

ANNEX X

Model for the implementation reports for the European Territorial Co-operation 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	2014TC16RFCB008
Title	<i>(Interreg V-A) HU-HR - Hungary-Croatia</i>
Version	1.0
Reporting year	2021
Date of approval of the Report by the Monitoring Committee	19 April 2022, via MC decision No 7/2022 (first version)

2. OVERVIEW OF THE IMPLEMENTATION OF THE CO-OPERATION 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 Co-operation Programme for the year concerned, including on financial instruments, with relation to the financial and indicator data.

The present report, prepared pursuant to Annex X of Commission Implementation Regulation (EU) No 2015/207, aims at providing an overview of the **activities that were undertaken in relation to the programme in the year 2021.**

The reporting year was almost entirely focused on the implementation of the projects selected in the second Call for Proposals (CfP), launched in 2019 and closed at the beginning of 2020.

On its 9th meeting, on 15 January 2020 the Monitoring Committee (MC) took funding decisions related to **41 regular projects and 1 strategic project**, awarding a total of 10.676.038,30 EUR of ERDF. Decisions on Component 2.1.2 (Tourism Attractions) were postponed to a later date, and were taken via MC written procedure in May 2020. Out of the many tourism-development project ideas (always the most popular thematic area in the Hungarian-Croatian CBC programmes) **8 co-operations were selected, receiving a total of 8.864.050,43 EUR of EU contribution.** Last but not least, after calculating the remaining ERDF amounts from finished first CfP projects, there was possibility to select further projects from the Reserve list of the second CfP – **5 additional co-operations received together 1.883.404,71 EUR of EU funding.**

All of these projects were ongoing in 2021 as well and presented a number of management tasks for all bodies of the programme implementing structure.

The entire year was characterised by smooth and efficient co-operation between the First Level Control bodies (FLC), the Joint Secretariat (JS), the Managing Authority (MA) and Croatian National Authority (NA), furthermore the Certifying Authority (CA) and the Audit Authority (AA). All actors contributed to the programme processes managed under their responsibility, from the receiving and validating of Beneficiary Reports, over checking and approving Project Reports (PR-s), to the handing of project changes (mostly Beneficiary changes and budget reallocations), but also from managing the Technical Assistance (TA) projects over the initiating of payments to the Lead Beneficiaries (LB-s) (and the sending of Applications for Payment to the EC) to the performing of system audits and audits on operations.

As regards the work of the MC, the joint body held one meeting, organised via online meeting platform on 9 December, **and took decisions in 6 written procedures**, organised via e-mail. Most cases needing MC approval were extensions of project duration, changes in project partners and documents such as AIR, Annual Communication Plan or Final Report on Impact Assessment.

The first quarter of 2021 saw the approval of 22 PR-s which were – as otherwise usual in case of first or second reports – of smaller financial value. The total amount of validated ERDF was 395.402,36 EUR in these reports. Since all second Cfp-s were under implementation there were many project events held – unfortunately mostly in a virtual setting, via online meeting platforms used by the LB-s, due to the SARS-CoV-2 pandemic which dominated most of 2021 as well. **A system audit, managed by the contractor of the AA, kicked off with a notification letter on 17 February.** The final report, issued on 19 July, qualified the programme as ‘Category 2 – Works, but some improvement(s) are needed’.

Q2 of 2021 saw the approval of further payments to the LB-s, this time in a total amount of 444.815,21 EUR of EU contribution to 22 project reports. Also connected to the second quarter **an audit on operations was launched (on 12 July)** to check on 8 projects (and 2 TA projects); the final reports were issued in October. Reporting about the activities in the programme in 2020, the Annual Implementation Report was approved by the MC via written decision-making procedure, held between 1 and 16 April.

The third quarter brought an increased number of PR-s: 41 of them were approved, for a total of 1.082.959,89 EUR of EU contribution. During the summer months the COVID-related restrictions were scaled back in both countries, leading to **an increase in ‘live’ events held by the projects**, for example the numerous events aligned the date of European Co-operation Day on 21 September.

Finally, in Q4 51 PR-s were approved, covering altogether 1.761.561,61 Euros of ERDF. An MC meeting, summarising the activities and the results of the year 2021 to the decision-makers, was organised on 9 December in online form.

