations' joint and complementary capacities in terms of level of education, language, training offer etc. The intensified cross-border student migration along with multilingualism can be addressed in the future by creating better access to quality services and sustainable provision of infrastructure.</p>

Selected policy objective or selected Interreg-specific objective	Selected specific objective	Priority	Justification for selection
	<p><i>including by fostering resilience for distance and on-line education and training</i></p>		<p>The cohesion of the region heavily depends on the access to education. Cooperation in raising educational attainment and better alignment of the training systems are keys in creating a more resilient economy and society as part of the recovery from the pandemic. It would also increase their income levels by decreasing outmigration and poverty at the same time.</p> <p>Timely investment into a responsive educational system can address challenges such as low population retention owing to outmigration of skilled and younger labour, and low restructuring to a smarter and more inclusive region due to low educational attainment, weak skills, and early school leaving.</p> <p>Post-pandemic recovery will also depend on the responsiveness of the educational structure. Thus, educational institutions, especially life-long learning programs can be crucial for (re)qualification of the workforce</p> <p>In order to maintain and improve the competitiveness of enterprises by shifting to a more knowledge-intensive employment, it is necessary to have a higher share of well-trained workforce capable of applying digital and hi-tech solutions in the given field. All this requires joint development or transfer of new training programs at all level of education, as well as their introduction and application.</p> <p>Education, training and life-long learning solutions can actively contribute to addressing the low population retention rate of extensive areas of the border region together with inclusive labour market solutions. Solutions by training and mentorship programs supporting skills development required by a more knowledge-intensive economy contribute to addressing challenges of unemployment, poverty, and aging as well. Under this SO grant will be provided to finance projects, since no financial instrument will be applied.</p>
<p>PO4 a more Social Europe</p>	<p><i>vi. enhancing the role of culture and sustainable tourism in economic development, social inclusion and social innovation</i></p>	<p>2. Enhancing the human and cultural values</p>	<p>Cultural roots and heritage of the border region show similarities, which form a good basis for cooperation. Hungarian, Serbian and other ethnic minorities, as links between the two side of the border both in Serbia and in Hungary, constantly offer opportunities for joint management of the shared tangible and intangible heritage elements, cultural programs and intercultural dialogue.</p> <p>In recent years, tourism product developments have taken place in a number of thematic areas. However, these products were not combined and integrated into a single tourism offer that would position the border region prominently and at a higher level. Thus, the lack of joint management of tourism products remains a challenge. In the future, in addition to the presentation of cultural heritage values, more emphasis should be placed on creative appearance, which offers a new opportunity for tourism in the region.</p> <p>The development of eco-tourism, active tourism, gastrotourism and health tourism in rural areas provides an opportunity to earn an income and retain the population. By enhancing the role of tourism in more remote and rural areas can contribute to social inclusion of inner and outer economic peripheries.</p>

Selected policy objective or selected Interreg-specific objective	Selected specific objective	Priority	Justification for selection
			<p>It is advisable to continue the successful developments of previous years so that the results are complete and increasingly visible. More emphasis can be put on institutionalisation, e.g. on destination management organisations.</p> <p>Both Culture and Tourism are among the most popular topics among the local actors. This implies that Culture and Tourism should be supported both separately (interventions with indirect synergy) and jointly (interventions with direct synergy). With respect to Culture, financed projects and interventions would consequently incorporate the support of creative and cultural industries, cultural services, cultural heritage sites and alike.</p> <p>Tourism is one of the sectors which are the most affected by Covid-19 pandemic, which makes the results of interventions and developments exposed to risk. Apart from tourism being a key part of the recovery, new potentials emerge in less popular tourist regions. By focusing on sustainable tourism, the involvement of new areas and host communities by product development and destination management can be reached. Under this SO grant will be provided to finance projects, since no financial instrument will be applied.</p>
ISO1 'better cooperation governance'	<p>Actions:</p> <ol style="list-style-type: none"> 1. <i>enhance the institutional capacity of public authorities, in particular those mandated to manage a specific territory, and of stakeholders (all strands);</i> 2. <i>enhance efficient public administration by promoting legal and administrative cooperation and cooperation between citizens, civil society actors and institutions, in particular with a view to resolving legal and other obstacles in border</i> 	3. Cross-border institutional and civil cooperation	<p>The better cooperation governance objective reflects the focus of the Programme on the exchange of experiences and capacity building among actors on both sides of the border.</p> <p>The importance of P2P actions is also unquestionable. There is a positive experience with such projects and clear need to support them, according to the opinion of stakeholders.</p> <p>The objective provides possibility to establish further mutual trust based on intercultural and interethnic ties and communities at a different level of cooperation and organisations. Already existing family bonds, business relations, sports and cultural events can help overcoming obstacles which hinder closer and more intense cross-border cooperation in many fields of border life. The support for preparation of common strategies, action plans, technical plans or any proposals thus are important actions for a cohesive border region.</p> <p>The better cooperation governance objective provides possibility to support cross-border cooperation of different governance players and bodies such as governmental branches, municipalities, institutions, non-governmental and civil organisations. This cooperation possibility is especially valuable for the professional areas not selected among Specific Objectives, and also support cross-thematic and –sectoral, integrated developments.</p> <p>There is a need for capacity building of already existing cooperation forms, including cross-border organisations, and partner (twinning) settlements which also can be the subject of cooperation projects. These governance forms can create and maintain long-term and institutionalized types of cooperation</p>

Selected policy objective or selected Interreg-specific objective	Selected specific objective	Priority	Justification for selection
	<p><i>regions (strands A, C, D and, where appropriate, strand B);</i></p> <p>3. build up mutual trust, in particular by encouraging P2P actions</p> <p><i>4. enhance institutional capacity of public authorities and stakeholders to implement macro-regional strategies and sea-basin strategies, as well as other territorial strategies (all strands);</i></p> <p><i>5. enhance sustainable democracy and support civil society actors and their role in reforming processes and democratic transitions (all strands with involvement of third countries, Partner Countries or OCTs) and</i></p> <p>6. other actions to support better cooperation governance (all strands).</p>		<p>reaching far behind sole and dot-like P2P actions.</p> <p>The initiated cooperation on information exchange in the border region can be raised on a higher level with the involvement of local media.</p> <p>The COVID-19 crisis might make it more difficult than previously to prepare and implement joint cross-border projects, specifically P2P actions. Compared to the previous projects, new types of collaboration platforms are to be identified.</p> <p>A significant development potential is that the necessary legal basis for implementing the EGTC Regulation shall be prepared by 2023 to establish conditions required for the participation of Serbian legal entities in EGTCs. Under this SO grant will be provided to finance projects, since no financial instrument will be applied.</p>
ISO2 'a safer and more secure Europe'	Actions: border crossing management and mobility	3. Cross-border institutional	As the border between Hungary and Serbia is outside of Schengen Treaty, the border crossings encounter difficulties. They are overburdened due to increasing and mass flows of transit traffic and migrant workers of transnational relevance, especially in the summer and around national holidays. At many crossing points,

Selected policy objective or selected Interreg-specific objective	Selected specific objective	Priority	Justification for selection
	<p><i>and migration management, including the protection and economic and social integration of third-country nationals including migrants and beneficiaries of international protection</i></p>	<p>and civil cooperation</p>	<p>the transferring capacity is lower than required because of the limited opening hours, modes of transport, or lengthy border control procedure due to the Schengen rules. Therefore, the waiting times at border crossings should be reduced, and periodic congestions should be eliminated.</p> <p>Although the number of border crossing points has increased in recent years, almost all of those have limitations, except for Röszke-Horgoš border crossing. Stakeholders have a significant need to modernize border crossings and increase capacity and would support the upscaling and replication of border crossing points' infrastructure. The exploration of the possibilities for expanding the border crossings Bácsalmás-Bajmok, Ásotthalom-Bački Vinogradi, and Tiszasziget-Đala is important to achieve balance and relieve the existing border crossings.</p> <p>The development of railway connections between the two countries (Budapest - Belgrade railway line), the east-west relation (Szeged-Subotica-Baja) and the branch lines (Sombor-Baja) is also on the agenda. This can result in the increased railway traffic in the future which would require the development of the border crossing points both in staff and equipment.</p> <p>Border crossing points must meet the strict criteria of the Schengen Convention, which requires the development and modernization of security at border crossing points (more efficient border surveillance, border checks). The development at external border of EU must contribute to the smooth flow of goods.</p> <p>Increasing the transferring capacity of border crossings would be economically beneficial for the border region, as the labour flow from Vojvodina towards Hungary is significant. A more efficient border crossing would contribute to a more robust integration of the two labour markets, and daily commuting would be a real option for the inhabitants of the border region. Under this SO grant will be provided to finance projects, since no financial instrument will be applied.</p>

2. Priorities

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

Overview and breakdown of priorities and programme objectives

Priority 1: A greener region

Objective 1.1: Climate change adaptation, risk prevention (SO 2.4)

Objective 1.2: Biodiversity and reduced pollution (SO 2.7)

Priority 2: Enhancing the human and cultural values

Objective 2.1: Education and lifelong learning (SO 4.2)

Objective 2.2: Culture and tourism (SO 4.6)

Priority 3: Cross-border institutional and civil cooperation

Objective 3.1: Harmonious neighbourly relations through cooperation (ISO1)

Objective 3.2: Border crossing management (ISO2)

2.1 A greener region

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

PO 2: A greener Europe - a greener, low-carbon transitioning towards a net zero carbon economy and resilient Europe by promoting clean and fair energy transition, green and blue investment, the circular economy, climate change mitigation and adaptation, risk prevention and management, and sustainable urban mobility

2.1.1 Climate change adaptation, risk prevention

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

(iv) promoting climate change adaptation and disaster risk prevention and resilience, taking into account eco-system based approaches

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

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

Climate change adaptation, risk prevention

The type of actions contribute to the Specific Objective by increasing the capacity to adapt to and to mitigate the effects of climate change and to improve the measures and interventions in disaster risk prevention in the region with active contribution to sustainable development as the horizontal principle 4 (Article 9 of Regulation (EU) 2021/1060 (CPR)). The aim is to jointly¹ develop specific skills and know-how as well as to improve the common infrastructural background for appropriate,

¹ The word joint in this document is used in a cross-border context, meaning it involves at least two organisations/institutions from both sides of the border region.

timely and efficient interventions. As a result, the Programme area will be better prepared to prevent and/or tackle the negative consequences of extreme weather phenomena (including droughts, heat waves or floods) or of other anthropic events. All interventions must comply with all relevant EU and national regulations.

