

INTERREG-IPA Cross-border Cooperation Programme Hungary-Serbia

Final Implementation Report

*Approved by the Monitoring Committee
on 13 February 2025*

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ANNEX X

Model for the implementation reports for the European territorial cooperation goal

PART A

DATA REQUIRED EVERY YEAR ('LIGHT REPORTS') (Article 50(2) of Regulation (EU) No 1303/2013)

1. IDENTIFICATION OF THE ANNUAL / FINAL IMPLEMENTATION REPORT

CCI	2014TC16I5CB001
Title	Interreg-IPA CBC Hungary-Serbia
Version	1.0
Reporting year	2023 and 2024
Date of approval of the report by the Monitoring Committee	dd mm 2025

2. OVERVIEW OF THE IMPLEMENTATION OF THE COOPERATION PROGRAMME (Article 50(2) of Regulation (EU) No 1303/2013 and Article 14(3)(a) of Regulation (EU) No 1299/2013)

Key information on the implementation of the Cooperation Programme for the year concerned, including financial instruments with relation to the financial and indicator data. [max: 7000ch]

The present report, prepared pursuant to Annex X of Commission Implementation Regulation (EU) No 2015/207, aims to provide insight into the activities and achievements of the Interreg-IPA CBC Hungary-Serbia Programme.

The Programme committed the available EU funding through 1 strategic call for proposals, launched in 2016 and 2 normal open calls for proposals, launched in 2016 and 2019. The strategic call for proposals addressed activities of strategic importance as identified in the programme document, encompasses three Priority Axes: PA 1 (Improving the cross-border water management and risk prevention systems), PA 2 (Decreasing the bottlenecks of cross-border traffic), and PA 3 (Encouraging tourism and cultural heritage cooperation). Within the framework of the strategic call, 5 strategic projects have been contracted and successfully implemented with the support of 24,2 million EUR. The two normal calls for proposals addressed a broader range of applicants and activities, and included four Priority Axes: PA 1 (Improving the cross-border water management and risk prevention systems), PA 2 (Decreasing the bottlenecks of cross-border traffic), PA 3 (Encouraging tourism and cultural heritage cooperation), and PA 4 (Enhancing SMEs' economic competitiveness through innovation driven development). In addition to strategic projects, the Programme allocated the remaining 34,5 million EUR to 115 normal projects out of which 9 were funded from reserve list committing the remaining funds cumulated after the closed projects.

With the continuous support of the management bodies, all projects have successfully managed to overcome the difficulties of COVID pandemic and the unprecedented increase of prices, while also successfully contributed in meeting the n+3 targets in programme level.

The year of 2023 and first part of 2024 was the final period of implementation of the 2014-2020 perspective of the programme. The programme remained quite active even in this phasing out period. The last 9 projects concluded their implementation in 2023. The JS approved 26 final reports – which means that each and every project of all 3 call for proposals was successfully completed.

As the final decision in a Written procedure number 55, on 22.05.2023, the Joint Monitoring Committee (JMC) transferred the role to the Monitoring Committee (MC) for Interreg VI-A IPA Hungary-Serbia programme for the 2021-2027 perspective. Since the new MC has taken over the responsibilities of the JMC, there weren't any MC meetings that related exclusively to the 2014-2020 period, all issues were discussed within the new MC according to the mandate given from the 2014-2020 MC to the 2021-2027 MC in line with the rules of procedure.

The programme has made a total of 8 decisions via written procedures (WP):

- Approval of the annual implementation report for 2022.
- Approval of the 2nd phase evaluation
- Update of Eligibility of Applicants
- TA modifications
- Cooperation programme (CP) modification
- Project modifications (2) - to extend project duration because of delayed activities.
- And the mentioned transfer of responsibility from JMC (2014-2020) to MC (2021-2027).

The Joint Secretariat (JS) coordinated the consideration and ultimately the approval of 1 addenda of subsidy contracts, checked and approved 11 other project changes. In 2023 and 2024 the JS approved 47 project reports (PRs) in the value of **EUR 5 300 634.83 (4 505 538.95 of IPA) and 33 TA reports in the value of EUR 2 279 390.19 EUR (1 937 481.52 EUR of IPA).**

Breakdown of validated IPA funds per CfP:

1st: EUR 0.00

2nd: EUR 292 399.46

3rd: EUR 4 213 139.41

Breakdown of validated IPA funds per priority axis (PA):

PA1: EUR 0.00

PA2: EUR 1 522 508.38

PA3: EUR 2 276 924.33

PA4: EUR 706 106.24

PA5: EUR 1 937 481.52

By end of 2022, the INTERREG+ monitoring system fully replaced the old system IMIS 2014-2020 and since then, the previous IMIS 2014-2020 exists only in archive form.

The programme's website www.interreg-ipa-husrb.com remained the main communication hub for the public, potential applicants, beneficiaries and other stakeholders of the programme. The website also features articles related to the European Commission (EC) and its EU-level initiatives as well as announcements of the projects' opening conferences and tender procedures.

The programme's Facebook and LinkedIn pages also provided information about the programme, news relevant to the (or for the) border region, and updates on the related EU initiatives, however the updates mostly related to the 2021-2027 programme.

Our programme had prominent success, active involvement and contribution to the Art of Cooperation annual conferences in Budapest in 2023 and 2024; In 2023 our programme held the programme closing event within Art of Cooperation where members of the JS also took part in panel discussions. The Programme was also involved in the Interreg Cooperation Day (as previously: European Cooperation Day) celebration in 2023 and 2024.

The programme bodies invested time and resources for capacity building, enabling the colleagues to attend Interact events and other online seminars in various subjects for the sake of the smooth implementation of the current and the future programme.

During the relevant period, the JS consisted of 7 employees with the following roles: the head of the JS, the deputy head of the JS, 4 programme managers, 1 programme and financial manager. The JS Antenna (JSA) in Subotica operated with 2 programme managers; one of them is the head of JSA while the other took the role of

communication manager for the programme. Horizontal units of the hosting institution (Széchenyi Programme Office Nonprofit LLC) continuously supported the management of the programme.

In the last phase of the programme implementation, the closure of projects went smoothly and progressed significantly towards the final and confirmed achievement of all of the programme's targets. All of the 118 projects have concluded their implementation by end of 2023. Altogether 26 final reports were approved in 2023 and 2024, with the last one concluded in May 2024.

3. IMPLEMENTATION OF THE PRIORITY AXES (Article 50(2) of Regulation (EU) No 1303/2013)

3.1. Overview of the implementation [max 1750ch per PA]

ID	Priority Axis	Key information on the implementation of the Priority Axis With reference to key developments, significant problems and steps taken to address these problems
PA 1	Improving cross-border water management and risk prevention systems	<p>The priority represents 27.33% of the IPA funding allocated for the programme (EUR 17 800 708).</p> <p>The specific objective of this PA is to decrease environmental risks (e.g. drought, flood, etc.) and prevent negative effects on quality of water bodies and nature protected areas.</p> <p>The beneficiaries of the PA actions are water management organisations in partnership with the relevant public organisations, local governments, associations, NGOs, etc.</p> <p>Number of projects successfully implemented: 11</p> <p>Validated costs in 2023 and 2024: EUR 0 since the last reports were approved already in 2022.</p> <p>Validated costs total: EUR 17 555 998.89 of IPA which is 98.63% of the allocated amount.</p> <p>In this PA, all projects concluded their reporting in 2022, while the programme reached the target values of all three Output Indicators.</p>
PA 2	Decreasing the bottlenecks of cross-border traffic	<p>The priority represents 24.33% of the IPA funding allocated to the programme (EUR 15 842 815).</p> <p>The specific objective of this PA is to increase the capacities of border crossing and the connected transport lines through promoting development of road transport and use of sustainable transport modes.</p> <p>The beneficiaries of the PA actions are national, county and regional level bodies and their organisations are responsible for the development of cross-border transport, railway management and development companies, border control and customs administrations, organisations that maintain the transport stations and operating public transport.</p> <p>Number of projects successfully implemented: 10</p> <p>Validated costs in 2023 and 2024: EUR 1 791 186.52 (1 522 508.38 IPA).</p> <p>Validated costs total: EUR 15 636 441.23 of IPA which is 98.70% of the allocated amount.</p>

		<p>The projects of the 3rd CfP were vital, as they fully covered the 2 indicators that were still not reached previously O/I 2.1 and 2.6. and with that all targets of this PA were met with the conclusion of the projects.</p>
PA 3	Encouraging tourism and cultural heritage cooperation	<p>The priority represents 27.65% of the IPA funding allocated to the programme (EUR 18 005 977).</p> <p>The specific objectives are the creation of commonly coordinated cross-border tourism destinations based on the complementary local assets to ensure sustainable development of tourism potentials, and also promoting cooperation activities in the fields of culture, leisure, sport, and nature protection.</p> <p>The beneficiaries of the PA actions are regional tourism organisations with the involvement of local tourism destination-management associations, NGOs, the local county and regional level authorities and bodies, local governments and their organisations, etc.</p> <p>Number of projects successfully implemented: 70</p> <p>Validated costs in 2023 and 2024: EUR 2 678 734.94 (2 276 924.33 IPA)</p> <p>Validated costs total: EUR 17 174 873.18 of IPA which is 95.38% of the allocated amount.</p> <p>Despite the delays brought on by the pandemic, the implementation of the PA went very well; all targets of this PA were successfully met and surpassed by a large margin.</p>
PA 4	Enhancing SMEs' economic competitiveness through innovation driven development	<p>The priority represents 10.69% of the IPA funding allocated to the programme (EUR 6 962 100).</p> <p>The specific objective of this PA is enforcing the growth capabilities and employment potential of SMEs through the development and adaptation of new technologies, processes, products or services.</p> <p>The beneficiaries of the PA actions are economic clusters, business and innovation support organisations in cooperation with R&D&I and higher education institutions, vocational and adult training organisations, labour market organisations that coordinate labour flow in the cross-border area, chambers of commerce, public organisations or NGOs, etc.</p> <p>Number of projects successfully implemented: 27</p> <p>Validated costs in 2023 and 2024: EUR 830 713.37 (706 106.24 IPA)</p> <p>Validated costs total: EUR 6 253 200.23 of IPA which is 89.82% of the allocated amount.</p> <p>Despite the delays in certain indicators, due to the timely reaction of the programme, the implementation of the PA was concluded very well; all targets of this PA were met with the conclusion of the projects.</p>
PA 5	Technical Assistance (TA)	<p>The priority represents 10% of the IPA funding allocated to the programme (EUR 6 512 400).</p> <p>The main results in 2023 and 2024 were sound and timely execution of all necessary measures that are the prerequisite for the programme's effectiveness.</p>

		<p>They were:</p> <ul style="list-style-type: none"> • operation of the programme bodies • financing of their personnel and external services • project monitoring, administrative and technical assistance to projects of the 1st, 2nd and 3rd CfP • implementation of 3rd CfP projects • information and communication activities • audit and FLC measures, • executing the closure exercise according to the closure plan, etc. <p>There were 33 TA project reports approved during the programme in 2023 and 2024 in the value of 2 279 390.19 EUR (1 937 481.52 EUR of IPA).</p> <p>Validated costs total TA: EUR 5 775 249.05 of IPA which is 88.68% of the allocated amount.</p>
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3.2. Common and programme specific indicators (Article 50(2) of Regulation (EU) No 1303/2013)

Data for common and programme-specific indicators by Investment Priority transmitted using the Tables 1 to 2 below.