Besides the projects selected via open Cfp, the programme contains also four operations which can be regarded as **strategic / pilot projects:**

- **‘De-mine HU-HR II’ in PA2** is a continuation of the earlier co-operation of the two Member States’ authorities for the removal of landmines; the project was implemented between 2016 and 2018 and has thus not presented any task for the programme implementation system in 2021.
- **The ‘Beneficiary Light Scheme’ project** which started implementation on 1 February 2017 has been prolonged until 31 December 2022 (from the original end date of July 2021), so all ‘light projects’ (SME co-operations) selected within the scheme can properly finish their planned activities. Since the project covers the entirety of PA1, please find information about its 2021 activities in Chapter 3.1.
- **‘CBJointStrategy’** in PA3 is in charge of performing the impact evaluation of the 2014-2020 programme and is facilitating the planning of the new Interreg programme of the 2021-2027 perspective. Pannon EGTC as LB has in 2021 – with the help of its subcontractors – organised

1 survey and 4 thematic workshops (which were connected to each of the envisaged priority objectives of the future programme), and has in terms of outputs produced a draft and a final impact assessment document and a draft strategy for the next financial perspective (draft Chapter 1 and Chapter 2 of the IP template). All materials are case-by-case approved by the MC (in matters related to the 2014-2020 programme) and the Programming Committee (PC) (related to the 2021-2027 continuation of the cross-border co-operation).

- **'MuKoBridge'** manages the planning of a new Drava-bridge between Murakeresztúr (HU) and Kotoriba (HR) within PA2. The project with an EU contribution of 782.335,15 EUR has an implementation period of March 2020 to December 2022. The project partner organisations are NIF National Infrastructure Developing Plc. as LB, Croatian Roads Ltd. as B1 and Mura Region EGTC as B2.

To support the efficient day-to-day communication of the programme towards the general public and the interested potential applicants, **an all-new website (www.huhr-cbc.com) was set up in 2015**; it has had a new maintenance contract from 2018 onwards and **is complemented by an official Facebook and Twitter profile**. The programme participated also in the year 2021 in the **European Co-operation Day** initiative and – unlike in 2020 when this was not possible – most of the events could be held in person and not only via online platforms. The programme promoted the ECD campaign also via its social media profiles, and 12 projects have joined the Europe-wide celebration of cross-border co-operation. For all communication activities of the programme, please refer to Chapter 5.b of this report.

Regarding the human resources available to programme implementation, **the JS** operated also in 2021 with a team of 7 co-workers. **Both the MA and the Croatian NA** keep committing the same human resources as previously present in the cross-border co-operation programme of the 2007-2013 financial perspective and the still ongoing programme 2024-2020.

Related to all the above, and the 2021 performance of the programme **in relation to financial and indicator data, please refer to Chapter 3.2, 3.3 and 3.4** of the present report. **The programme has successfully managed to achieve its cumulative n+3 spending goal also in 2021.**

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

3.1 Overview of the implementation

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	Economic development	The Priority represents 16,38 percent of the ERDF funding allocated to the programme. The entire amount is dedicated to financing the so-called 'Beneficiary Light Scheme' , a special operation partly acting like a regular project and partly like a support scheme. This model of providing <i>de minimis</i> support to SME-s in a cross-border context was taken by the planning experts (and endorsed by the Task Force) from the Euroregion Rhine-Waal at the border of Germany and the Netherlands.