In order to efficiently respond to the identified problems and mitigate the effects of the climate change, this Specific Objective focuses on three types of actions.

The types of actions closely relate to Priority Area 5 of the EUSDR “To manage environmental risks” of the EUSDR.

Type of action 1. Joint development, coordination and improvement of the cross-border risk prevention and disaster management systems

The aim is to increase the cross-border disaster-management capacity in the border region and to improve the coordination and reaction capabilities of organisations involved in disaster management.

Possible activities can include, but are not limited to:

- Exchange of experiences and know-how among the professional and voluntary units involved in the disaster management (including the fire departments and civil protection) from the two sides of the border, networking and organisational development with the aim of handling risk prevention actions more efficiently, including coordination between/among central, local and cross-border levels, coordination/synchronization of intervention protocols, capacity building through joint trainings and exercises;
- Investments (both equipment and infrastructure) in improving the capacity of the disaster management units to prepare and respond to the natural and man-made emergencies/accidents in the border region. By adapting climate change mitigation measures in joint policies and in rapid response management, the investment to modernize the operating conditions of the voluntary fire brigade highly reflects on the development needs of the border region which topic is addressed through a targeted selection method.
- Joint campaigns addressing the general population or specific target groups, depending on the type of risk
- Joint prevention programs, focusing on addressing the effects of climate change

Type of action 2. Joint actions for adaptation to climate change in view to reducing the impact of climate change, addressing natural phenomena occurring as a consequence of climate change

The aim is to increase the climate change resilience of the border region by reducing the probability of occurrence and/or by mitigating the effects of the natural phenomena which are increasingly frequent in the border area as a result of climate change. They also include cross-border interventions which provide solutions for already existing significant damages caused by climate change.

Possible activities should promote Nature-based Solutions (NbS) and can include, but are not limited to:

- Joint plans and interventions in the field of water management in order to reduce the impact of climate change in this field, including measures for increasing the natural water retention capacity and the quantitative and ecological status of water bodies in the border area, and for preventing

against the effects of extreme weather conditions (as droughts, floods, inland water) and including activities aiming the planning and construction of water replacement solutions;

- Activities aimed to mitigate risks on agriculture - as an area highly exposed to the negative impact of climate change - which have a clear cross-border character and which are not included in the previous indicative activity (e.g hail protection);

- Cross-border cooperation projects that target existing or potential negative climate change related impacts with the aim of preserving natural habitats and fight against biodiversity loss (e.g., in the field of forestry, wetlands, or grasslands, aquatic ecosystems).

Type of action 3. Joint awareness raising and educational activities on causes, consequences of climate change and possible adaptation and mitigation measures

The aim is to enhance the climate change resilience of the border region by increasing the awareness of the general public about the consequences of climate change and possibilities for adapting and mitigating them.

Possible activities can include, but are not limited to:

- Joint information campaigns among the agricultural producers in the region, presenting the effects of climate change on agriculture, as well as mitigation and adaptation options;

- Joint information campaigns for the inhabitants of the border area severely impacted by climate change risks or damage;

- Joint educational programs about the effects of climate change and possible approaches to adapt and to reduce climate change related threats and damages on the environment, nature and people;

- Capacity building activities for civil society organisations in the field of climate change adaptation and mitigation.

2.1.1.2 Indicators

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

Table 2: Output indicators

Priority	Specific objective	ID	Indicator	Measurement unit	Milestone (2024)	Final target (2029)
1	iv)	RCO84	Pilot actions developed jointly and implemented in projects	pilot actions	0	4
1	iv)	RCO87	Organisations cooperating across borders	organizations	0	11
1	iv)	RC115	Public events across borders jointly organised	events	0	8

Table 3: Result indicators

Priority	Specific objective	ID	Indicator	Measurement unit	Baseline	Reference year	Final target (2029)	Source of data	Comments
1	iv)	RCR84	Organisations cooperating across borders after project completion	organizations	0	2021	9	MA monitoring system / Beneficiary report	

2.1.1.3 The main target groups

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

The main target groups benefitting:

- The inhabitants of the border region,
- Agricultural producers (farmers)
- Students and teachers

through activities implemented by

- Disaster management bodies
 - Water management organisations
 - Environment protection organisations
 - Government bodies dealing with climate protection
 - Administrations of protected natural areas
 - Forestry organisations
 - Local governments
 - Professional organisations (e.g. chambers of agriculture)
 - Civil society organisations and non-profit companies
 - Educational organisations
 - Research organisations
 - Regional development councils
- and other relevant organisations.

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

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

Not applicable.

2.1.1.5 Planned use of financial instruments

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

Not applicable.

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

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

Table 4: Dimension 1 – intervention field

Priority no	Fund	Specific objective	Code	Amount (EUR)
1	IPA III CBC	iv)	058 Adaptation to climate change measures and prevention and management of climate related risks: floods and landslides (including awareness raising, civil protection and disaster management systems, infrastructures and ecosystem based approaches)	2 577 273
1	IPA III CBC	iv)	059 Adaptation to climate change measures and prevention and management of climate related risks: fires (including awareness raising, civil protection and disaster management systems, infrastructures and ecosystem based approaches)	2 577 273
1	IPA III CBC	iv)	060 Adaptation to climate change measures and prevention and management of climate related risks: others, e.g. storms and drought (including awareness raising, civil protection and disaster management systems, infrastructures and ecosystem based approaches)	2 577 273
1	IPA III CBC	iv)	064 Water management and water resource conservation (including river basin management, specific climate change adaptation measures, reuse, leakage reduction)	2 577 273

Table 5: Dimension 2 – form of financing

Priority no	Fund	Specific objective	Code	Amount (EUR)
1	IPA III CBC	iv)	01 Grant	10 309 092

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

Priority No	Fund	Specific objective	Code	Amount (EUR)
1	IPA III CBC	iv)	33 No territorial targeting	10 309 092

2.1.2 Biodiversity and reduced pollution

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

(vii) enhancing protection and preservation of nature, biodiversity and green infrastructure, including in urban areas, and reducing all forms of pollution

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

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

Biodiversity and reduced pollution

The types of actions contribute to the Specific Objective by strengthening the cooperation among stakeholders from the two sides of the border on the protection and preservation of the natural values and habitats, while enhancing the efficiency of the measures for safeguarding biodiversity. The aim is to tackle the unfavorable processes observed in the remaining natural areas as a result of the climate change and human activities. This includes initiatives to reduce and eliminate the pollution sources from the Programme area with active contribution to sustainable development as the horizontal principle 4 (Article 9 of Regulation (EU) 2021/1060 (CPR)).

In order to efficiently respond to the identified problems, protect and preserve the nature, safeguard biodiversity and reduce and eliminate pollution, this Specific Objective focuses on three types of actions.

The type of actions closely relate to Priority Area 4 “To restore and maintain the quality of waters” and Priority Area 6 “To preserve biodiversity, landscapes and the quality of air and soils” of the EUSDR.

Type of action 1. Joint activities which identify and contribute to the elimination of the cross-border pollution sources

The aim is to reduce and/or prevent further pollution of air, soil, or water in the border region.

Possible activities can include, but are not limited to:

- Joint interventions to map pollution sources and/or development of up-to-date solutions to eliminate various pollution sources and pollutants from air, soil, or water – e.g., elimination/reduction of greenhouse gasses and different kind of liquid and solid waste such as paper, plastics, metals, chemicals in solid form;
- Pilot projects establishing cooperation initiatives and organisational alliances which aim to reduce pollution.

Type of action 2. Joint initiatives for ensuring the sustainable development of natural areas

The aim is to enhance the sustainable use of the natural areas in the border region.

Possible activities can include, but are not limited to:

- Joint blue (e.g. backwater) and green interventions for in-situ conservation, reconstruction/protection, restoration or revitalization of natural habitats;

- Re-introduction of native species to cross-border habitats, including species protection programs, operation of rescue centres, or ex situ breeding and release programs;
- Creation of educational trails in nature, interconnected between the two sides of the border (either geographically or by thematic focus);
- Establishment of cooperation networks (e.g. in agricultural sector) to enhance and harmonize cross-border planning and joint interventions in the field of environment and nature protection and biodiversity.

Type of action 3. Joint awareness raising and educational activities on environmental and nature protection topics in the border region

The aim is to promote effective communication helping to arrive at a common understanding of the objectives of sustainable development as well as to promote self-mobilisation and other forms of involvement in nature protection activities.

Possible activities can include, but are not limited to:

- Organizing information campaigns, social events and programs on environment and nature protection topics;
- Implementing educational programs to develop environmental awareness and understanding of the impact of human consumption and other activities on the deterioration of natural habitats;
- Organizing joint education and/or dissemination programs for children including outdoor kindergartens, thematic children/youth camps connected to nature protection and biodiversity;
- Capacity building activities of civil society organisations in the field of environment and nature protection.