Table 1

Result indicators (by Priority Axis and Specific Objective); applies also to the Technical Assistance Priority Axis

Automatic from SFC						Annual value						Observations (if necessary)
ID	Indicator	Measurement Unit	Baseline Value	Baseline Year	Target Value (2023)	2014-2018	2019	2020	2021	2022	Final	
PA 1, 1.1	Water quality (good ecological status) of cross-border surface water bodies (rivers and water flows) in the eligible area	Weighted average ecological status (average, no unit) of cross-border surface water bodies (rivers) in the eligible area*	2.91	2012	2.7	N/a	N/a	N/a	2.04*	N/a	1,82*	
PA 2, 2.1	Share of border-crossing traffic at smaller border-crossing points within all border-crossing traffic	% of persons crossing the border at smaller border-crossing points	35.4	2014	40	N/a	42.66	N/a	39.22	N/a	49.61	
PA 3, 3.1	Number of overnight stays	overnight stays	1 835 757	2013	1 964 000	N/a	2 612 040	N/a	1 996 789	N/a	3 789 322	
PA 3, 3.2	Level of cross-border cooperation intensity of the public and non-profit organisations dealing with cultural, leisure sport and nature protection issues	Rating	3.24	2015	3.73	N/a	3.44	N/a	3.58	N/a	3.9	
PA 4, 4.1	Rate of innovative SMEs in the cross-border region	%	32.94	2015	33	N/a	37.06	N/a	47.99	N/a	44.09	

* reformulated measurement unit as "Weighted average quality of key chemical components (average number of components) of cross-border surface water bodies (rivers) in the eligible area"

Additional data requested by EC:

1. The amount received from the Commission

The total funding of programme is EUR 76 616 479.00, with EUR 65 124 000.00 of IPA funding.

The advance received by the programme by the end of programme: EUR 13 460 302.00

The interim payments received by the programme by the end of programme: EUR 51 663 698.00

2. Transferred funding to the beneficiaries (from Programme to Projects)**

	advance payments (EUR)	interim payments* (EUR)
2023 and 2024	0.00	5 563 549,89
Total (2017-2024)	8 996 831,03	53 638 621,71

** including TA projects*

*** it contains only EU funding*

3. How much interest was accumulated, and were there any decisions made on their use; and if so, which bodies made those decisions

There has been no interest accumulated on the programme account and no decisions were made regarding the interests that may accumulate in the future.

Table 2

Common and programme specific output indicators (by Priority Axis, Investment Priority); applies also to Technical Assistance Priority Axes

	ID	Indicator	Measure ment unit	Target value (2023)	CUMULATIVE VALUE										Observations
					2014	2015	2016	2017	2018	2019	2020	2021	2022	Final	
Outputs to be delivered by selected operations <small>[forecast provided by beneficiaries]</small>	1.1	Population benefiting from flood protection measures	persons	1 000 000	0	0	0	949 123	949 123	949 123	1 511 787	1 511 787	1 511 787	1 511 787	
Outputs delivered by operations <small>[actual achievement]</small>				1 000 000	0	0	0	0	0	900 000	949 123	949 123	1 511 787	1 511 787	
Outputs to be delivered by selected operations	1.2	Length of new or improved water management system	metres	180 000	0	0	0	180 608	180 608	180 608	180 608	180 608	180 608	180 608	
Outputs delivered by operations				180 000	0	0	0	0	0	0	172 912	172 912	191 570	180 608	Decrease in comparison to 2022 is due to data consolidation
Outputs to be delivered by selected operations	1.3	Surface area of habitats supported in order to attain a better conservation status	hectares	150 000	0.00	0.00	0.00	17 408	17 408	17 408	182 126.35	182 126.35	182 126.35	182 126.35	This value is the sum of the values of all 5 projects contributing to this indicator. Overlaps taken into consideration only at delivered operations.
Outputs delivered by operations				150 000	0.00	0.00	0.00	0.00	4 700	17 557.32	17 672.32	17 672.32	187 187.15	162 956.35	Target reached in 2022 when a slight over-achievement explained delivered outputs being larger than selected. Decrease in comparison to 2022 is result of data clarifying process and accounting for potential over-laps.
Outputs to be delivered by selected operations	2.1	Number of improved or newly built border crossing points	border crossing points	7	0	0	0	0	0	2	8	8	8	8	
Outputs delivered by operations				7	0	0	0	0	0	0	2	2	4	8	
Outputs to be delivered by selected operations	CO 14 - 2.2	Total length of newly built roads	kilometres	4	0.00	0.00	0.00	4.52	4.52	4.52	4.529	4.529	4.529	4.529	
Outputs delivered by operations				4	0.00	0.00	0.00	0.00	0.00	0.00	4.53	4.53	4.53	4.53	
Outputs to be delivered by selected operations	2.3	Total length of reconstructed or upgraded roads	kilometres	12	0.00	0.00	0.00	14.00	14.00	14.00	14.00	14.00	14.00	14.00	

Outputs delivered by operations				12	0.00	0.00	0.00	0.00	0.00	0.00	14.46	14.46	14.86	14.46	Slight change in comparison to 2022 is result of data clarifying process.
Outputs to be delivered by selected operations	CO 13 - 2.4	Total length of newly built bicycle paths	kilometres	25	0.00	0.00	0.00	28.18	28.18	28.18	26.87	26.87	26.87	26.87	
Outputs delivered by operations				25	0.00	0.00	0.00	0.00	0.00	4.82	19.96	26.86	26.86	26.87	
Outputs to be delivered by selected operations	2.5	Total length of the railway line directly affected by development plans	kilometres	53.43	0.00	0.00	0.00	58.00	58.00	58.00	58.00	58.00	58.00	58.00	
Outputs delivered by operations				53.43	0.00	0.00	0.00	0.00	0.00	0.00	0.00	58.00	58.00	58.00	
Outputs to be delivered by selected operations	2.6	Number of improved public transport services	services	3	0	0	0	0	0	0	3	3	3	3	
Outputs delivered by operations				3	0	0	0	0	0	0	0	0	0	3	The project (HUSRB/1903/22/0121) selected within the 3 rd CFP has concluded the activities and single-handedly reached this indicator in the last period.
Outputs to be delivered by selected operations	3.1	Expected number of visits to supported sites of cultural and natural heritage and attractions	visits/year	100 000	0	0	0	57 410	57 410	57 410	100 511	109 811	109 811	109 811	
Outputs delivered by operations				100 000	0	0	0	0	2 050	64 206	108 673	189 772	237 523	121 990.60	Decrease in comparison to 2022 due to data clearing and taken into account for base values and yearly values
Outputs to be delivered by selected operations	3.2	Number of joint cultural, recreational and other types of community events and actions organised	events	900	0	0	0	766	766	766	1 034	1 140	1 128	1 128	A project slightly decreased their goal regarding this indicator explains the decrease in comparison to 2021
Outputs delivered by operations				900	0	0	0	0	22	383	507	773	1 050	1 117	The slight difference in comparison to values of selected operation indicators is due to a single project slightly underperforming in comparison to planned activities.
Outputs to be delivered by selected operations	3.3	Average monthly user entries to online communication tools developed	user entries	84 000	0	0	0	52 317	52 317	52 317	85 820	87 440	87 440	87 440	
Outputs delivered by operations				84 000	0	0	0	0	543	77 343	368 471.75	381 560.53	433 632.53	100 204.91	Projects of this action overperformed their planned targets. The decrease of values in comparison to previous years is the result of data clearing and data clarifying process.
Outputs to be delivered by selected operations	CO 26 - 4.1	Number of enterprises cooperating with research institutions	enterprises	210	0	0	0	187	187	187	224	224	224	224	
Outputs delivered by operations				210	0	0	0	0	0	62	204	232	265	226	The decrease in comparison to 2022 values is due to data clearing

Outputs to be delivered by selected operations	4.2	Number of organisations actively participating in the work of the “knowledge platforms”	organisations	210	0	0	0	191	191	191	249	249	249	249	
Outputs delivered by operations				210	0	0	0	0	0	52	212	258	296	476	The target value surpassed as several project overperformed their planned targets.
Outputs to be delivered by selected operations	4.3	Number of months spent in the institutions and companies on the other side of the border through scholarships	months	250	0	0	0	2	2	2	388.75	388.75	388.75	388.75	
Outputs delivered by operations				250	0	0	0	0	0	0	1.75	1.75	252.75	386.75	In the final period newly selected projects under Action 4.3 of the 3 rd CfP concluded their reports and the target value further surpassed.
Outputs to be delivered by selected operations	4.4	Rate of persons from vulnerable groups involved in supported actions	percentage	50.00	0.00	0.00	0.00	0.00	n. a.	n.a.	n.a.	50.40	50.40	33.6	The accumulated total value of this indicator is 504 selected by 15 projects.
Outputs delivered by operations				50.00	0.00	0.00	0.00	0.00	n. a.	36.54	62.40	65.70	66.88	65.48	The data for this indicator are given in percentages – the final average percentage of all achieved values is an arithmetic average of those percentages. This value is 65.48% surpassing the target value.
Outputs to be delivered by selected operations	5.1	Number of projects administered by the JS	number	100	0	0	9	81	81	81	120	129	129	126	126 consists of 8 TA (1 withdrew) and 118 normal projects. In 2021, 9 additional normal projects were selected, but 2 withdrew after contracting.
Outputs delivered by operations				100	0	0	0	0	81	81	110	127	129	126	In 2022, the JS registered additional 2 regular projects in the monitoring system which now has the total of 126 (3 that withdrew also counted as registered in 2022 but we removed them for full clarity).
Outputs to be delivered by selected operations	5.2	Number of publicity events	number	5	0	0	5	6	8	13	13	13	13	14	
Outputs delivered by operations				5	0	0	0	0	8	13	13	13	13	14	One public (closing conference) event organised by the programme in the last period.
Outputs to be delivered by selected operations	5.3	Number of employees	employees in FTE	8	0	0	8	8	8	8	8	8	8	8	
Outputs delivered by operations				8	0	0	0	0	8	8	8	8	8	8	

3.3. Information on the milestones and targets defined in the performance framework (Article 50(2) of Regulation (EU) No 1303/2013) – submitted in Annual Implementation Reports from 2017 onwards

Reporting on financial indicators, key implementation steps, output and result indicators to act as milestones and targets for the performance framework (submitted starting with the report in 2017).

Table 3

Priority axis 1: „Improving the cross-border water management and risk prevention systems”

Indicator type	ID	Indicator or Key implementation step	Measurement unit	Milestone target 2018	Final target (2023)	2014 - 2016	2017	2018	2019	2020	2021	2022	Final	Observations
Output indicator	OI 1.2	Length of new or improved water management system	Metres	0	180 000	0	0	0	0	172 912	172 912	191 570	180 608	Decrease in comparison to 2022 is due to data consolidation.
Key Implementation Step	KIS 1.2	Number of projects contracted related to the improvement of the water management system's physical infrastructure in the cross-border region	Pieces	4	6	0	4	4	4	6	6	6	6	
Financial indicator	FI 1	Eligible certified expenditure of the priority axis 1 “Improving the cross-border water management and risk prevention systems”	EUR	1 050 000	20 942 012	0	0	977 448.36	4 644 114.84	12 786 865.92	19 354 692.01	20 654 117.57	20 654 117.57	The target is 98.63% reached.

Priority axis 2: “Decreasing the bottlenecks of cross-border traffic”

Indicator type	ID	Indicator or Key implementation step	Measurement unit	Milestone target 2018	Final target (2023)	2014-2016	2017	2018	2019	2020	2021	2022	Final	Observations
Output indicator	OI 2.2	Total length of newly built roads	Km	0	4	0	0	0	0	4.53	4.53	4.53	4.53	
Output indicator	OI 2.3	Total length of reconstructed or upgraded roads	Km	0	12	0	0	0	0	14.46	14.46	14.86	14.46	The final target was reached in 2020, in 2022 this amount was further increased due to a closure of another project of this PA. Decrease in comparison to 2022 due to data clearing.
Key Implementation Step	KIS 2.2	Number of projects contracted related to the improvement of physical infrastructure of border crossing roads	Pieces	1	2	0	4	4	4	5	5	5	5	
Financial Indicator	FI 2	Eligible certified expenditure of the priority axis 2 “Decreasing the bottlenecks of cross-border traffic”	EUR	794 000	18 638 608	0	450.21	513 091.68	2 666 945.02	12 716 645.11	15 780 322.04	16 604 627.54	18 395 814.06	The indicator is 98.7% reached.

Priority axis 3: “Encouraging tourism and cultural heritage cooperation”

Indicator type	ID	Indicator or Key implementation step	Measure-ment unit	Milestone target 2018	Final target (2023)	2014-2016	2017	2018	2019	2020	2021	2022	Final	Observations
Output indicator	OI 3.2	Number of joint cultural, recreational and other types of community events and actions organised	Number	20	900	0	0	22	390	505	773	1 050	1 105	
Financial Indicator	FI 3	Eligible certified expenditure of the priority axis 3 “Encouraging tourism and cultural heritage cooperation”	EUR	1 100 000	21 183 504	0	433.26	1 108 976.99	5 046 529.79	9 421 080.62	14 934 367.23	17 528 232.47	20 205 737.41	The indicator is 95.38% reached.

Priority axis 4: “Enhancing SMEs’ economic competitiveness through innovation driven development”

Indicator type	ID	Indicator or Key implementation step	Measure-ment unit	Milestone target 2018	Final target (2023)	2014-2017	2018	2019	2020	2021	2022	Final	Observations
Output indicator	OI 4.1	Number of enterprises cooperating with research institutions	Number	10	210	0	10	95	204	232	265	226	Decrease in comparison to 2022 due to data clearing.
Financial indicator	FI 4	Eligible certified expenditure of the priority axis 4 “Enhancing SMEs’ economic competitiveness through innovation driven development”	EUR	347 200	8 190 707	0	158 449.38	1 402 662.68	3 756 988.87	4 864 888.91	6 525 994.74	7 310 980.73	The indicator is 89.82% reached.

3.4. Financial data (Article 50(2) of Regulation (EU) No 1303/2013)

Table 4

Financial information at Priority Axis and Programme level

(as set out in Table 1 of Annex II to Commission Implementing Regulation (EU) No 1011/2014 (1) [Model for transmission of financial data] (2) and table 16 of model for co-operation programmes under the European Territorial Co-operation goal)

1.	2.	3.	4.	5.	6.	7.	8.	9.	10.	11.	12.	13.
The financial allocation of the Priority Axis based on the Co-operation Programme						Cumulative data on the financial progress of the Co-operation Programme						
PA	Fund	Cate- gory of region	Basis for the calculation of Union support	Total funding	Co- financing rate	Total eligible cost of operations selected for support (EUR)	Proportion of the total allocation covered with selected operations (%) (column 7/ column 5 *100)	Public eligible cost of operations selected for support (EUR)	Total eligible expenditure declared by beneficiaries to the Managing Authority	Proportion of the total allocation covered by eligible expenditure declared by beneficiaries (%) (column 10/ column 5 *100)	Number of operations selected*	Total eligible expenditure incurred and paid by beneficiaries and certified to the Commission by 31/12/2024(EUR)
PA 1	IPA		Total cost	20 942 012.00	85.00	20 930 075.30	99.94%	20 930 075,30	20 654 117.57	98.63%	11	20 624 101.17
PA 2	IPA		Total cost	18 638 608.00	85.00	18 638 596.49	99,99%	12 811 953.58	18 395 814.06	98.70%	10	18 183 780.17
PA 3	IPA		Total cost	21 183 504.00	85.00	21 093 437.14	99.57%	14 409 977.96	20 205 737.41	95.38%	70	20 071 740.82
PA 4	IPA		Total cost	8 190 707.00	85.00	7 851 340.56	95.86%	4 857 633.47	7 356 708.31	89.82%	27	7 345 779.09
PA 5	IPA		Total cost	7 661 648.00	85.00	7 661 648.00	100.00%	7 661 648.00	6 794 411,28	88,68 %	8	6 790 414.81
Total	IPA		Total cost	76 616 479.00	85.00	76 175 097.49	99.42%	60 671 288.31	73 406 788,63	95,81 %	126	73 015 816.06

* In 2021 2 projects from the 3rd CfP withdrew as well as one TA project (MA) in 2019.. Therefore, the actual number of operating or closed operations is 126.

Table 5

Breakdown of the cumulative financial data by category of intervention (Article 112(1) and (2) of Regulation (EU) No 1303/2013 and Article 5 of Regulation (EU) No 1304/2013)

(as set out in Table 2 of Annex II to Commission Implementing Regulation (EU) No 1011/2014 [Model for transmission of financial data] and tables 6-9 of Model for cooperation programmes)

PA	Characte ristics of exp.	Categorisation dimensions								Financial data			
	Fund	1. Intervention field	2. Form of finance	3. Territorial dimension	4. Territorial delivery mechanism	5. Thematic priority dimension	6. ESF secondary theme	7. Economic dimension	8. Location dimension	Total eligible cost of operations selected for support (€)	Public eligible cost of operations selected for support (€)	The total eligible expenditure declared by beneficiaries to the managing authority (PR&AFRs approved until 31/12/2024)	Number of operations selected
PA 1	IPA	087 Adaptation to climate change measures prevention and management of climate related risks e.g. erosion, fires, flooding, storms and drought, including awareness raising, civil protection and disaster management systems and infrastructures	01 Non-repayable grant	02 Small Urban areas (intermediate density > 5 000 population)	01	b	07	22	HU	-	-	-	0
				03 Rural areas (thinly populated)	01	b	07	22	HU	20 064 479,39	20 064 479,39	19 815 008,68	8
		085 Protection and enhancement of biodiversity, nature protection and green infrastructure		02 Small Urban areas (intermediate density > 5 000 population)	01	b	07	22	HU	-	-	-	0
				03 Rural areas (thinly populated)	01	b	07	22	HU	865 595,91	865 595,91	839 108,89	3
PA 2	IPA	026 Other Railways	01 Non-repayable grant	03 Rural areas (thinly populated)	01	c	07	12	HU	3 336 986,83	3 035 080,57	3 336 986,83	1
		032 Local access roads (newly built)			01	c	07	12	HU	8 544 198,00	3 386 632,03	8 544 198,00	2
		034 Other reconstructed or improved roads (motorway, national, regional or local)			01	c	07	12	HU	469 925,50	170 057,00	349 459,57	1
		044 Intelligent transport systems (including the introduction of demand management, tolling systems, IT monitoring, control and information systems)			01	c	07	12	HU	1 389 567,21	1 389 567,21	1 362 734,28	1
		090 Cycle tracks and footpaths			01	c	07	12	HU	4 897 918,95	4 830 616,77	4 802 435,38	5
PA 3	IPA	092 Protection, development and promotion of public tourism assets	01 Non-repayable	01 Large Urban areas (densely populated > 50 000 population)	01	d	07	15	HU	567 900,80	327 127,23	544 728,99	2
				02 Small Urban areas (intermediate density > 5 000 population)	01	d	07	15	HU	2 018 150,74	2 070 787,51	2 000 902,90	5
				03 Rural areas (thinly populated)	01	d	07	15	HU	-	-	-	0