2.1.2.2 Indicators

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

Table 2: Output indicators

Priority	Specific objective	ID	Indicator	Measurement unit	Milestone (2024)	Final target (2029)
1	vii)	RCO84	Pilot actions developed jointly and implemented in projects	pilot actions	0	4
1	vii)	RCO87	Organisations cooperating across borders	Organizations	0	14
1	vii)	RCO115	Public events across borders jointly organised	events	0	12

Table 3: Result indicators

Priority	Specific objective	ID	Indicator	Measurement unit	Baseline	Reference year	Final target (2029)	Source of data	Comments
1	vii)	RCR84	Organisations cooperating across borders after project completion	organisations	0	2021	11	MA monitoring system / Beneficiary report	

2.1.2.3 The main target groups

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

The main target groups benefitting:

- The inhabitants of the border region, directly benefitting from the actions
- Students and teachers

through activities implemented by:

- Administrations of protected natural areas
- Environment and nature protection organisations
- Water management organisations
- Waste management organisations
- Civil society organisations and non-profit companies
- Educational organisations
- Research organisations
- Local governments
- Disaster management bodies
- Professional organisations (e.g. chambers of agriculture)
- Regional development councils

and other relevant organisations.

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

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

Not applicable

2.1.2.5 Planned use of financial instruments

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

Not applicable

2.1.2.6 Indicative breakdown of the EU programme resources by type of intervention

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

Table 4: Dimension 1 – intervention field

Priority no	Fund	Specific objective	Code	Amount (EUR)
1	IPA III CBC	vii)	079 Nature and biodiversity protection, natural heritage and resources, green and blue infrastructure	5 727 273

Table 5: Dimension 2 – form of financing

Priority no	Fund	Specific objective	Code	Amount (EUR)
1	IPA III CBC	vii)	01 Grant	5 727 273

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

Priority No	Fund	Specific objective	Code	Amount (EUR)
1	IPA III CBC	vii)	33 No territorial targeting	5 727 273

2.2 Enhancing the human and cultural values

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

PO4 More Social Europe - A more social and inclusive Europe implementing the European Pillar of Social Rights;

2.2.1 Education and lifelong learning

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

ii) improving equal access to inclusive and quality services in education, training and lifelong learning through developing accessible infrastructure, including by fostering resilience for distance and on-line education and training

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

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

Education and lifelong learning

Importance of education for achieving and maintaining social rights cannot be overstated. Moreover, the cultural and economic development of the region and quality of life depend also on education, training and skills of its inhabitants and (future) workforce and their health and wellbeing. This objective will contribute to sustainable development and the promotion of non-discrimination as horizontal principles 3 and 4 (Article 9 of Regulation (EU) 2021/1060 (CPR)). In order to appropriately and efficiently respond to the identified problems and challenges of the region, this Specific Objective focuses on three types of actions.

In relation to the activities of all three types of actions, it is possible to purchase equipment and implement small-scale infrastructural interventions.

The planned Actions closely relate to all Actions of the Priority Area 9 “People and Skills” of the EUSDR.

Type of action 1. Lifelong learning for social inclusion, social cohesion and environmentally sustainable and healthy digitalization

ICT developments of the past two decades combined with the pandemic situation of early 2020’s have shown that access to digital tools is becoming necessary for participation in social and economic life and exercising social rights. Educational interventions can help ensure that digitalization is socially inclusive, healthy and environmentally sustainable.

The aim of this Action is to deliver jointly developed formal and informal direct training and train-the-trainer actions to promote socially inclusive and sustainable digitalization, strengthen social cohesion, protect health, enhance wellbeing, foster digital hygiene, and improve digital skills of all people of all ages while mitigating the harmful effects of digital technologies.

The proposed activities, thus, contribute to improving equal access to education, participation in social and economic life and exercising social rights by focusing on socially inclusive, environmentally sustainable digitalization and balanced integration of digital technologies into lives and work of people of the region.

Possible activities can include, but are not limited to implementation of jointly developed:

- Trainings on intercultural, language and other relevant competences;
- Collaborations and exchange of best practices to improve the quality of education for vulnerable social groups and disadvantaged learners (e.g., children with disabilities);
- Practical training and exchange programs for people with disabilities, rural population, Roma, low-income families, young people and, where appropriate, the elderly and other vulnerable groups to learn about and use digital services related to day-to-day administration, job search, and healthy living (e.g., e-health, e-government and online administration platforms, online job search and applications);
- Multi-level courses for the general public, including open online courses (MOOC) to develop digital skills, to address technological challenges (e.g., carbon footprint of digital technologies), emerging technologies (e.g., AI, VR, AR), risks (e.g., screen dependency and other addictions, cyberbullying), privacy and data protection, responsible and secure internet use, social networks, open source software;
- Educational programs promoting balanced usage of digital tools and healthy lifestyles, for example by tackling problems caused by a sedentary lifestyle, poor eating habits, vision loss, lack of movement and other health risks.

Type of action 2. Joint development of training, mentoring and outreach programs to combat and reverse early school leaving

The aim of the second Action is to deliver jointly developed educational and training actions and campaigns devised to prevent and reverse early school leaving recorded on both sides of the border. By tackling a high number of school drop-outs recorded in the Programme area, the proposed activities contribute to social inclusion by improving the effective equal access of the disadvantaged learners, especially children, youth and Roma population, to mainstream education.

Possible activities can include, but are not limited to delivery of jointly developed:

- On-site, in-school and online programs and curricula to tackle early-school leaving, with an emphasis on improving digital skills;
- Practical training and skill development for children not attending school;
- Practical training and exchange programs for teachers and educators to update knowledge and upgrade the skills with special emphasis on teaching, mentoring and inclusion of people from vulnerable groups, trends and challenges of digitalization and sensitivity trainings.

Type of action 3. Joint development of vocational training

A border region with skilled workforce can effectively combat (and reverse) outmigration and problems stemming from ageing and deskilled or unskilled? population. To achieve this, educational interventions shall also meet a growing demand of the economic operators for people who possess both required qualifications and actual professional knowledge and skills.

The aim of this Action is collaboration on developing inclusive vocational education and trainings with strong emphasis on practical, e.g., work-based training schemes for development of relevant skills which respond to the labour market needs. Its aim is to contribute to upskilling and reskilling of local and regional workforce making them well-trained in applying modern tools and digital solutions in the given field.

The proposed vocational training activities and strong emphasis on green and digital skills contribute to accessible and socially inclusive education and better employment opportunities.

Possible activities can include, but are not limited to:

- Joint development of curricula for practical trainings, dual education and work-based educational programs – e.g., agriculture;

- Joint development of training programs especially for (new) vocational profiles in high demand, with an emphasis on improving green and digital skills and services, upgrading technical competences, and incorporating e-solutions and emerging technologies;
- Support for and promotion of society-wide measures to restore the prestige to vocational training;
- Cross-border cooperation and exchange of experiences of practical vocational training centres operating on a non-profit basis related to the company.

By acknowledging agriculture’s larger share in the regional economy than the national average and by valorising its asset in the long perspective, the vocational training and education programmes in the agricultural sector highly reflects on the development needs of the border region, which topic is addressed through a targeted selection method.

2.2.1.2 Indicators

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

Table 2: Output indicators

Priority	Specific objective	ID	Indicator	Measurement unit	Milestone (2024)	Final target (2029)
2	ii)	RCO85	Participations in joint training schemes	participations	0	330
2	ii)	RCO81	Participations in joint actions across borders	participations	0	660
2	ii)	RCO87	Organisations cooperating across borders	organisations	0	25

Table 3: Result indicators

Priority	Specific objective	ID	Indicator	Measurement unit	Baseline	Reference year	Final target (2029)	Source of data	Comments
2	ii)	RCR81	Completions of joint training schemes	participants	0	2021	178	MA monitoring system / Beneficiary report	
2	ii)	RCR85	Participations in joint actions across borders after project completion	participations	0	2021	132	MA monitoring system / Beneficiary report	
2	ii)	RCR84	Organisations cooperating across borders after project completion	organisations	0	2021	8	MA monitoring system / Beneficiary report	

2.2.1.3 The main target groups

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

The main target groups benefitting:

- Inhabitants of the region
- Vulnerable and disadvantaged groups
- Unemployed and hard-to-employ people
- The children and youth who left school early
- The children and youth at risk of schools leaving
- School professionals and authorities
- Social workers
- Primary school pupils and young people applying for secondary/high schools
- Students of secondary/high schools
- Students of vocational schools and centres, and their teachers, professors, trainers and educators

through activities implemented by:

- Institutions and non-profit organisations dealing with formal and informal education
 - Social work and social care services
 - Non-profit organisations dealing with child and family protection and youth
 - Vocational schools and non-profit training centres
- and other relevant organisations

While a number of activities will target all inhabitants of the region, for example some MOOCs, individualized educational activities will target and benefit persons from specific social groups, for example vulnerable groups such as rural, low-income population, Roma, people with disabilities, victims of domestic violence, children and youth, victims of bullying/cyberbullying, people struggling with addictions, elderly and other disadvantaged learners. Such individualized activities shall be tailored to address their specific (educational) needs while improving their access to mainstream education, employment opportunities, services and digital tools necessary for them to lead safe, healthy and fulfilled lives and actively participate in all avenues of social life.

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

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

Not applicable

2.2.1.5 Planned use of financial instruments

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

Not applicable

2.2.1.6 Indicative breakdown of the EU programme resources by type of intervention

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

Table 4: Dimension 1 – intervention field

Priority no	Fund	Specific objective	Code	Amount (EUR)
2.	IPA III CBC	ii)	145 Support for the development of digital skills	1 353 068
2.	IPA III CBC	ii)	149 Support for primary to secondary education (excluding infrastructure)	4 510 227
2.	IPA III CBC	ii)	154 Measures to improve access of marginalised groups such as the Roma to education, employment and to promote their social inclusion	1 804 091
2.	IPA III CBC	ii)	124 Infrastructure for tertiary education	1 353 068

Table 5: Dimension 2 – form of financing

Priority no	Fund	Specific objective	Code	Amount (EUR)
2.	IPA III CBC	ii)	01 Grant	9 020 454

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

Priority No	Fund	Specific objective	Code	Amount (EUR)
2.	IPA III CBC	ii)	33 No territorial targeting	9 020 454

2.2.2 Culture and tourism

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

vi) enhancing the role of culture and sustainable tourism in economic development, social inclusion and social innovation

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

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

Culture and tourism

Based on the identified needs and challenges of the border region, the proposed Actions contribute to the Specific Objective in many ways. By using the tools of the modern age and incorporating innovative works in the area, the actions facilitate the creation of a competitive and socially inclusive tourism offer. Tourism products developed through the actions will be based on existing cultural traditions and natural values, thus assuring sustainable tourism, such as active and eco-tourism. Utilisation of products and services developed by creative industries, digitization, digitalization and online accessibility of cultural heritage, incorporated in tourism products developed through actions will allow access to cultural heritage to all people, including those who are economically disadvantaged, socially deprived or persons with reduced mobility or disabilities. This ensures active contribution to promotion of non-discrimination as the horizontal principle 3 (Article 9 of Regulation (EU) 2021/1060 (CPR)). Moreover, such actions recognize the need for transformation of culture and tourism sector in order to strengthen their capacity to drive economic development, social inclusion and social innovation and other identified socio-economic challenges. Applicants will be encouraged to plan their activities in line with the best practices and relevant and available quality principles, e.g. relevant guidelines of ICOMOS, New European Bauhaus initiatives). In order to ensure sustainability of the touristic offer, the Actions support the development of a single communication system for managing previously developed cross-border tourism products, as well as for managing the future products. The Actions emphasize the need to better promote the region and deliver information more effectively in order to increase the number of tourists in the border region. Tourism developments should be implemented taking into account environmental and sustainability aspects, as all interventions regarding culture and tourism are encouraged to ensure environmental, social and economic sustainability.

In order to efficiently respond to the identified challenges of the region and enhance and promote its cultural values, this Specific Objective focuses on three types of actions.

Being significant topics in all four macro-regional strategies, the activities under this Specific Objective contribute in particular to all seven targets of the Priority Area 3 of the EUSDR and Pillar 4 “Sustainable Tourism” of the EUSAIR.

Type of action 1. Development of joint tourism products with joint marketing management of these products

Development of a joint tourism product must be based on joint tourism strategy and on well-justified, evidence-based demand for that product. A tourism product should combine tangible and intangible elements, such as natural, cultural and man-made resources, attractions, facilities, services and activities. Most importantly, these elements should be presented in a produced touristic program which creates an overall visitor experience including emotional aspects for the potential tourists.

Possible activities can include, but are not limited to:

- Development and marketing of water tourism (lake, river, canal) and related bicycle tourism products (involved Eurovelo 6,11,13 routes), operation of boat docks and boat mooring, with improved accessibility, information and linkage with service providers.

By valorisation of the natural and green regional assets in tourism in order to contribute to the Green Deal, the complex/integrated development of water tourism along the Tisa river and bicycle tourism at Eurovelo route highly reflects on the development needs of the border region, which topic is addressed through a targeted selection method;

- Development of health tourism and other active tourism (e.g. equestrian and hiking);
- Development or expanding and marketing of touristic offer of cross-border thematic trips and routes related to cultural and fine arts tourism, ecotourism, active tourism and rural-ethno tourism, based on cultural heritage (including museums and parks, crafts and traditions, religious facilities, historic periods and famous individuals, etc.) and natural values;
- Improvement of the capacities of tourism organizations and economic entities in tourism, promotion and (re)branding of tourism potentials, affirmation with emphasis on education, digitalization, economic networking, start-up and mentoring programs, reconstruction of the tourist attractions, green infrastructure and establishment of the info and training centers, which topic is addressed through a targeted selection method;
- Development and marketing of joint touristic brand with establishment of a service quality assurance system, and also development of management of joint touristic destinations;

Activities may include, if necessary, development of infrastructure, purchase of needed equipment and common communication interfaces (including software applications).

Type of action 2. Cultural cooperation

Possible activities can include, but are not limited to:

- Cooperation between professional institutions/organisations dealing with culture (e.g. theatres, houses of culture/cultural centres, libraries, museums, galleries, music and art schools, etc.) for joint non-formal cultural learning and joint cultural competences development with special regard for the development of vulnerable and disadvantaged groups as target groups (e.g. women, people from families with low educational attainment, Roma, people with disabilities);
- Sustainable promotion of contemporary arts and preservation of cultural heritage by developing networks/clusters, promoting professional exchange and multilingualism.
- Cooperation resulting in developed, promoted and implemented joint cultural events and festivals for tourists.

Type of action 3. Joint management of information for tourism and cultural purposes

Activities aimed at joint information management assuring permanent information to potential national and international tourists about touristic and cultural offers, news and events of the border region.

Potential activities include publishing information (in national languages and any relevant languages), development of infrastructural conditions for information, one-stop touristic information, information and marketing system management, launching marketing campaigns,

operation of information centres, organizing trainings for employees in tourism sector, all bearing in mind existing information infrastructure and systems.

2.2.2.2 Indicators

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

Table 2: Output indicators

Priority	Specific objective	ID	Indicator	Measurement unit	Milestone (2024)	Final target (2029)
2	vi)	RCO87	Organisations cooperating across borders	organisations	0	32
2	vi)	RCO115	Public events across borders jointly organised	events	0	13

Table 3: Result indicators

Priority	Specific objective	ID	Indicator	Measurement unit	Baseline	Reference year	Final target (2029)	Source of data	Comments
2	vi)	RCR84	Organisations cooperating across borders after project completion	organisations	0	2021	24	MA monitoring system / Beneficiary report	

2.2.2.3 The main target groups

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

The main target groups benefiting:

- The inhabitants of the border region
- Tourism service providers (e.g. accomodations, restaurants, catering places)
- Tourists

through activities implemented by:

- Local governments
- County and regional level bodies and their organisations
- Tourist destination management organisations
- Public entities responsible for the preservation and utilization of cultural values
- Cultural institutions/organisations dealing with culture (e.g. theatres, houses of culture/cultural centres, libraries, museums, galleries, music and art schools, etc.)
- Professional tourist organisations
- Civil society organisations dealing with culture
- Civil society organisations dealing with tourism
- Regional development councils
- Cross-border cooperation organisations responsible for developing and operating cultural information centres and other relevant organisations.

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

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

Not applicable

2.2.2.5 Planned use of financial instruments

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

Not applicable

2.2.2.6 Indicative breakdown of the EU programme resources by type of intervention

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

Table 4: Dimension 1 – intervention field

Priority no	Fund	Specific objective	Code	Amount (EUR)
2.	IPA III CBC	vi)	165 Protection, development and promotion of public tourism assets and tourism services	4 152 273
2.	IPA III CBC	vi)	166 Protection, development and promotion of cultural heritage and cultural services	8 304 545
2.	IPA III CBC	vi)	167 Protection, development and promotion of natural heritage and eco-tourism other than Natura 2000 sites	8 304 545

Table 5: Dimension 2 – form of financing

Priority no	Fund	Specific objective	Code	Amount (EUR)
2.	IPA III CBC	vi)	01 Grant	20 761 363

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

Priority No	Fund	Specific objective	Code	Amount (EUR)
2.	IPA III CBC	vi)	33 No territorial targeting	20 761 363

2.3 Cross-border institutional and civil cooperation

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

Interreg Specific Objectives (ISO)

2.3.1 Harmonious neighbourly relations through cooperation

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

Interreg Specific Objectives (ISO) 1 - 'better cooperation governance'

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

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

Harmonious neighbourly relations through cooperation

Based on the identified needs and challenges, the planned Actions contribute to the development of the cooperation among the local governments and civil organisations, thus reinforcing the trust among people living in the border region. The youth, elderly and people with disabilities, as the highlighted target groups, can be the engine for strengthening the cross-border relationships regardless of the mother tongue spoken, with active contribution to promotion of non-discrimination as the horizontal principle 3 (Article 9 of Regulation (EU) 2021/1060 (CPR)).

The development of the town twinnings with involvement of both public and civil organisations can significantly improve the quality of local governance and encourage introduction of innovative solutions and with deeper involvement of local communities into the governmental actions.

By focusing on the elimination of obstacles in the cross-border labour market, trade of local products and health or social services, the joint institutional activities can make the cross-border cooperation among people, enterprises or relevant institutions and civil organisations closer, stronger and enduring.

In order to efficiently tackle the identified problems and challenges of the region and promote harmonious neighbourly relations, this Interreg Specific Objective focuses on two types of actions.

The planned Actions closely relate to Priority Area 10 "to step up institutional capacity and cooperation" of the EUSDR.

Type of action 1. Building up mutual trust, in particular by encouraging 'people to people' (P2P) actions

Within the P2P Action it is possible to support small scale projects to encourage the daily cooperation of people of all generations living in the border region.

Possible activities can include, but are not limited to:

- Organizing cross-border sport programs and activities e.g., camps, competitions preferably for young people;
- Implementing joint activities in local traditions and creation of new programs with involvement of local community e.g., in the field of music, handcraft, theatre, etc.;
- Implementing activities among target groups such as the youth, elderly, people with disabilities, ethnic groups and ethnic minorities, etc.;

- Development of new or renewed Cooperation Agreements and Action Plans for implementation of joint activities of Twinning towns or villages. Related to the implementation of Cooperation Agreements and Action Plans the following activities can be supported e.g.: skills development and knowledge sharing between local governments, city management non-profit companies and institutions with involvement of relevant non-governmental organisations, for example in the topics of green urban mobility, traffic safety, monitoring of energy consumption, use of renewable energy, development of green infrastructure, communication with inhabitants, IT solutions in administration, etc.

In relation to the above activities, it is possible to purchase equipment.

Type of action 2. Actions supporting better cooperation governance

The aim is to encourage the cross-border cooperation among institutions and civil organisations to exchange experiences, develop their capacities and reduce legal and administrative barriers to cross-border cooperation.