PA	Characte ristics of exp.	Categorisation dimensions								Financial data			
	Fund	1. Intervention field	2. Form of finance	3. Territorial dimension	4. Territorial delivery mechanism	5. Thematic priority dimension	6. ESF secondary theme	7. Economic dimension	8. Location dimension	Total eligible cost of operations selected for support (€)	Public eligible cost of operations selected for support (€)	The total eligible expenditure declared by beneficiaries to the managing authority (PR&AFRs approved until 31/12/2024)	Number of operations selected
		093 Development and promotion of public tourism services		01 Large Urban areas (densely populated > 50 000 population)	01	d	07	15	HU	2 123 662,83	1 496 962,25	1 999 440,78	7
				02 Small Urban areas (intermediate density > 5 000 population)	01	d	07	15	HU	2 255 245,46	1 967 167,21	2 070 468,09	6
				03 Rural areas (thinly populated)	01	d	07	15	HU	1 637 078,29	1 494 785,22	1 494 785,22	3
		094 Protection, development and promotion of public cultural and heritage assets		01 Large Urban areas (densely populated > 50 000 population)	01	d	07	15	HU	2 109 216,99	1 364 936,69	1 963 203,97	11
				02 Small Urban areas (intermediate density > 5 000 population)	01	d	07	15	HU	3 443 681,87	2 070 266,88	3 405 996,47	17
				03 Rural areas (thinly populated)	01	d	07	15	HU	778 002,05	511 142,73	707 805,45	3
		095 Development and promotion of public cultural and heritage services		01 Large Urban areas (densely populated > 50 000 population)	01	d	07	15	HU	683 342,35	401 794,11	660 244,97	4
				02 Small Urban areas (intermediate density > 5 000 population)	01	d	07	15	HU	4 981 711,76	2 558 217,02	4 875 601,76	10
				03 Rural areas (thinly populated)	01	d	07	15	HU	495 444,00	146 791,11	482 558,81	2
PA 4	IPA	060 Research and innovation activities in public research centres and centres of competence including networking	01 Non-repayable grant	01 Large Urban areas (densely populated > 50 000 population)	01	g	07	07	HU	718 598,53	512 823,95	660 039,70	2
				02 Small Urban areas (intermediate density > 5 000 population)	01	g	07	07	HU	-	-	-	0
				03 Rural areas (thinly populated)	01	g	07	07	HU	188 436,04	157 075,45	157 075,45	1
		062 Technology transfer and university-enterprise cooperation prim		01 Large Urban areas (densely populated > 50 000 population)	01	g	07	07	HU	658 114,77	585 973,29	585 973,29	2
				02 Small Urban areas (intermediate density > 5 000 population)	01	g	07	07	HU	2 177 301,58	1 523 334,08	2 096 340,49	5
				03 Rural areas (thinly populated)	01	g	07	07	HU	-	0.00	-	0
		063 Cluster support and business networks primarily benefiting SMEs		01 Large Urban areas (densely populated > 50 000 population)	01	g	07	07	HU	1 068 737,78	337 272,43	1 013 522,96	3
				02 Small Urban areas (intermediate density > 5 000 population)	01	g	07	07	HU	-	-	-	0
				03 Rural areas (thinly populated)	01	g	07	07	HU	-	-	-	0

PA	Characte ristics of exp.	Categorisation dimensions								Financial data			
	Fund	1. Intervention field	2. Form of finance	3. Territorial dimension	4. Territorial delivery mechanism	5. Thematic priority dimension	6. ESF secondary theme	7. Economic dimension	8. Location dimension	Total eligible cost of operations selected for support (€)	Public eligible cost of operations selected for support (€)	The total eligible expenditure declared by beneficiaries to the managing authority (PR&AFRs approved until 31/12/2024)	Number of operations selected
		066 Advanced support services for SMEs and groups of SMEs (including management, marketing and design services)		01 Large Urban areas (densely populated > 50 000 population)	01	g	07	07	HU	-	-	-	0
				02 Small Urban areas (intermediate density > 5 000 population)	01	g	07	07	HU	469 773,10	315 472,69	446 422,26	2
				03 Rural areas (thinly populated)	01	g	07	07	HU	778 981,89	662 926,07	767 906,57	3
		067 SME business development, support to entrepreneurship and incubation (including support to spin offs and spin outs)		01 Large Urban areas (densely populated > 50 000 population)	01	g	07	07	HU	-	-	-	0
				02 Small Urban areas (intermediate density > 5 000 population)	01	g	07	07	HU	1 234 433,65	718 216,34	1 107 053,70	7
				03 Rural areas (thinly populated)	01	g	07	07	HU	556 963,22	44 539,17	522 373,89	2
		072 Business infrastructure for SMEs (including industrial parks and sites)		01 Large Urban areas (densely populated > 50 000 population)	01	g	07	07	HU	-	-	-	0
				02 Small Urban areas (intermediate density > 5 000 population)	01	g	07	07	HU	-	-	-	0
				03 Rural areas (thinly populated)	01	g	07	07	HU	-	-	-	0
PA 5	IPA	121 Preparation, implementation, monitoring and inspection	01 Non-repayable grant	Not applicable	07	07	07	18	HU	6 129 318,00	6 129 318,00	5 435 529,02	8
		122 Evaluation and studies			07	07	07	18	HU	766 165,00	766 165,00	679 441,13	
		123 Information and communication			07	07	07	18	HU	766 165,00	766 165,00	679 441,13	
Grand total										76 175 097,49	60 671 288,31	73 406 788,63	126

Table 6

Cumulative cost of all or part of an operation implemented outside the Union part of the Programme area

1	2	3	4	5	6
	The amount of IPA support(*) envisaged to be used for all or part of an operation implemented outside the Union part of the Programme area based on selected operations (EUR)	Share of the total financial allocation to all or part of an operation located outside the Union part of the Programme area (%) (column 2/total amount allocated to the support from the IPA at programme level *100)	Eligible expenditure of IPA support incurred in all or part of an operation implemented outside the Union part of the Programme area declared by the Beneficiary to the Managing Authority (EUR) (**)	Share of the total financial allocation to all or part of an operation located outside the Union part of the Programme area (%) (column 4/total amount allocated to the support from the IPA at programme level *100)	Total eligible expenditure incurred and paid by beneficiaries and certified to the Commission by 31/12/2018 Article 21(2) of Regulation (EU) No 1303/2013 (EUR) (**)
All or part of an operation outside the Union part of the Programme area (1)	-	0.00 %	0.00	0.00 %	0.00

I would take these two comments out because:

(*) IPA support is fixed in the Commission decision on the respective co-operation programme.

(**) At this point this data is not available from the system

(1) In accordance with and subject to ceilings set out Article 20 of Regulation (EU) No 1299/2013.

4. SYNTHESIS OF THE EVALUATIONS (Article 50(2) of Regulation (EU) No 1303/2013)

Synthesis of the findings of all evaluations of the programme that have become available during the previous financial year, including the name and reference period of the evaluation reports used. [max: 10 500 ch]

The programme evaluation plan had foreseen 3 evaluations during the programming period: 1 operational and 2 impact evaluations. Due to various Programme implementation challenges, including the COVID-19 pandemic, the content and timing of planned evaluations had been adjusted to deliver the best results, as follows:

	2016	2017	2018	2019	2020	2021	2022
Original Plan		1st Phase of effectiveness, efficiency evaluation		1st Phase of impact evaluation			2nd Phase of impact evaluation
Revised Plan				1st Phase of a combined evaluation			2nd Phase of a combined evaluation

The **1st Phase of a combined evaluation** (1st evaluation) of the Interreg-IPA Cross-border Cooperation Programme Hungary-Serbia was conducted by the Central European Service for Cross-Border Initiatives (CESCI). The cut-off date for the processed data was 30 September 2018. The JMC approved the final evaluation report on 7 July 2019 in the 16th written procedure.

The 1st phase evaluation report is available in the website: <http://www.interreg-ipa-husrb.com>

Several recommendations of the 1st evaluation have been applied during the implementation of the 2014-2020 Programme (e.g. recommendations addressing horizontal principles and shortages in human capacities). In addition, following the recommendation, more stakeholders were involved in designing the new programme 2021-2027.

The **2nd Phase of a combined evaluation** (2nd evaluation) of the Interreg-IPA Cross-border Cooperation Programme Hungary-Serbia was also conducted by the Central European Service for Cross-Border Initiatives. The cut-off date for the processed data was 12 April 2020. The bulk of the data collection, surveys, and other evaluation activities took part in the previous financial year, 2022. The 2nd evaluation has been fine-tuned and finalized at the end of 2022/beginning of 2023, and was approved by the MC within WP 55 on 22.05.2023.

The 2nd phase evaluation report is available in the website: <http://www.interreg-ipa-husrb.com>

An in-depth evaluation was performed per each Priority axis as well as at the Programme level. The main findings at the Programme level are summarized below.

Regarding the Programme's impact on the **fundamental objectives**, to reduce the borders' barrier effect, and to valorise the border regions territorial capital, the 2nd evaluation concluded that:

- The programme had the strongest positive impact on the field of the cross-border cooperation. The implemented projects and events played an important role in strengthening the social connections of the border area. On other fields of the cross-border cooperation, such as establishing new cooperation agreements, the effects of the programme were limited.
- The programme had strong positive effects on people-to-people relations. In the cross-border perceptions, significant positive change can be observed with the positive contribution of the programme.
- Regarding cross-border flows, the programme could unfold its effects only in certain areas. While the infrastructural conditions of the cross-border mobility have definitely improved due to physical investments and planning activities funded by the programme; regarding the other aspects of the cross-border flows, such as cross-border services, mobility and business activities, the programme had only weak positive or no effect.

The Programme has an **outstanding role in building mutual trust**, initiating and deepening/broadening already existing connections across the border. One of the biggest impacts is enhancing and encouraging of cross-border relations on which future developments can be built.

Based on the S.M.A.R.T. assessment of the output indicators, the most important findings are as follows:

- Output indicators of the PA2 have been designed the most successful. They reflect mostly exact physical results, which have a quite clear methodology for measuring them. The output indicators regarding the PA4 suffer from different kinds of issues. The original target values were not ambitious enough, the OI/4.4 could be misunderstood, which caused inconsistent and non-harmonised data. The output indicators of the PA3 were quite adequate, but the original target values were extremely modest and required several adjustments. PA1's indicators had only minor issues.
- Most of the output indicators are specific, clear and understandable enough. However, in some cases, the character of the requested effects was not well-described (e.g. OI/1.1.).
- There were only a few problems with the measurability of the indicators, and these mainly rooted in the specificity of the given indicators. The targets for several output indicators were not ambitious enough.
- The relevance of the defined output indicators was out of question, but one indicator was slightly horizontal (OI/4.4).

Based on the evaluation findings, the 2nd evaluation developed **recommendations** about good practices to keep and how the Programme can be improved relating the Programme's structure and priorities, implementation, management structure, procedures and projects design and implementation. Some recommendations have already been applied in designing the new 2021-2027 programme e.g. enhancing the specificity, measurability and ambitiousness of the indicators, enhancing the links between the programme's and the projects' intervention logic, keep using and fine-tuning the INTERREG+ tool. Some others were taken into consideration in the Call for Proposals e.g. enhancing outcome and activity based project planning, fine-tuning the assessment procedures, encouraging the beneficiaries to design their contribution to horizontal principles more seriously, broaden the scope of simplified cost options.

5. ISSUES AFFECTING THE PERFORMANCE OF THE PROGRAMME AND MEASURES TAKEN (article 50(2) of Regulation (EU) No 1303/2013)

a) Issues which affect the performance of the Programme and the measures taken [max: 7000 ch]

1. Delays in progress of indicators

Previously the programme has identified delays in fulfilment of specific indicators by 2020:

- O/I 2.5 "Total length of the railway line directly affected by development plans"
- O/I 2.6 "Number of improved public transport services"
- O/I 4.3 "Number of months spent in the institutions and companies on the other side of the border through scholarships"

The 2nd CP modification addressed the problem of indicator for PA4. To further ensure the fulfilment of all of the indicators including those for PA2 (O/I 2.5 and 2.6) the programme defined targeted actions for the 3rd CfP.

The selected and contracted projects of the 3rd CfP include projects that have contributed to reach the indicators in question.

Ultimately, with the actions above, we had the following success with all three indicators we were worried about:

- O/I 2.5: target 53 kilometres, achieved 58 kilometres
- O/I 2.6: target for 2023: 3 services achieved 3 services
- O/I 4.3: target for 2023: 250months, achieved 388.75 months

Therefore, we can conclude that the 2nd CP modification, the targeted call for proposals and other efforts of the programme were the correct measures to address the problem.

2. Frequent prolongation of projects' duration and other challenges due to COVID-19 pandemic

In 2023 and 2024 due to the successful implementation of most of the project, the effects of the pandemic were not felt directly anymore. Nevertheless, previous delays and problems in procurements (lack of building material, growing prices of raw material for infrastructural investments) still affected the remaining projects. Several projects asked for additional prolongations which allowed them to finalise the projects. By procedure, these requests were considered and approved by the JMC

3. Monitoring system issues, introduction of INTERREG+:

By end of 2022, the INTERREG+ system fully replaced IMIS 2014-2020, which now exists in archive form.

In 2023 and 2024, besides continuous support, the INTERREG+ system development continued with individual development requests in regard to the 2014-2020 functionality, also preparation and adjustment of system components to the launch of the 2021-2027 period. Main achievements in terms of INTERREG+ development were:

- fine tuning the project modification function – allowing carrying out project modification simultaneously with ongoing reporting; cross validating changes made on the project and applying those to the ongoing reports;
- finalizing the functionality of the e-Application and Assessment Module in line with the Commission-approved Programme rules.

Achievements in terms of operational tasks:

- providing continuous operational support and maintenance;
- expanding the hardware capacity to host the INTERREG+ system supporting the extended user number and operations due to the simultaneous operation of both the 2014-2020 and the 2021-2027 period;
- updating operational software to meet the IT security regulations.

The final developments mainly focused on fully adapting the system functionalities to support programme implementation in the 2021-2027 period; this mainly means user-friendly developments and adjustment in order providing the finest user experience possible.

In conclusion, the issues of the monitoring system has been settled and the programme considers this problem as solved.

b) OPTIONAL FOR LIGHT REPORTS, otherwise it will be included in point 9.1 (Article 50(4) of Regulation (EU) No 1303/2013)

An assessment of whether progress made towards targets is sufficient to ensure their fulfilment, indicating any remedial actions taken or planned, where appropriate [max: 3500 ch]

Analysing the data provided, we can maintain our previous conclusion that the programme was not damaged by the pandemic. Huge efforts of the programme bodies and even more efforts from the beneficiaries of our projects kept the programme afloat. The programme showed flexibility and was quick to react to the challenges of the beneficiaries. This enabled most of the projects to reach their indicators and produce all other outputs on time. Beneficiaries that could not produce all the desired outputs on time were given more time to reach their goals. The objective difficulties were understandable, and the programme bodies were tolerant in case of possible changes while fully expecting that the beneficiaries reach their redefined goals as agreed. In all cases, trust and tolerance was awarded with fulfilment of agreements and tangible results despite the challenges.

Ultimately, the spending rates have further increased and the programme has reached its goals.

All the programme-level output indicators are achieved. The remedial actions taken previously especially regarding lagging indicators of PA4 and PA2 have paid off and yielded measurable results – all indicators of PA2 and PA4 have been reached and surpassed.

6. CITIZEN'S SUMMARY (Article 50(9) of Regulation (EU) No 1303/2013)

A citizen's summary of the contents of the annual and the final implementation reports shall be made public and uploaded as a separate file in the form of annex to the annual and the final implementation report

The annual implementation report (FIR) of the Interreg-IPA CBC Hungary-Serbia Programme provides a brief overview of the activities undertaken in relation to the Programme.

Provided as separate document.

7. REPORT ON THE IMPLEMENTATION OF FINANCIAL INSTRUMENTS (Article 46 of Regulation (EU) No 1303/2013)

Where the Managing Authority decided to use financial instruments it must send to the Commission a specific report covering the financial instruments operations as an annex to the annual implementation report:

Not relevant in case of the Interreg-IPA CBC Hungary-Serbia Co-operation Programme 2014-2020. (There were no financial instruments used in the meaning of Article 46 of the CPR in the Programme.)

8. PROGRESS IN PREPARATION AND IMPLEMENTATION OF MAJOR PROJECTS AND JOINT ACTION PLANS (Article 101(h) and Article 111(3) of Regulation (EU) No 1303/2013 and Article 14(3)(b) of Regulation (EU) No 1299/2013)

Not relevant in case of the Interreg-IPA CBC Hungary-Serbia Co-operation Programme 2014-2020. (There are no major projects or joint action plans in the meaning of Article 101(h) and 111(3) of the CPR or Article 14(3)(b) of the ETC Regulation in the Programme.)

8.1. Major projects

Significant problems encountered in implementing major projects and measures taken to overcome them.

Not relevant for the Programme.

Any change planned in the list of major projects in the Co-operation Programme.

Not relevant for the Programme.

8.2. Joint action plans

Progress in the implementation of different stages of joint action plans

Not relevant for the Programme.

PART B

REPORTING SUBMITTED IN YEARS 2017, 2019 AND FINAL IMPLEMENTATION REPORT (Article 50(4) of Regulation (EU) No 1303/2013 and Article 14(4) of Regulation (EU) No 1299/2013)

9. ASSESSMENT OF THE IMPLEMENTATION OF THE OPERATIONAL PROGRAMME (Articles 50(4) and 111(4) of Regulation (EU) No 1303/2013)

9.1. Information in Part A and achieving objectives of the programme (Article 50(4) of Regulation (EU) No 1303/2013)

The results per priorities:

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

Validated costs total: 17 555 998.89 EUR of IPA which is 98.63% of the allocated amount.

In this PA, all projects have concluded their reporting in 2022 which concludes all activities of PA 1. In total the programme has achieved all target values of all three Output Indicators of PA1.

PA2: Decreasing the bottlenecks of cross-border traffic

Validated costs total: 15 636 441.23 EUR of IPA which is 98.70% of the allocated amount.

By 2022 all but two indicators were reached and by concluding the final projects of the 3rd call of this priority, they were also reached by the programme. Concluding that in total the programme has achieved all target values of all three Output Indicators of PA2.

PA3: Encouraging tourism and cultural heritage cooperation

Validated costs total: 17 174 873.18 EUR of IPA which is 95.38% of the allocated amount.

Despite the delays brought on by the pandemic, the implementation of the PA went very well; all targets of PA2 were already met and surpassed by a large margin long before the conclusion of the remaining project. This PA remained the best performing of the programme generating the most interest and the best results.

PA4: Enhancing SMEs' economic competitiveness through innovation driven development

Validated costs total: 6 253 200.23 EUR of IPA which is 89.82% of the allocated amount.

Despite the delays in certain indicators, due to the timely reaction of the programme, the implementation of the PA was concluded very well; all targets of this PA were met with the conclusion of the projects.

Overall, the programme is concluded with objective success on all fields. We administered 126 successful normal and TA projects, we have reached each objective, each measured indicator was reached, as well as performance indicators. Each milestone, each objective measurable indicator shows a fully successful programme. Financial data confirms that. We had 96.6% success of allocated funding for normal projects, each financial indicator was achieved (PA1 98.63%, PA2 98.70%, PA3 95.38 and by the end even PA4 reached 89.82% despite showing slow success rate initially), while together with the TA, we spent 95.81% of the allocated funding as a programme. As confirmed by the evaluation of the programme, we substantially contributed to all the objectives of the programme and have had the identity of a well performing, dynamic and active programme with visible and recognisable projects.

9.2 Specific actions taken to promote equality between men and women and to prevent discrimination, in particular accessibility for persons with disabilities, and the arrangements implemented to ensure the integration of the gender perspective in the operational programme and operations (Articles 50(4) and 111(4), second subparagraph, (e) of Regulation (EU) No 1303/2013) (length: 3500 ch)

In line with Articles 7 and 8 of the CPR, the Cooperation Programme integrated three horizontal principles (HPs):

- equality between men and women
- equal opportunities and non-discrimination,

- sustainable development.

The Programme ensured that the equality between men and women and the non-discrimination principle were considered during the quality assessment of applications. Under no circumstances could an application with potentially negative impact on any of HPs be selected for the contracting.

Irrespective of the PAs they applied for, applicants could choose if their project would have a neutral or an active contribution to HPs. In case of the active and positive contribution, they could choose one or two predefined HPs. Applicants had a freedom to define activities, the corresponding horizontal indicator (HI) and explained how their project would contribute to HPs they selected. The quality assessors awarded them up to 3 points for a positive and active contribution to selected HP(s).

Each project selected contributed to at least one HP, 62 projects defined their own *Sustainable development related horizontal indicator*, 41 chose *Equality between men and women* and 85 of *Equal opportunities and non-discrimination*. The most of projects that selected two HPs combined equal opportunities and non-discrimination principle with the principle of equality of men and women.

Progress of HIs of projects has been continuously monitored through project reports. The reported progress has been considered verified only if the report was approved. The majority of project achieved and, in most cases, surpassed their defined expectations.

Besides contributing to HP as cross-cutting themes integrated in all 4 priority axes, projects within PA4 could be directly linked to the equal opportunities and non-discrimination principle. Namely, the Programme output indicator OI/4.4 for the PA4 is *Rate of persons from vulnerable groups involved in supported actions*. Since the vulnerable groups are usually disadvantaged groups their inclusion was critical to advancing equality and non-discrimination. In this respect, 25 projects contributed to the achievement of OI/4.4.