Possible activities can include, but are not limited to:

- Coordination of cross-border sustainable transport, mobility development plans, including public transport developments;
- Promotion of cross-border labour market participation, e.g., development of information and counselling in the border region;
- Exchange of experience in order to harmonize and develop cross-border services in the social sphere and health care;
- Helping the trade of local agriculture and handcrafted products in the neighbouring country;
- Cooperation among the local media in order to improve the information flow about daily life and events in the border region;
- Encouraging social innovation and applying creative and innovative institutional solutions in public administration;
- Institutional capacity development of cross-border territorial management organisations.

In relation to the above activities, it is possible to purchase equipment and implement small-scale infrastructural interventions. The involvement of civil organisations and citizens into the implementation of activities at least in the form of partnership consultations is preferable.

During the implementation of the Programme, it must be ensured that projects receiving support under the Actions 1.1, 1.2, 2.1 and 2.2 cannot be supported within this Action.

2.3.1.2 Indicators

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

Table 2: Output indicators

Priority	Specific objective	ID	Indicator	Measurement unit	Milestone (2024)	Final target (2029)
3	ISO1 c, f	RCO81	Participations in joint actions across borders	participations	145	1450
3	ISO1 c, f	RCO87	Organisations cooperating across borders	organisations	6	63

Table 3: Result indicators

Priority	Specific objective	ID	Indicator	Measurement unit	Baseline	Reference year	Final target (2029)	Source of data	Comments
3	ISO1 c, f	RCR85	Participations in joint actions across borders after project completion	participations	0	2021	652	MA monitoring system / Beneficiary report	
3	ISO1 c, f	RCR84	Organisations cooperating across borders after project completion	organisations	0	2021	64	MA monitoring system / Beneficiary report	

2.3.1.3 The main target groups

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

The main target groups benefiting:

- The inhabitants of the border region
- through activities implemented by:
- Local and regional level operated public authorities
 - Local governments
 - Civil society organisations, non-profit companies and professional organisations dealing with the relevant topics of planned actions
 - Local media organisations
 - Regional development councils
 - and other relevant organisations.

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

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

Not applicable

2.3.1.5 Planned use of financial instruments

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

Not applicable

2.3.1.6 Indicative breakdown of the EU programme resources by type of intervention

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

Table 4: Dimension 1 – intervention field

Priority no	Fund	Specific objective	Code	Amount (EUR)
3	IPA III CBC	ISO 1	171 Enhancing cooperation with partners both within and outside the Member State	8 590 909

Table 5: Dimension 2 – form of financing

Priority no	Fund	Specific objective	Code	Amount (EUR)
3	IPA III CBC	ISO 1	01 Grant	8 590 909

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

Priority No	Fund	Specific objective	Code	Amount (EUR)
3	IPA III CBC	ISO 1	33 No territorial targeting	8 590 909

2.3.2 Border crossing management

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

Interreg Specific Objectives (ISO) 2 - 'a safer and more secure Europe'

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

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

Border crossing management

It contributes to the Interreg Specific Objective by eliminating bottlenecks of crossing the border between Hungary and Serbia, the external border of the EU, by making the operation of the border controls more effective. This can be achieved by harmonizing border control activities and improving capabilities of authorities in charge of border control as well as by implementing small-scale infrastructural developments to increase throughput capacity of border crossing points.

The types of actions closely relate to Priority Area 11: Security, objective: "Improving the systems of border control, document inspection management and cooperation on consular related issues in the Danube Region" of the EUSDR.

Types of action 1. Capacity development of border crossing management and mobility

The aim is to increase the capacity of current or future border crossings and improve the security of border guards and customs services.

Possible activities can include, but are not limited to:

- Preparation for the development of the infrastructural conditions and technical facilities of border crossing points (e.g., customs offices, transport of dangerous goods, improving the environment of border stations, capacity building, purchase and improvement of technological solutions);
- Improving knowledge and skills of border guards and customs services through trainings, workshops and other cooperative learning events;
- Expanding the human capacity of border guard services and customs administration during peak periods by joint capacity development projects;
- Expanding communication bandwidth in order to speed up the border control;
- Development of transport accessibility of the border station in order to eliminate the congestion of the border crossing points and decrease waiting-times (e.g. creation of the conditions for bus traffic at a border crossing station) and the related air pollution.

During the implementation of the Programme, it must be ensured that projects receiving support are in synergy with the HOME funds, in particular the Internal Security Fund.

2.3.2.2 Indicators

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

Table 2: Output indicators

Priority	Specific objective	ID	Indicator	Measurement unit	Milestone (2024)	Final target (2029)
3	ISO2	RCO87	Organisations cooperating across borders	organisations	0	2

Table 3: Result indicators

Priority	Specific objective	ID	Indicator	Measurement unit	Baseline	Reference year	Final target (2029)	Source of data	Comments
3	ISO2	RCR84	Organisations cooperating across borders after project completion	organisations	0	2021	2	MA monitoring system / Beneficiary report	

2.3.2.3 The main target groups

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

<p><i>The main target groups benefiting:</i></p> <ul style="list-style-type: none"> - Inhabitants of the border region - Tourists traveling to the border region or who are in transit travel - Enterprises operating in the border region or delivering goods across the border <p><i>through activities implemented by:</i></p> <ul style="list-style-type: none"> - Public border control and management authorities (border guards and custom services) - Public authorities or state owned companies responsible for traffic development - Local governments <p>and other relevant organisations.</p>
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2.3.2.4 Indication of the specific territories targeted, including the planned use of ITI, CLLD or other territorial tools

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

<i>Not applicable</i>

2.3.2.5 Planned use of financial instruments

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

<i>Not applicable</i>

2.3.2.6 Indicative breakdown of the EU programme resources by type of intervention

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

Table 4: Dimension 1 – intervention field

Priority no	Fund	Specific objective	Code	Amount (EUR)
3	IPA III CBC	ISO 2	174 Interreg: border crossing management and mobility and migration management	2 863 636

Table 5: Dimension 2 – form of financing

Priority no	Fund	Specific objective	Code	Amount (EUR)
3	IPA III CBC	ISO 2	01 Grant	2 863 636

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

Priority No	Fund	Specific objective	Code	Amount (EUR)
3	IPA III CBC	ISO 2	33 No territorial targeting	2 863 636

3. Financing plan

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

3.1 Financial appropriations by year

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

Table 7

Fund	2021	2022	2023	2024	2025	2026	2027	Total
<i>IPA III CBC²</i>	<i>0</i>	<i>10 757 843</i>	<i>10 990 797</i>	<i>11 152 320</i>	<i>11 354 582</i>	<i>9 551 624</i>	<i>9 742 834</i>	63 550 000
Total	0	10 757 843	10 990 797	11 152 320	11 354 582	9 551 624	9 742 834	63 550 000

² *Interreg A, external cross-border cooperation.*

3.2 Total financial appropriations by fund and national co-financing

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

Table 8

Policy objective No	Priority	Fund (as applicable)	Basis for calculation EU support (total eligible cost or public contribution)	EU contribution (a)=(a1)+(a2)	Indicative breakdown of the EU contribution		National contribution (b)=(c)+(d)	Indicative breakdown of the national counterpart		Total (e)=(a)+(b)	Co-financing rate (f)=(a)/(e)	Contributions from the third countries (for information)
					without TA pursuant to Article 27(1) (a1)	for TA pursuant to Article 27(1) (a2)		National public (c)	National private (d)			
PO2 'A greener, low-carbon Europe by promoting clean and fair energy transition, green and blue investment, the circular economy, climate adaptation and risk prevention and management'	Priority 1 'A greener region'	IPA III CBC ³	Total eligible cost	17 794 000,40	16 036 364,00	1 757 636,40	3 140 117,72	2 826 105,72	314 012,00	20 934 118,12	85%	0
PO4 'More Social Europe - A more social and inclusive Europe implementing the European Pillar of Social Rights'	Priority 2 'Enhancing the human and cultural values'	IPA III CBC	Total eligible cost	33 045 999,79	29 781 818,00	3 264 181,79	5 831 647,04	5 248 482,04	583 165,00	38 877 646,83	85%	0
ISO1 'Better cooperation governance' ISO 2 'A safer and more secure Europe'	Priority 3 'Cross-border institutional and civil cooperation'	IPA III CBC	Total eligible cost	12 709 999,81	11 454 545,29	1 255 454,52	2 242 941,15	2 018 647,15	224 294,00	14 952 940,96	85%	0
	Total	All funds	Total eligible cost	63 550 000,00	57 272 727,29	6 277 272,71	11 214 705,91	10 093 234,91	1 121 471,00	74 764 705,91	85%	0

³ Interreg A, external cross-border cooperation.

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

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

Partners and their roles in the preparation of the Programme

In accordance with the multi-level governance principle, the involvement of partners was a central component throughout the development of the Programme. The programming process has been coordinated by the Programmng Committee (PC) consisting of relevant ministries and regional/county/local level organisations from Hungary and Serbia.

From Hungary these include:

Ministry for Foreign Affairs and Trade, Ministry of Finance, Ministry for Innovation and Technology, Széchenyi Programme Office Nonprofit Llc, Csongrád-Csanád County and Bács-Kiskun County.

From the Republic of Serbia these includes:

Ministry for European Integration, Ministry of Construction, Transport and Infrastructure (Department for International Cooperation and EU integration and Department of Spatial and Urban Planing), Government of Autonomous Province of Vojvodina, Chamber of Commerce and Industry of Serbia and Standing Conference of Towns and Municipalities.

The Joint Secretariat (including JS Antenna), National Authority and the Managing Authority of the Interreg IPA Cross-border Cooperation Programme Hungary–Serbia were also involved in the programming process.

The programming process also included advisors from central and local level as well as representatives of civil society, that offered valuable input into the programming process.