Inclusion of HPs in the quality assessment of applications has proved to be an excellent instrument, which provided a good basis to further improve their effective promotion in the period of 2021-2027.

9.3 Sustainable development (Articles 50(4) and 111(4), second subparagraph, (f) of Regulation (EU) No 1303/2013) (length: 3500 ch)

The Programme Priority Axes were selected to directly contribute to the sustainable development of the Programme area. Specific objectives and expected results of PAs were defined considering the Programme area's specificities. Taking into consideration social and economic pillars of SD, the main focus of the Programme is on the preservation, protection and enhancement of the environment.

As explained in previous section, the Cooperation Programme also integrated sustainable development (SD) as one of horizontal principles.

Projects that have been implemented within the Programme contributed to sustainable development principle in two ways:

- the main purpose of the project directly targeted the SD principle through one out of four PAs;
- the project addressed the SD principle as a cross-cutting theme or horizontal principle.

To better facilitate the promotion of SD through projects, Guidelines_for_Applicants (GfA) for two CfPs provided list of examples of the most suitable actions for each PA. As common and programme specific output indicators were predefined, applicants could choose which output indicators were the most applicable to their projects while they were free to plan corresponding activities.

Whether projects were directly addressing the issues of sustainable development or not, the applicants were invited and encouraged to implement actions/measures in their day-to-day operations and project activities which

aimed to reduce the negative impact on the environment. In this regard, GfA provided guidance on how to incorporate SD good practices in project planning and implementation, which turned out to be a useful and effective tool.

If projects selected SD as the horizontal principle, they were assessed during the quality assessment in the same way as HPs the equality between men and women and the non-discrimination (please see previous section 11.2).

Altogether, 62 projects selected sustainable development as the horizontal principle they contributed to. Projects applied different approaches to SD and measures were various, therefore they were classified into three groups: measures applying renewable energy solutions, initiatives promoting sustainable tourism and measures for raising awareness and disseminating knowledge. In the end, the approach in programme level turned to be an effective measure and delivered excellent achievements of the variously defined SD indicators.

9.4. Reporting on support used for climate change objectives (Article 50(4) of Regulation (EU) No 1303/2013)

All implemented projects within intervention field '087 – Adaptation to climate change measures and prevention and management of climate related risks e.g. erosion, fires, flooding, storms and drought, including awareness raising, civil protection and disaster management systems and infrastructures' contributed to climate change objectives.

Water management becomes more and more important issue due to climate change and it was one of the focuses of our Programme. The water bodies have an important cross-border character, as the whole region is part of the catchment area of the Danube and its main tributary, the Tisa. This calls for a joint water monitoring system as well as early warning systems for environmental risks (e.g. drought, floods, hydrological status, and water pollution). The possible dangers caused by the rivers and climate change need to be eliminated in the form of joint water management and environmental risk protection, and these underlined the importance of Priority Axis 1.

Therefore, there were eight projects running in this field. Two of these projects had strategic importance and had been selected within the strategic Call for Proposals. The total IPA of these projects was altogether 17 664 905.70 EUR. The projects were the following ones:

HUSRB/1601/11/0001 (BABECA) – 7 394 607.22 euro IPA – project of strategic importance

The complex water management development of the area of the Baja-Bezdan Canal

Project implementation: 29.09.2017 – 28.09.2020

Eligible EU contribution reimbursed: 6 958 577.76 EUR

HUSRB/1601/11/0004 (WASIDCA) – 5 933 516.77 EUR IPA – project of strategic importance

Water supply and water-infrastructure development in the boundary

Project implementation: 01.06.2017 – 31.05.2021

Eligible EU contribution reimbursed: 5 780 169.63 EUR

HUSRB/1602/11/0010 (ECOWAM) – 1 494 680.31 EUR IPA

Ecofriendly water management against extreme weather conditions in the cross-border area

Project implementation: 01.10.2017 – 31.30.2020

Eligible EU contribution reimbursed: 1 443 162.41 EUR

HUSRB/1602/11/0057 (WATERatRISK) – 724 272.25 EUR IPA

Improvement of drought and excess water monitoring for supporting water management and mitigation of risks related to extreme weather conditions

Project implementation: 01.10.2017 – 30.09.2019

Eligible EU contribution reimbursed: 680 890.01 EUR

HUSRB/1602/11/0097 (URBAN-PREX) – 638 171.40 EUR IPA

Monitoring, forecasting and development of online public early warning system for extreme precipitations and pluvial floods in urban areas in the Hungarian-Serbian cross-border region

Project implementation: 01.11.2017 – 31.10.2019

Eligible EU contribution reimbursed: 609 709.07 EUR

HUSRB/1602/11/0225 (PREVENT!FLOOD SUSTAINABILITY) – 797 693.11 EUR IPA

Increasing the efficiency of municipal flood protection through smart metering

Project implementation: 01.10.2017 – 31.30.2020

Eligible EU contribution reimbursed: 767 019.54 EUR

HUSRB/1602/12/0014 (SWeM-PaL) – 380 961.34 EUR IPA

Sustainable wetland management of the transboundary Palic-Ludas

Project implementation: 01.10.2017 – 30.09.2019

Eligible EU contribution reimbursed: 332 083.54 EUR

HUSRB/1903/11/0070 (SafeForest) – 301 003.36 EUR IPA

Improving Floodplain Forest Management along the Danube in the HU-SRB CBC area

Project implementation: 01.10.2020 – 31.03.2022

Eligible EU contribution reimbursed: 271 114.54 EUR

9.5 Role of partners in the implementation of the cooperation programme (Article 50(4) of Regulation (EU) No 1303/2013 and Article 14(4), subparagraph 1, (c) of Regulation (EU) No 1299/2013)

Assessment of the implementation of actions to take into account the role of partners referred to in Article 5 of Regulation (EU) No 1303/2013, including involvement of the partners in the implementation, monitoring and evaluation of the cooperation programme

When assessing the role of partners we can conclude that the involvement of local municipalities, civil associations and other regional level entities into the decision-making was a preferred approach of the Programme. In addition to those partners that were already actively involved in the programme as JMC members, observers, beneficiaries, we searched for ways to involve other stakeholders in the programme. Potential conflict of interests were eliminated by the separation of duties and with the rules of procedure.

10. OBLIGATORY INFORMATION AND ASSESSMENT ACCORDING TO ARTICLE 111(4), first subparagraph, (a) and (b), OF REGULATION (EU) NO 1303/2013

10.1 Progress in implementation of the evaluation plan and the follow-up given to the findings of evaluations (length: 7000 ch)

As explained above (Part A, Chapter 4.), the Evaluation plan was reviewed and updated in response to the unforeseen circumstances. In order to better fit the Programme implementation dynamics and provide more useful data, the timeframe for the Programme evaluations has been rescheduled and it was decided that the first Programme evaluation happens in 2018 and the 2nd happened in 2022.

Summary of recommendations including follow-up to the findings as quoted below:

'In a broader sense, the fundamental objectives of the cross-border programmes are to reduce the borders' barrier effect, and to valorise the border regions territorial capital. To estimate the programme's impacts on these fields, changes in three predefined aspects (cross-border cooperation, people-to-people relations, cross-border flows) by several factors has been analysed. Based on the estimated impact vectors regarding these factors, it was concluded that:

- *The programme had the strongest positive impact on the field of the cross-border cooperation. The implemented projects and events played an important role in strengthening the social connections of the border area. On other fields of the cross-border cooperation, such as establishing new cooperation agreements, the effects of the programme were very limited.*

- The programme had somewhat weaker, but still strong positive effects on people-to-people relations. In the cross-border perceptions, significant positive change can be observed with the positive contribution of the programme.
- Regarding cross-border flows, the programme could unfold its effects only in certain areas. While the infrastructural conditions of the cross-border mobility have definitely improved due to physical investments and planning activities funded by the programme; regarding the other aspects of the cross-border flows, such as cross-border services, mobility and business activities, the programme have had only weak positive or no effect.

The Programme has an outstanding role in building mutual trust, initiating and deepening/broadening already existing connections across the border. One of the biggest impacts of the programme is enhancing and encouraging of cross-border relations on which future developments can be built.

Based on the S.M.A.R.T. assessment of the output indicators, the most important findings are as follows:

- Output indicators of the PA2 have been designed the most successful. These indicators reflect mostly exact physical results, which have a quite clear methodology for measuring them. The output indicators regarding the PA4 suffer from different kinds of issues. The original target values were not ambitious enough, the OI/4.4 could be misunderstood, which caused inconsistent and non-harmonised data. The output indicators of the PA3 were quite adequate, but the original target values were extremely modest and required several adjustments. PA1's indicators had only minor issues.
- Most of the output indicators are specific, clear and understandable enough. However, in some cases, the character of the requested effects was not well-described (e.g. OI/1.1.).
- There were only a few problems with the measurability of the indicators, and these mainly rooted in the specificity of the given indicators. The targets for several output indicators were not ambitious enough.
- The relevance of the defined output indicators was out of question, but one indicator was slightly horizontal (OI/4.4).

The S.M.A.R.T. assessment highlighted more issues regarding the result indicators. The target values were extremely modest, and the measurement of the programme's influence was not easy to identify in every case (for example the RI/4.1 Rate of innovative SMEs in the cross-border region). Most of the problems were in connection with the different sources of information:

- Different methodology of the countries: In some cases, the required data were from two countries, and it was not sure that the data providers used the same methodology.
- Necessity of additional research: The RI/3.2 is based on a survey carried out by the programme three times during the programme period. The aim of the survey is quite clear, but its implementation raised the greatest doubts.
- Lack of available data: The values based on the original definition of the RI/1.1 are available just every sixth year, and the Programme bodies were unable to attain the value already in the first reporting year. Redefinition of the original indicator was necessary.

Having assessed the sustainability of the results and outputs, it seems that applicants and beneficiaries were able to better plan the sustainability measures in case of tangible, infrastructure-related developments, where the ownership and the responsibilities can be determined in a more exact way. When speaking about soft projects, there are less one-size fits all solutions, hence there would be a need for a different mindset with specific skills on behalf of the applicants and beneficiaries in order to generate viable sustainability solutions. In spite of the discrepancies, long-lasting, stable and balanced partnerships between the two sides of the border definitely can guarantee sustainability in the long run to some extent.

Concerning the programme management, majority of the programme implementation bodies have appropriate capacities for the sound implementation of the CP. It is the Serbian FLC body that faces serious human resource shortages, which means a bottleneck in the projects' implementation on the Serbian side. In terms of the cooperation between the programme bodies, the joint work can be assessed as sound and efficient. The management bodies are basically satisfied with the level and form of cooperation also taken into consideration the effects of the COVID-19 pandemic.

As for considering the findings of the evaluations in the future, it would be worth fine-tuning the requirements concerning the presentation of the sustainability aspects by the applicants and beneficiaries in a way, which makes

them better explore their solutions. It must also be taken into consideration, that durability can be interpreted differently in case of an investment in infrastructure compared to small-scale people-to-people actions.

The Programme will undertake some role in raising the capacities of the potential beneficiaries in order to make them better design their project proposals both in strategic and operative terms. This will lead to higher quality projects better reacting on the regional needs and capitals, as well as better ensuring sustainability in the long-run'

Addressing the findings:

Modest planning of certain indicators: The modest planning regarding certain indicators was considered by the EC desk officer which proposed bringing the indicators to more realistic goals and some of the indicators were updated accordingly. The following Output indicators' target values were updated accordingly:

OI/1.1 from 100 000 to 1 000 000 persons

OI/1.2 from 6 000 to 180 000 meters

OI/1.3 from 500 to 150 000 hectares

OI/2.1 from 3 to 7 border crossing point

OI/2.2 from 3.21 to 4 kilometres

OI/2.3 from 2.14 to 12 kilometres

OI/2.4 from 5.35 to 25 kilometres

OI/3.1 from 40 000 to 100 000 visits/year

OI/3.2 from 265 to 900 events

OI/3.3 from 6 580 to 84 000 user entries

OI/4.1 from 35 to 210 enterprises

OI/4.2 from 60 to 210 organisations

OI/4.3 from 200 to 250 months

The problem of overlapping in case of some indicators was identified during the final system check based on which the value of indicators was corrected in the indicator tables.

10.2 The results of the information and publicity measures of the Funds carried out under the communication strategy (length: 7000 ch)

In the entire financial perspective of 2014-2020, the Programme was fully dedicated to present the programme successes in the best possible way. We used reliable tools for supporting and promoting the programme and made the communication activities an integral part of all the programme activities. The implementation phase of the communication activities involved the following major task clusters:

- **Launching call for proposals, application:** Info day events, media announcements

The programme actively promoted the launching of 1 strategic and 2 regular CfPs, via different communication tools and channels, resulting in a high number of quality applications received. The upgraded and communication rules and requirements comparing to the previous programming period were based on carefully prepared Guidelines for Implementation of Information and Publicity Measures for Projects and the Visual Identity Manual, accompanied with a whole list of supporting communication documents. The communication processes were treated as an integral part of the entire Programme scope of activities in connection with the CfP's: every communication regarding the public calls consisted of the launch - media promotion - info days - online & in-person consultations - clarifications - closing of the call - evaluation - decision making - announcement of the results and contacting phases. All media announcements and the info days were conducted in both Hungarian and Serbian languages, to serve the target audience's needs. The communication covered the entire Programme territory and beyond.

- **Funding decision:** LB workshops, B seminars

After JMC decisions offering contracts to the most successful projects, the communication activities focused on the knowledge and experience transfer towards the newly contracted projects and project beneficiaries.

Having in mind that the total of 118 projects were implemented through 3 CfPs in the 2014-2020 programming period, the communication had to be precisely channelled through the workshops and seminars for all involved partner organisations. Although the nature of the project implementation rules consists of differences in communication obligations for the LBs and other Beneficiaries, the communication presentations at the workshops and seminars remained somewhat similar - underlining the need for consistency in communication and integrated communication approach for all the involved parties. The straightforward communication measures presented to all the LBs and Bs, resulted in a recognizable communication in the eligible programme area with reasonable media outreach and positive word-of-mouth among the external audiences, involved parties and stakeholders.

- **Project implementation: consultations, reporting, support in project networking and promotion**

From the moment the projects were contracted, a permanent communication between the LB and their PM starts, while at the same time the Programme Communication manager was creating a tight communication bound to all partners, making sure that the communication obligations would be fulfilled. Not all the projects had the same level of communication activities: it ranged from basic communication to the level of projects which had a clear communication purpose as their main project tasks - for example in some touristic projects. Nevertheless, all the projects had to follow the set of supporting documents, to fulfil their communication obligations, especially the set of obligatory communication tools: posters, promotional materials in line with the Visibility manual, obligatory communication event, obligatory media coverage, running a social media network profile, as well as some specificities for projects with works components and those who purchased equipment. The Programme have supported Beneficiaries in all the phases of the project implementation, CM and PMs were available for consultations via email, telephone or in-person, and actively worked with the project partners sometimes even beyond the project end date, to ensure a positive Programme and projects visibility.

- **Annual events, promoting: the Programme, Interreg and EU funding, projects**

The Programme was actively involved in many annual events, being that on national, regional or level of the EU. Most often re-visited events were the bi-annual Conference on the European territorial cooperation organized by the Serbian NA in Belgrade - The Ministry of European integration, the Art of Cooperation conference in Budapest organized by the Hungarian NA - The Ministry of Foreign Affairs and Trade, then the Annual Interreg gatherings and of course the annual celebration of the European Cooperation Day. As for the EC Day, the Programme has chosen different communication strategies along the years: organizing an event on their own, like in case of the Photo Contest with exhibition "Beautiful sights of the Hungary-Serbia border region" between 8 August and 10 September 2017, or joining multiple projects' events and having a wider impact on the programme territory like in September and early October 2019, covering 15 events, hosted by nine projects being implemented within our Programme. In this particular case, the events provided over 1,200 visitors with opportunities to experience the cross-border cooperation between the organizations, while enjoying free-of-charge concerts, music festivals, art exhibitions, family fairs, theatre plays for children and much more.

The programme's website www.interreg-ipa-husrb.com remained the main communication hub for the public, potential applicants, beneficiaries and other stakeholders of the programme. The website also features articles related to the European Commission (EC) and its EU-level initiatives as well as announcements of the projects' opening conferences and tender procedures. Since the opening of the Programme's website in 2015, a total of 212 news articles and announcements were published, ensuring constant communication and availability for all interested parties. The website's back-office module served also for reporting on communication activities of the projects.

Raise of the social networks traffic could not be neglected: The programme's Facebook and LinkedIn pages also provided information about the programme, news relevant to the (or for the) border region, and updates on the related EU initiatives. One of the features was the potential of networking, as all the projects had obligation to run a social network profile, but this potential seemed actually conceived with the introduction of hashtags in the 2021 - 2027 programming period.

11. ADDITIONAL INFORMATION WHICH MAY BE ADDED DEPENDING ON THE CONTENT AND OBJECTIVES OF THE COOPERATION PROGRAMME (Article 14(4), subparagraph 2 (a), (b), (c) and (f), of Regulation (EU) No 1299/2013)

11.1. Progress in implementation of the integrated approach to territorial development, including sustainable urban development, and community-led local development under the cooperation programme

Not relevant for our programme

11.2 Progress in implementation of actions to reinforce the capacity of authorities and beneficiaries to administer and to use the IPA

Naturally, being an IPA CBC programme, our programme contributed to the capacity of the National authorities and beneficiaries to administer and to use the IPA funding. As the longest running CBC of Serbia with a members state, throughout several iterations of this programme and during one and a half decades of functioning, we were the first contact of EU funding to Serbia. Our programme has remained the best base of knowledge and experience for both Hungary but especially Serbia with regard to IPA funding. National Authority of Serbia has continued to increase capacities, of their staff as well as the staff of the First Level Control according to the needs of our programme and has implemented what was learnt with us on other CBC programmes (some with member and some with non-member states).

Our beneficiaries, as well, increased their knowledge and capacities by working on the projects of our programme. The staff of the MA, NA and especially the JS and the Control bodies have been crucial in teaching, helping, controlling and administering the projects according to programme and EU rules.

11.3 Contribution to macro-regional and sea basin strategies (where appropriate)

The European Union Strategy for the Danube Region (EUSDR) was adopted by the European Commission (December 2010) and endorsed by the European Council in 2011.

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

- PA1 reflects the priorities of the EUSDR aiming at environment protection at the Danube region and has handled environmental damages, and has restored and maintained the quality of waters and preserving biodiversity.
- PA2 reflects the priorities of the EUSDR and has improved mobility and multimodality.
- PA3 reflects the priority of the EUSDR and has promoted culture and tourism and people to people contacts.
- PA4 reflects the priorities of the EUSDR by developing the knowledge society through research, education and information and supporting the competitiveness of enterprises, including cluster development.

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

EUSDR Priority Areas and actions	Programme priorities			
	PA1 Risk management	PA2 CB traffic	PA3 Tourism & culture	PA4 SME
1) Connecting the Danube Region				
To improve mobility and multimodality		+		
To encourage more sustainable energy				
To promote culture and tourism, people to people contacts			+	
(2) Protecting the Environment in the Danube Region				
To restore and maintain the quality of waters	+			
To manage environmental risks	+			
To preserve biodiversity, landscapes and the quality of air and soils	+			
(3) Building Prosperity in the Danube Region				
To develop the knowledge society through research, education and information technologies				
To support the competitiveness of enterprises, including cluster development				+
To invest in people and skills				
(4) Strengthening the Danube Region				
To step up institutional capacity and cooperation			+	
To work together to promote security and tackle organised and serious crime				

Certain relations between the Programme's PA-s and the EUSDR's actions can be observed. Some of these connections aren't strong but the similar challenges require similar actions.

In this sense, correspondence of the given project proposals and the priorities of the EUSDR is to be evaluated with extra scores during the evaluation (with a maximum of 2% of maximum scores).

In conclusion, it can be said that the Interreg-IPA CBC Hungary-Serbia Programme has significantly contributed to the European goals especially through respecting the horizontal principles as well as being relevant in the macro-regional context.