From Hungary the advisor institutions were: Secretariat of Danube Regional Strategy, Csemete Természet- és Környezetvédelmi Egyesület – nature protection institution, Bácsalmásért Feldolgozó és Értékesítő Szociális Szövetkezet – social cooperative, DKMT Danube-Kris-Mures-Tisa Euroregional Development Agency - Nonprofit Public Benefit Limited, Hungarian Cyclists Club, and Hungarian Charity Service of the Order of Malta.

From Serbia the advisor institutions were: Ministry of European Integration, National Education Council of the Republic of Serbia, Statistical Office of the Republic of Serbia, Ministry of Human and Minority Rights and Social Dialogue, Development Agency of Serbia, Regional Center for Socio-Economic Development „Banat“, Regional Development Agency „Bačka“, Regional Development Agency “Srem”, Regional Development Agency PANONREG, Ministry of Foreign Affairs, Ministry of Environmental Protection, Ministry of Education Science and Technology, Ministry of Culture and Media and Ministry of Internal Affairs.

The key milestones of the programming process are PC meetings with the participation of the PC members, advisors and experts drafting the territorial analysis, the expert team drafting Chapter 2 of IP document as well as strategic environmental assessment experts (SEA experts). The role of the PC– besides steering and strategically coordinating the planning process –was to discuss and approve major milestones and outputs of the programming process (territorial analysis, SEA, working documents related to the strategy and the content of the draft Interreg Programme).

The desk officer of the EC responsible for the Programme has been involved into the process and has been informed about the status and achievements of the programming through written communication and participation at PC meetings.

Furthermore, from the beginning of the preparation process of the Programme stakeholders as listed below from both sides of the border have been directly and actively involved in line with the provisions of the Code of Conduct and based on the valuable contribution of the PC and the JS of the 2014-2020 Programme (based on their local knowledge and experience with the 2014-2020 Programme).

Their involvement has been carried out through a series of workshops, interviews and online public consultations in order to generate an active dialogue with them (e.g. identifying local challenges and development needs, concrete actions and project ideas, existing and potential applicants and cooperation networks etc.). Workshops were organised for involvement of the stakeholders in the programming process. In 2019 two workshops were held, one in Mórahalom, Hungary and one in Novi Sad, Serbia. In 2020 four workshops were held: two in Vojvodina (Novi Sad and Subotica) – co-organised in cooperation with the National Authority of the Republic of Serbia; and two in Hungary (in Szeged and Kecskemét) – co-organised in cooperation with the two regional authorities (Csongrád-Csanád and Bács-Kiskun counties). In the course of these workshops, the participants were involved in an interactive process where they could express their opinion on the territorial challenges of the borderland, the level of integration of the borderland, and the potential tools and solutions by which these challenges could be addressed. During the workshops, moderated conversation leading methods were widely used as well as a scoring game, brainstorming and constructive debate (in 2019) and voting and open-ended discussions (in 2020). On-line surveys were held in 2019 and 2020. In 2019 all in all, 135 valid answers have been registered out of which 72 was filled out in Hungarian and 63 in Serbian language while in 2020 75 respondents filled out the questionnaire, 38 in Serbian and 37 in Hungarian. The questionnaire has been created in a way to maximize the collected data and the different standpoints of the stakeholders so that a wealth of quantifiable data illustrated with detailed qualitative information has been registered.

Both the workshops and the online surveys resulted with the territorial analysis which then served a solid base for further work on the selection of policy objectives and shaping the Interreg Programme document.

Public consultation in national languages also took place for the draft strategic environmental assessment and for the draft Interreg programme.

The public was informed about the programming process on multiple outlets; mainly on the website of the previous programme, website of the Ministry for European Integration; but also on the websites of PC members.

Partners and their roles in the implementation of the Programme

In line with relevant EC regulations, relevant partners from both participating countries shall be involved in the preparation and implementation of the Programme, including their participation in the MC.

The Partner Countries intend to ensure close cooperation between partners in both participating countries and with the private and other sectors. The composition of the Monitoring Committee shall be agreed by the Partner Countries as follows:

1. the relevant authorities, including intermediate bodies;
2. representatives of the programme partners referred to in CPR according to the European Code of Conduct on Partnership:

The setup will be ensured by nomination of the Partner Countries and role of all the partners

will be specified in the Rules of Procedure.

Institutional coordination mechanism

The Ministry of Foreign Affairs and Trade (in Hungary, MFA) and the Ministry of European Integration of the Republic of Serbia (in Serbia, MEI) supported by the work of Joint Monitoring Committees, Joint Secretariats (with JS Antenna), Control and other Programme Bodies will be used as a permanent coordination mechanisms, ensuring overall coordination and monitoring of implementation of ESI and IPA funds (mainstream operational programmes and cooperation programmes under the IPA and ERDF) and other Union and relevant national funding instruments.

In Hungary, the portfolio for planning and implementation of Interreg/ETC Programmes, which are co-financed from ERDF, IPA/IPA II/IPA III and ENPI/ENI/NDICI sources belongs to the Ministry of Foreign Affairs and Trade (MFA). In the planning phase, the MFA coordinated the programming process of all cross-border cooperation programme Hungary participates, and also the Ministry of Innovation and Technology and from 01.01.2021 the Prime Minister's Office being as coordinator of Cohesion policy funds in Hungary, and the Ministry of Finance being responsible for territorial development at national level took part in the process.

In Serbia, the Ministry of European Integration coordinates IPA assistance and programming and monitoring process of all cross-border cooperation programmes and will use the monitoring system for that purpose. The MC representatives from Serbia are those involved in EU affairs, and use of funds related to other IPA policy areas and will contribute to complementarity.

In addition to that coordination will be ensured by occasionally inviting the programme authorities to the MC meetings or having regular national level consultation in specific topics prior to MC meetings and decisions.

Monitoring system and e-cohesion

The INTERREG+ system - especially designed for the Programme - is a fully functional electronic data exchange, monitoring and workflow based IT system developed in line with the e-cohesion principles. The system can be used throughout the whole programme and project lifecycle. The full range of the system's Back Office and Front Office functionality ensures that all data exchanges are carried out electronically between the beneficiaries and the programme bodies and it provides report and statistics on the project and programme performance.

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

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

Communication is an integral part of the Programme. Effective and efficient communication contributes to the success of the Programme. Successful Programme communication requires a strategic approach – clearly-defined objectives and the corresponding key messages, intended for target audiences and delivered to them via appropriate channels and tools. A Communication strategy will be drafted at the start of the Programme which will be the foundation of information and communication measures within the Programme.

The Communication strategy shall establish and define the key communication elements: objectives, key messages, target audiences, channels and tools, as well as the strategic communication approach and will rely on the EU regulations, the IP also, experience, findings, assessments from previous programmes, and the context of the Hungary-Serbia border region.

Communication result indicators shall measure the progress and determine whether the set communication objectives of the Programme were met. The list of communication indicators will include:

- Level of awareness of the Programme
- Level of response to the programmes' communication (traditional and social media)
- Public and stakeholders engagement,
- Satisfaction index of the Stakeholders,
- Improved Beneficiaries communication capacities.

The main tasks to be covered in terms of communication and visibility of the programme are the following:

- providing support for preparing, managing and developing the visual identity of the Programme;
- establishing, developing and maintaining the Programme's website,
- participating in communication initiatives of the EC, of INTERACT and/or national organisations of Hungary and Serbia (e.g. EC Day);
- providing guidance to beneficiaries in the proper use of the Programme's visual designs;
- representing the Programme at national and international events, competitions, data collections etc.;
- contribution to the organisation of Programme events;
- representing the Programme at regional level so that partners are able to collect information for developing projects;
- contributing to information and publicity actions at regional and local level both in Hungary and Serbia;
- acting as a contact point for project applicants and partners at regional level
- ensuring obligatory publication in line with EU regulation

Principles of programme communication

Programme communication will be based on the following principles:

- Transparency – it is a must at all stages to make the Programme information available to the public, thus adhering to the standards and requirements of the EU;
- Accuracy – information is only valid if accurate;

- Timeliness – timely information is useful to the audiences and news-worthy to the media;
- Clarity – in order to ensure that it is understandable to the target audience, the information must be clear.
- Focus on the projects and results – projects are the best ambassadors of the Programme; supporting the implementation and the visibility of projects and their initiatives and results;
- Exchange of best practices among Interreg Programmes.

The Programme highly regards the horizontal principles of the Programme when planning and implementing information and communication measures:

- Sustainable development – practices which protect environment;
- Equal opportunities and non-discrimination – equal opportunities and non-discrimination of vulnerable groups
- Equality between men and women.

Programme-level communication is related to the implementation of the information and communication measures of the Programme as a whole. Programme-level communication among the Programme bodies, and communication with the Beneficiaries, has the internal character, whereas, between the Programme bodies and the public – has external character, and informs about and promotes the Programme's significance for the border region.

Project-level communication focuses on the projects implemented within the Programme's frame.

External communication will revolve around external audiences, such as: potential Beneficiaries, media, habitants of the border region and the two Partner Countries, etc. External communication should prominently be featured through use of social-media tools and platforms – especially the Programme-level communication. At the same time, the presence of project-level activities, results and achievements on the social-media will be a requirement from all the Beneficiaries.

Special attention will be paid to the importance of certain flagship projects and also specifically to the operation of strategic importance of ISO2, which will be highlighted throughout the implementation of the programme covering their launch, implementation, conclusion and closure.

The indicative budget of the basic communication and visibility activities is 260.000 EUR. It covers publication costs, call for proposal advertisements, info days, beneficiary workshops, other events like EC days, opening and closing conferences. It includes costs of promotional materials, web design and website development maintenance, with special attention to social media and other on-line communication and social media tools, graphic design services.

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

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

The Interreg A IPA III CBC Hungary-Serbia programme would offer direct support to small-scale projects in accordance with Article 24 (a) of the Interreg Regulation. Article 25 (Small Projects Fund - SPF) will not be applied.

Small projects so far

Ever since the very first CBC programme between Hungary and Serbia, small projects have been one of the most popular types of projects among beneficiaries on both sides of the border. The option to have small scale projects that has always existed in all the programmes so far, opened the door for smaller and new actors to take part in the CBC programmes. While in the previous period (2014-2020) the programme has also sought larger infrastructural projects of strategic importance, the projects with limited scope remained one of the defining traits of the programme. While we chose not to use SPF, projects of limited size will remain vital part of the programme in this period, as well, in the form of small-scale projects.

Purpose and aim of small-scale projects (SSP)

Smaller projects including people to people actions will enable smaller institutions and organisations that have already been beneficiaries of our programme to take part of it again, but will also enable entirely new actors to be included in the programme and further increase the variety of people and organisations included in CBC between Hungary and Serbia.

Small-scale projects would promote direct cooperation between citizens and institutions, attract new beneficiaries to the cross-border cooperation, facilitate already functioning or develop entirely new cooperations across the border and increase the visibility of the programme and hence Interreg in the whole region.

Which priorities/objectives will feature SSP

The possibility to have small-scale projects is planned to be available for the following Priorities/Objectives:

Priority 1: A greener region

Objective 1.1: Climate change adaptation, risk prevention (SO 2.4)

Objective 1.2: Biodiversity and reduced pollution (SO 2.7)

Priority 2: Enhancing the human and cultural values

Objective 2.1: Education and lifelong learning (SO 4.2)

Objective 2.2: Culture and tourism (SO 4.6)

Priority 3: Cross-border institutional and civil cooperation

Objective 3.1: Better cooperation governance (ISO1)

The scale of the given project will determine if the project is SSP or regular. As a principle, SSPs should not be evaluated similarly as regular projects – there should not be a competition between them; which means that each priority would have an indicative amount reserved for such projects.

Potential target groups

The wide variety of projects under these priorities can include (but not limited to) activities implemented by:

- Civil society organisations
- Non-profit organisations
- Environment and nature protection organisations
- Local governments
- Regional organisations and regionally operated public authorities and their organisations
- Regional development councils
- Professional organisations
- Educational organisations
- Research organisations
- Local media organisations
- Social work and social care services
- Vocational schools
- Tourist destination management organisations or professional tourist organisations
- Cultural institutions/organisations dealing with culture (e.g. theatres, houses of culture/cultural centres, libraries, museums, galleries, music and art schools, etc.)
- Cross-border cooperation organisations
and other relevant organisations.

7. Implementing provisions

7.1 Programme authorities

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

Table 9

Programme authorities	Name of the institution	Contact name	E-mail
Managing authority	Ministry of Foreign Affairs and Trade	Mr Péter Kiss-Parciu, deputy state secretary, Ms Nikoletta Horváth, head of department	hathatar@mfa.gov.hu nikoletta.horvath@mfa.gov.hu
National authority (for programmes with participating third countries, if appropriate)	Ministry of European Integration, Serbia	Mr.Mihajlo Dašić, acting assistant minister Ms Valentina Vidović, head of section	mihajilo.dasic@mei.gov.rs valentina.vidovic@mei.gov.rs
Audit authority	Directorate General for Audit of European Funds, Hungary	Mr Balázs Dencső dr	balazs.dencso@eutaf.gov.hu
Group of auditors representatives (for programmes with participating third countries, if appropriate)	Audit Authority Office of EU Funds, Serbia	Ms Svetlana Novaković, Head of Audit Group for Regional and Territorial Cooperation Mr Ljubinko Stanojević Head of the Governmental Audit Office of EU Funds	svetlana.novakovic@aa.gov.rs ljubinko.stanojevic@aa.gov.rs
Body to which the payments are to be made by the Commission	Hungarian State Treasury	Mr Szabolcs Jakab	igazolohatosag@allamkinostar.gov.hu

7.2 Procedure for setting up the joint secretariat

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

Partner Countries agreed to set up the JS for the new 2021-27 Interreg-IPA-III CBC Hungary-Serbia on the basis of the existing JS of the Interreg-IPA CBC Hungary-Serbia and the Antenna Office in Subotica. According to the decision, the JS will be set up within the framework of the Széchenyi Programme Office Nonprofit Llc. (SZPO) and the establishment of the JS Antenna (JSA) will be the responsibility of the Ministry for European Integration. The JS will be functionally independent within the organisational structures of SZPO; nevertheless the Company will ensure necessary back office support to the smooth operation as well as horizontal services for the successful implementation of the Programme (e.g. coordination of the development and operation of the monitoring system of the Programme, regulatory, legal, professional, procurement, financial and audit coordination support).

The JS will work in close cooperation with the MA related to programme coordination and implementation and provide support to the National Authorities. The MA and JS will be set up in a system securing their cooperation on one hand, and their independence from national structures on the other. The JS will also assist the MC in carrying out their respective functions and tasks (inter alia organizing the MC meetings including the preparation and delivery of documents, assisting the decision-making process, ensuring the follow-up). Moreover, the JS and JSA will provide information on funding opportunities to applicants, assist the process of partner search and project development, manage the application process, support the process of assessing and selecting operations, and will assist beneficiaries in implementing their operations. Additionally, the JS will prepare programme level documents (e.g. guidelines for applicants and beneficiaries, reports to be submitted by the MA to the European Commission after approval of the MC), coordinate evaluations performed during the implementation of the Programme and will perform information and promotion activities.

The number and qualification of staff shall correspond to the tasks defined above. The JS shall have staff taking into account the programme partnership. The staff members shall be selected in agreement of the Partner Countries. A selection committee composed of one representative of each Partner country and of the representative of SZPO as hosting institution shall decide on the person of the head of JS. The JS members shall be selected by a committee composed of one representative of each Partner country, of the head of JS and of a representative of SZPO. The staff of the JS will be employed by SZPO.

The JS will be located in Budapest, Hungary with JS staff presence also in Szeged, Hungary. The JS Antenna of the Programme will be located in Subotica, Serbia. Other branch offices may be established in Hungary and Serbia.

The overall structure and work of the JS will be coordinated by the head of JS, directly supported by the following staff members:

- Deputy head of JS
- Programme managers
- Communication manager – role fulfilled by other staff member(s) or a full time employee
- Financial manager – role fulfilled by other staff member(s) or a full time employee
- Head of the JSA
- Programme manager in JSA

The JS, related horizontal services and JSA will be financed from the Technical Assistance of the Programme. Detailed rules of the financial management of the programme authorities by the Partner Countries will be laid down in a memorandum of understanding.

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

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

7.3.1. General rules of liabilities between Member State and Partner Country

Each Member State/Partner Country is responsible for preventing, detecting and correcting irregularities.

Without prejudice to the Member State's/Partner country's responsibility for detecting and correcting irregularities and for recovering amounts unduly paid according to Article 52 of Regulation (EU) 2021/1059, the Managing Authority shall ensure that any amount paid as a result of an irregularity - or when the Managing Authority is entitled to withdraw from the Subsidy Contract and to demand the repayment of the EU contribution in full or in part – is recovered from the lead partner. Partners shall repay to the lead partner any amounts unduly paid.

If the lead partner does not succeed in securing repayment from other partners or where the Managing Authority does not succeed in securing repayment from the lead partner, the Member State/Partner country on whose territory the partner concerned is located or, in the case of an EGTC, is registered shall reimburse the Managing Authority any amounts unduly paid to that partner.

Should the Managing Authority bear any legal expenses for recovery recourse proceedings even if the proceedings are unsuccessful it will be reimbursed by the Member State/Partner country hosting the lead partner responsible for the said procedure.

The Managing Authority is responsible for reimbursing the amounts recovered to the general budget of the Union in accordance with the apportionment of liabilities between the Member State and the Partner Country.

The Managing Authority will reimburse the funds to the Union once the amounts are recovered from the lead partner/partner/Member State/Partner Country.

In accordance with Article 52 (4) of Regulation (EU) 1059/2021, once the Member State/Partner Country has reimbursed the Managing Authority any amounts unduly paid to a partner, it may continue or start a recovery procedure against that partner under its national law. The Member State/Partner Country shall not have any reporting obligation towards the Programme authorities, the Monitoring Committee or the European Commission with regard to such national recoveries.

In case a Member State/Partner Country has not reimbursed the Managing Authority any amounts unduly paid to a partner, those amounts shall be subject to a recovery order issued by the Commission which shall be executed, where possible, by offsetting to the respective Member State/Partner Country in the Programme. Such recovery shall not constitute a financial correction and shall not reduce the support from the ERDF or any external financing instrument of the Union to the Programme. The amount received shall constitute assigned revenue in accordance with Article [21(3)] of Regulation (EU, Euratom) [FR-Omnibus].

With regard to amounts not reimbursed to the Managing Authority by a Member State/Partner Country, the offsetting shall concern subsequent payments to the same Interreg programme. The Managing Authority shall then offset with regard to that Member State/Partner Country in

accordance with the apportionment of liabilities among the participating Member States/Partner Countries set out in the Interreg programme in the event of financial corrections imposed by the Managing Authority or the Commission.

Member State and Partner Country agree that neither the lead partner nor the programme's Managing Authority will be obliged to recover an amount unduly paid that does not exceed EUR 250, not including interest, in contribution from ERDF/IPA funds to an operation cumulatively in an accounting year.

7.3.2. Rules on apportionment of liabilities

The Member State/Partner Country will bear liability as follows:

- *Irregularities concerning lead or sole partner or partners:*

Member State/Partner Country bears liability for repayment of unduly paid amount as described in 7.3.1. unless it proves that sole partner or partner(s) already transferred the irregular amount to the lead partner located on the territory of the other Member State/Partner Country.

Member State/Partner Country bears liability for possible financial consequences of irregularities caused by the lead or sole partner or partners located on its territory.