11.4 Progress in the implementation of actions in the field of social innovation, where appropriate

The "Enhancing SMEs' economic competitiveness through innovation driven development" was the fourth thematic priority in 2nd CFP containing two actions:

- 4.1 Enhancing innovation through cooperation between SMEs and research institutions involving young people
- 4.2 Encouraging and development of social entrepreneurship

Action 4.1: Enhancing innovation through cooperation between SMEs and research institutions involving young people included activities as:

- 1) Development of innovation infrastructure and catalysing joint R&D&I projects tailored to SME needs
- 2) Setting up and operating "innovation communities" in "challenged economic and social areas"
- 3) Promoting knowledge-sharing and networking amongst, and professional experience building for young

researchers and entrepreneurs

- 4) Positioning the CBC agriculture and food processing through joint innovation activities

Action 4.2 Encouraging and development of social entrepreneurship is described in the following way:

Having in mind the complex economic and social conditions that inhabitants of the border area live in, it was necessary to discover and apply new and innovative models to tackle these issues. One model which is becoming increasingly popular around the world and could be easily applied in the Programme area *is social entrepreneurship*. It *combines innovation* (disruptive innovation is the basis of social entrepreneurship in general, as well as of each individual social enterprise) *with economic, marketable activity and a social cause*.

Most of the social enterprises started with a good idea and very little resources, but with some support they were able to create work places, tackle inclusion of vulnerable groups, generate income and solve burning social problems. However, despite the obvious benefits of social entrepreneurship for society in general, *its existence has not yet been legally regulated*. Therefore, the possible *activities* which were *supported* within this priority, alongside the assistance to activities of social enterprises themselves, included:

- a) *advocacy initiatives,*
- b) *inclusion of minorities and other vulnerable groups,*
- c) *strategies and methods that help the decision makers to create or change policies, laws, regulations, distribution of resources or other decisions that affect social enterprises;*
- d) *raising awareness about the benefits of social entrepreneurship;*
- e) *Introducing courses about social entrepreneurship in universities, etc.*

HUSRB/1602/41/012 – RILIAM: The „RILIAM” project supported the SMEs from the region who deal with industrial automation and industrial robotics. In the project *two innovation competence laboratories were created*, one for the food industrial robotics and automation in the Faculty of Engineering in Szeged, and one for the assembly automation and robotics at Subotica Tech in Subotica. *The laboratories became the help point for the SMEs for innovation solutions.*

The project resulted in: The young people becoming more interested to gain knowledge and to practice, improve their professional skills in modern innovative laboratories. That indicates the raised interest toward technical sciences.

The *developed online tutorial* data base served as the information collector, and connection between the project partners, beneficiaries and interested citizens.

The project RILIAM *established a functional network between the multi companies in the CB region and young SMEs, young researchers, students. The projects created an interactive channel for information flow among the participants. Young engineers were enabled to solve complex technical solutions.*

HUSRB/1602/41/0031 - PLANTSVITA: The main research aim of PLANTSVITA was to *develop and demonstrate the application efficiency of two multi-component microbial products*, PLANTSVITA AC (for acidic soils) and PLANTSVITA AL (for alkaline soils), *to minimize the pesticide risks and hazards*, implementing and promoting in this way the principles of Ecological Pest Management (EPM) in the CB region. Through the intensive information activities, the project boosted the EPM practice among CB farmers by using the developed products and establishing a closely assigned *training* campaign on EPM for young people. Through development and demonstration of the new products and the technology of their production and application, PLANTSVITA supported the enforcement of the agricultural production, enabling alternative soil quality management solutions based on green and sustainable approaches, which had a positive influence on CB agriculture and food industry for providing affordable, high quality crops grown with consideration to the environment. The partnership proved through PLANSVITA will be promoted as a common CB structure offering regional enterprises solutions and services needed for safe food production.

HUSRB/1602/41/0042 - AGRINNO - This project had an aim *to improve innovative agriculture approach* in order to help the unemployed people living in houses with backyards in rural settlements in cross-border area to establish or upgrade their backyard farms to be more productive and cost-effective. New measuring instruments represent *innovation in greenhouse production in SRB* and has enhanced innovation both for agricultural producers and their SMEs, research institutions and agricultural schools. The idea of the project was to create experimental greenhouse in Institute of field and vegetable crops, also to set demo greenhouses for vegetable production on three different locations in Vojvodina in order to cover the whole territory -in relevant institutions

such as agricultural schools. Those schools became the base of three incubators which were established during project implementation with an aim to gather and unite unemployed people and other vulnerable groups, also agricultural producers in rural and semi-rural areas on both sides of the borders; educate and show them how to grow plants in greenhouses and outdoors.

NOTE: Both RILIAM and AGRINNO have successful continuation of projects within 3rd call for proposals with similar goals and equally successful results. These are only 3 examples of good social innovation projects otherwise also present in other projects of this PA.

In addition to the mentioned examples of objective 4.1, projects under 4.2 targeted vulnerable groups and people with mental or physical disabilities in the frame of development of social entrepreneurship.

PART C

REPORTING SUBMITTED IN YEAR 2019 AND FINAL IMPLEMENTATION REPORT (Article 50(5) of Regulation (EU) No 1303/2013)

12. FINANCIAL INFORMATION AT PRIORITY AXIS AND PROGRAMME LEVEL (Articles 21(2) and 22(7) of Regulation (EU) No 1303/2013)

For detailed financial information at priority and programme level, please refer to Table 4 of the present report.

13. SMART, SUSTAINABLE AND INCLUSIVE GROWTH

For answering this question, we are quoting the findings of the Evaluators that will concluded the Operational evaluation-Evaluation of the efficiency and effectiveness of the programme:

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

In general, the programme document identifies the following contributions to the EU2020 main goals: It aims at "smart, sustainable, inclusive growth" through the following main targets

- 1) raising the employment rate of the population aged 20–64 from 69% to at least 75%;
- 2) achieving 3% investment of GDP in R&D and developing a new indicator to track innovation;
- 3) reducing greenhouse gas emissions by at least 20%, increasing the share of renewable energy in energy consumption to 20%, and achieving a 20% increase in energy efficiency;
- 4) reducing the share of early school leavers to 10% and increasing the share of the population aged 30–34 having completed tertiary education to at least 40%;
- 5) reducing the number of population living below national poverty lines by 25%.

According to the main aims of the EU2020 the following headline indicators at EU and at national level were established:

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

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

EU/Member State	EU-28	Hungary
Poverty and social exclusion	Lifting at least 20 million people out of the risk of poverty and social exclusion (compared to 2008)*	- 450 000 persons

As we can see, the EU2020 only concerns Hungary and the targets are more moderate than the targets on the EU level, though there are no massive differences between them. For the assessment of the programme's contribution to realising the EU2020 targets the programme's indicators are analysed in relation to the EU2020 topics. In the next table the "+" signs show the explicit contributions. As it can be seen from the table in several cases only indirect contributions can be identified. Many indicators measure different implementation steps (e.g. Number of calls for SMEs) and not an EU2020 target. Most of the crossing points are about GHG emissions and R&D, but nothing about energy consumption. However, it does not mean, that the programme completely ignored these issues.

The programme's potential contribution for the EU2020 targets

Programme indicators			EU 2020 Topics					
Type	Name	Target Value	Employment	R&D	GHG emissions	Energy consumption	Education	Poverty and social exclusion
PO	Rate of persons from vulnerable groups involved in supported actions	50						+
PO	Number of months spent in the institutions and companies on the other side of the border through scholarships	200	+				+	
PO	Number of organisations actively participating in the work of "knowledge platforms"	60		+				
PO	Number of enterprises cooperating with research institutions	35		+				
PO	Average monthly user entries to online communication tools developed	5000						
PO	Number of joint cultural, recreational and other types of community events and actions organised	200						
PO	Number of visits to supported sites of cultural and natural heritage and attractions	30000						
PO	Number of improved public transport services	3			+			
PO	Total length of the railway line directly affected by development plans	50			+			
PO	Total length of newly built bicycle paths	5			+			
PO	Total length of reconstructed or upgraded roads	2						
PO	Total length of newly built roads	3						
PO	Number of improved or newly built border crossing points	3						
PO	Surface area of habitats supported in order to attain a better conservation status	500						
PO	Area benefiting from modern hail protection measures	700000						
PO	Length of new or improved water management system	6000						
PO	Population benefiting from flood protection measures	100000						
PR	Rate of innovative SMEs in the CBR			+				

Programme indicators			EU 2020 Topics					
PR	Level of cross-border cooperation intensity of the public and non-profit organisations dealing with cultural, leisure sport and nature protection issues	3,73						
PR	Number of overnight stays	1964000						
PR	Share of border-crossing traffic at smaller border-crossing points within all border-crossing traffic	40						
PR	Water quality (good ecological status) of cross-border surface water bodies (rivers and water flows) in the eligible area	2,7						

And finally, we would like to present the final achieved values (those marked with * were updated mid-term) of the indicators marked with blue in the table above, that represent the real measure of how much our programme has contributed to EU2020 and with it directly contributed to SMART, SUSTAINABLE AND INCLUSIVE GROWTH.

Programme indicators that contribute to EU2020			
Indicator ID	Name	UPDATED Target Value	ACHIEVED VALUE
OI/4.4	Rate of persons from vulnerable groups involved in supported actions	50	65.48
OI/4.3	Number of months spent in the institutions and companies on the other side of the border through scholarships	250*	386.75
OI/4.2	Number of organisations actively participating in the work of “knowledge platforms”	210*	476
CO 26 OI/4.2	Number of enterprises cooperating with research institutions	210*	226
OI/2.6	Number of improved public transport services	3	3
OI/2.5	Total length of the railway line directly affected by development plans	53.43*	58
CO 13 OI/2.4	Total length of newly built bicycle paths	25*	26.87
RI/4.1	Rate of innovative SMEs in the CBR	33	44.09

14. ISSUES AFFECTING THE PERFORMANCE OF THE PROGRAMME AND MEASURES TAKEN — PERFORMANCE FRAMEWORK (ARTICLE 50(2) OF REGULATION (EU) NO 1303/2013)

Where the assessment of progress made with regard to the milestones and targets set out in the performance framework demonstrates that certain milestones and targets have not been achieved, Member States should outline the underlying reasons for failure to achieve these milestones in the report of 2019 (for milestones) and in the final implementation report (for targets).

Under chapter 5 all issues were addressed, including those that were connected to the milestones and targets set in the performance framework. All issues were addressed and dealt with, and all milestones were reached by the conclusion of the programme including the performance framework indicators.

Annex I. List of all operations phased from 2014-2020 into 2021-2027*Not relevant for our programme***Annex II. List of non-functioning operations***Not relevant for our programme***Annex III. List of operations affected by ongoing national investigations / suspended by a legal proceeding or by an administrative appeal having suspensory effect**

Priority	Operation reference	Operation title	Name of the beneficiary / recipient	Total Certified Expenditure affected (in EUR)	Public contribution affected (in EUR)	Operation affected by ongoing national investigations	Operation suspended by a legal proceeding or by an administrative appeal having suspensory effect
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