- *Irregularities of the joint management bodies:*

In case of irregularities that result from the actions and decisions made by the Managing Authority, the body carrying out the accounting function and/or the Joint Secretariat, liability towards the European Commission and the Monitoring Committee is borne by the Member State hosting the Managing Authority.

- *Systemic irregularity – at national level:*

In case a systemic error is found by the European Commission or the Audit Authority, which can be clearly connected to the Member State/Partner Country, the Member State/Partner Country concerned shall be solely liable for the repayment.

- *Systemic irregularity – at programme level:*

For a systemic irregularity or financial correction on programme level that cannot be linked to a the Member State/Partner Country, the liability shall be jointly and equally borne by the Member State and the Partner Country.

- *Financial correction at programme level:*

If financial correction is established at programme level by the European Commission the liability is determined by the Managing Authority, and the Audit Authority after consultation with National authorities. As general rule the Member State/Partner Country shall be liable for the payment of such a correction. Member State and Partner Country shall pay a share of the correction, which is proportional to the amounts found by the Audit Authority to be wrongfully validated by the Member State/Partner Country.

The liability principles described above shall also apply to financial corrections to Technical Assistance (TA) calculated in compliance with Article 27 of the Regulation (EU) 1059/2021, since such corrections would be the direct consequence of project related irregularities (whether systemic or not). The Managing Authority will keep informed the Member State/Partner Country about all irregularities and their impact on TA.

Member State/Partner Country shall report on irregularities in accordance with the criteria for determining the cases of irregularity to be reported , the data to be provided and the format for reporting set out in the Regulation (EU) 1060/2021. Irregularities shall be reported by the Member State/Partner Country in which the expenditure is paid by the lead partner or beneficiary implementing the project. Specific procedure in this respect will be part of the description of the programme management and control system to be established in accordance with Article 69 (12) of the Regulation (EU) 1060/2021.

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

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

Table 10

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

Intended use of Articles 94 and 95	YES	NO
From the adoption the programme will make use of reimbursement of the Union contribution based on unit costs, lump sums and flat rates under priority according to Article 94 CPR (if yes, fill in Appendix 1)	<input type="checkbox"/>	<input checked="" type="checkbox"/>
From the adoption the programme will make use of reimbursement of the Union contribution based on financing not linked to costs according to Article 95 CPR (if yes, fill in Appendix 2)	<input type="checkbox"/>	<input checked="" type="checkbox"/>

APPENDICES

Map 1: Map of the programme area

Appendix 1: Union contribution based on unit costs, lump sums and flat rates not applicable

Appendix 2: Union contribution based on financing not linked to costs not applicable

Appendix 3: List of planned operations of strategic importance with a timetable

Map 1

Map of the programme area



Appendix 1

Union contribution based on unit costs, lump sums and flat rates

Not applicable for the programme

Template for submitting data for the consideration of the Commission

(Article 94 of Regulation (EU) 2021/1060 (CPR))

Date of submitting the proposal	

This Appendix is not required when EU-level simplified cost options established by the delegated act referred to in Article 94(4) of CPR are used.

A. Summary of the main elements

Priority	Fund	Specific objective	Estimated proportion of the total financial allocation within the priority to which the simplified cost option will be applied in %	Type(s) of operation covered		Indicator triggering reimbursement		Unit of measurement for the indicator triggering reimbursement	Type of simplified cost option (standard scale of unit costs, lump sums or flat rates)	Amount (in EUR) or percentage (in case of flat rates) of the simplified cost option
				Code ⁴	Description	Code ⁵	Description			

⁴ This refers to the code for the intervention field dimension in Table 1 of Annex I CPR.

⁵ This refers to the code of a common indicator, if applicable.

B. Details by type of operation (to be completed for every type of operation)

Did the managing authority receive support from an external company to set out the simplified costs below?

If so, please specify which external company:

1.1. Description of the operation type including the timeline for implementation ⁶	
1.2 Specific objective	
1.3 Indicator triggering reimbursement ⁷	
1.4 Unit of measurement for the indicator triggering reimbursement	
1.5 Standard scale of unit cost, lump sum or flat rate	
1.6 Amount per unit of measurement or percentage (for flat rates) of the simplified cost option	
1.7 Categories of costs covered by the unit cost, lump sum or flat rate	

⁶ Envisaged starting date of the selection of operations and envisaged final date of their completion (ref. Article 57(6) of CPR).

⁷ For operations encompassing several simplified cost options covering different categories of costs, different projects or successive phases of an operation, the fields 1.3 to 1.11 need to be filled in for each indicator triggering reimbursement.

1.8 Do these categories of costs cover all eligible expenditure for the operation? (Y/N)	
1.9 Adjustment(s) method ⁸	
1.10 Verification of the achievement of the units delivered - describe what document(s)/system will be used to verify the achievement of the units delivered - describe what will be checked and by whom during management verifications - describe what arrangements will be made to collect and store the relevant data/documents	
1.11 Possible perverse incentives, mitigating measures ⁹ and the estimated level of risk (high/medium/low)	
1.12 Total amount (national and EU) expected to be reimbursed by the Commission on this basis	

⁸ If applicable, indicate the frequency and timing of the adjustment and a clear reference to a specific indicator (including a link to the website where this indicator is published, if applicable).

⁹ Are there any potential negative implications on the quality of the supported operations and, if so, what measures (such as quality assurance) will be taken to offset this risk?

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

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

2. Please specify why the proposed method and calculation based on Article 88(2) of CPR is relevant to the type of operation:

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

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

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

Appendix 2

Union contribution based on financing not linked to costs

Not applicable for the programme

Template for submitting data for the consideration of the Commission

(Article 95 of Regulation (EU) 2021/1060 (CPR))

Date of submitting the proposal	

This Appendix is not required when amounts for EU-level financing not linked to costs established by the delegated act referred to in Article 95(4) of CPR are used.

A. Summary of the main elements

Priority	Fund	Specific objective	<i>The amount covered by the financing not linked to costs</i>	Type(s) of operation covered		Conditions to be fulfilled/results to be achieved triggering reimbursement by the Commission	indicator		Unit of measurement for the <u>conditions to be fulfilled/results to be achieved</u> <u>indicator triggering reimbursement by the Commission</u>	Envisaged type of reimbursement method used to reimburse the beneficiary or beneficiaries
				<u>Code</u> ¹⁰	Description		Code ¹¹	Description		

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

11 This refers to the code of a common indicator, if applicable.

B. Details by type of operation (to be completed for every type of operation)

1.1. Description of the operation type			
1.2 Specific objective			
1.3 Conditions to be fulfilled or results to be achieved			
1.4 Deadline for fulfilment of conditions or results to be achieved			
1.5 Unit of measurement for conditions to be fulfilled/results to be achieved triggering reimbursement by the Commission			
1.6 Intermediate deliverables (if applicable) triggering reimbursement by the Commission with schedule for reimbursements	Intermediate deliverables	Envisaged date	Amounts (in EUR)

1.7 Total amount (including Union and national funding)	
1.8 Adjustment(s) method	
<p>1.9 Verification of the achievement of the result or condition (and where relevant, the intermediate deliverables)</p> <ul style="list-style-type: none"> - describe what document(s)/system will be used to verify the achievement of the result or condition (and where relevant, each of the intermediate deliverables) - describe how management verifications (including on-the-spot) will be carried out, and by whom - describe what arrangements will be made to collect and store relevant data/documents 	
1.10 Use of grants in the form of financing not linked to costs/ Does the grant provided by Member State to beneficiaries take the form of financing not linked to costs? [Y/N]	
<p>1.11 Arrangements to ensure the audit trail</p> <p>Please list the body(ies) responsible for these arrangements.</p>	

Appendix 3

List of planned operations of strategic importance with a timetable - Article 17(3)

The Programme has the intention to contribute to the mitigation of freight traffic by the development of the border crossing point Hercegszántó - Bački Breg, which is a common interest of both the Hungarian and Serbian parties. The two countries agreed on the close cooperation at the meeting of the Joint Commission on Economic Cooperation between the Republic of Serbia and Hungary held in Belgrade on 3-4 June 2021. The implementation of this operation of strategic importance also serves the goal of the Memorandum of Understanding between Republic of Serbia and Hungary on further development of infrastructural connections that supports the infrastructural connections between the two countries.

Certain preparatory actions have already been financed by the Interreg-IPA Hungary-Serbia Programme 2014-2020, for instance the planning of the renovation of the Hungarian side of the main road section between Baja and Hercegszántó leading to the Hercegszántó- Bački Breg border crossing point, also the renovation of a 10 km-long road section on the Serbian side from the city of Sombor towards the border. Furthermore, the Hungarian experts initiated the soonest consultations with the Serbian experts in order to continue the planning process. Based on the budgetary plan, the project will be financed under ISO2 under capacity development of border crossing management and mobility with an approximate IPA contribution of 2,86 million EUR.

	Priority Axis	Specific Objective/Action	Indicative project theme	Indicative (start of) implementation	Indicative budget
1.	PA 3	A safer and more secure Europe (ISO2) Capacity development of border crossing management and mobility	Mitigation of freight traffic by developing the border crossing point Hercegszántó - Bački Breg	01.01.2023	IPA: 2,86 million EUR

Besides the operation of strategic importance mentioned above, the following ideas are listed as indicative projects and to be selected and financed through targeted selection method as described under relevant objectives 1.1, 2.1 and 2.2.

	Priority Axis	Specific Objective	Indicative project theme	Indicative (start of) implementation
1.	PA 2	PO4 vi)	Make River Tisa Great Again complex tourism development	Q2 2023
2.	PA 2	PO 4 ii.)	Smart Agro-Innovation and Training Action	Q2 2023
3.	PA 2	PO4 vi)	Sustainable Tourism Development in the area of Vojvodina and Southern Hungary	Q2 2023

The Participating countries agreed to allocate up to 40% of the budget (dedicated to project implementation) to realization of 1) large scale projects to be selected through a targeted selection method and 2) operations of strategic importance.