		<p>The main Beneficiaries are non-profit organisations dealing with enterprise support in each of the seven border counties, while the LB is HAMAG-BICRO, a Croatian enterprise promotion agency. The official starting date of the project was 1 February 2017. The opening of the mechanism to SME-s started in summer 2017, and its implementation continues into 2022 as well. The two-step selection procedure consisted of the following stages: a) a Call for Light Concepts, ending with an initial selection step; b) a project development phase where external experts (called the External Project Support Facility, EPSF) aided the SME-s in the detailed elaboration of their project ideas; and c) a Call for Light Project Proposals, at the end of which the Selection Board of the SME support scheme decided about the co-operations to be co-financed.</p> <p>The partnership (main Beneficiaries) of the strategic project has in 2021 submitted one project report, for a total EU contribution of 237.907,14 EUR, while the SME-s supported from the scheme have been transferred altogether 1.477.533,72 EUR of ERDF for their 31 approved reports.</p>
PA 2	Sustainable use of natural and cultural assets	<p>IP 6d provided support to the first strategic project of the programme, 'De-mine HU-HR II', in the amount of 2.971.344,40 Euros of EU funding. The project started its activities (on the Croatian side removal of landmines and quality assurance of the operations, on the Hungarian side non-technical and technical survey of areas, removal of explosive remnants of war, environmental rehabilitation) on 1 June 2016 and closed on 31 May 2018.</p> <p>Regarding the rest of the Priority, in case of both IP 6c and 6d, the funding contained therein is being distributed mainly via open Cfp-s. Calls regarding IP 6c contain in their rules regulating eligible project activities references to the 'Regional Tourism Product Plan', developed in 2011 in the framework of the Hungary-Croatia (IPA) Cross-border Co-operation Programme 2007-2013 and serving ever since as a tool for the more streamlined joint development of (natural- and cultural heritage based) tourism in the eligible programme area.</p> <p>The first Cfp has opened 12.752.544 Euros and 8.576.241 Euros of EU contribution to IP 6c and 6d, respectively. As a result of decisions on funding taken by the MC in March 2017, projects in IP 6c (17 co-operations) were to spend 15.473.141 Euros, and projects in IP 6d (3 partnerships) 2.094.545 Euros of ERDF on their joint activities. The PA was open also in the second Cfp, managed during 2019 and closed in 2020. The 17 projects in IP 6c account for a total of 12.385.102,98 EUR of ERDF, while the 3 projects of IP 6d are worth a total of 2.384.338,13 EUR of EU contribution.</p> <p>There are no significant problems with the implementation of the Priority. The projects with the biggest EU funding are being managed in this PA, but their implementation is proceeding smoothly, owing to the thorough assessment and contracting process, during which all legal and other obstacles (ownership issues, building- and other permits etc.) are identified and cleared</p>

		<p>before the start of the project activities. Increases in the prices of construction material and of equipment, encountered by many Beneficiaries, are handled with the regrouping of remaining funds within the project budgets and/or with involving more own contribution from sources other than the ERDF funding of the project.</p>
PA 3	Co-operation	<p>The Priority represents 9,4 percent of the ERDF funding allocated to the programme (meaning 5.717.494 Euros). Its Specific Objective is to involve more social and institutional actors into cross-border co-operation. This type of priority has always been well received by the potential applicants of the Hungarian-Croatian border region, therefore the Task Force members and the planning experts recommended its inclusion into the programme, supported also by the opinion of local stakeholders on the ground.</p> <p>The Priority is managed mainly through open CfP-s and was launched already as part of the first CfP, with an indicative 2.500.000 Euros of EU contribution. The selected and contracted 15 projects in this Priority received 2.658.115 Euros of ERDF for their joint activities. Project selection in the second CfP resulted in 18 additional projects for a total of 3.041.551,79 EUR of EU contribution.</p> <p>Pilot project ‘CBJointStrategy’ was selected for support by the MC in 2019 under this PA. Its objectives are to a) prepare the impact analysis of the 2014-2020 cross-border programme, and b) to draft (building also on the impact analysis) the situation analysis and the strategy of the new, 2021-2027 programme. Special weight is given to the outputs of this project by the fact that the sole Beneficiary, the European Grouping of Territorial Co-operation ‘Pannon’, has among its constituting members all borderline counties of the Hungary-Croatia border region, ensuring that all stakeholders are closely involved in the entire strategy-drafting process. The planning- and capacity-building project was awarded 246.153,62 EUR of EU funding and has to receive an additional prolongation in 2022, to be able to serve the entire planning procedure of the 2021-2027 period.</p> <p>There have been no significant problems emerging during the implementation of this Priority.</p>
PA 4	Education	<p>This PA also represents 9,4 percent of the ERDF funding allocated to the programme (meaning 5.717.494 Euros). Its Specific Objective is to improve the role of educational institutions as intellectual centres for increasing the specific local knowledge-base in the region. The Priority was requested by the local stakeholders to be featured in the programme, and it is to support co-operations at all levels of education (pre-school, primary and secondary education, adult education and higher education).</p> <p>This Priority is also managed through open CfP-s and was launched already as part of the first CfP, with 2.700.000 Euros of indicative total EU contribution. The funded and contracted 18 projects in this Priority could spend 2.937.511 Euros of ERDF on their joint activities.</p>

		<p>Project selection in the second CfP resulted in 15 additional projects for a total of 2.709.936,38 EUR of EU contribution.</p> <p>There are no significant problems experienced during the implementation of this Priority either.</p>
PA 5	Technical Assistance (TA)	<p>The MC has approved at its 1st meeting (on 8 December 2015) altogether 8 TA projects and corresponding TA forms. One additional TA project and -form were introduced in 2018 when project HUHR TA/01 had to be split to two, due to technical reasons. With the support of these 9 TA projects the following activities were accomplished in the reporting year 2021 (among others):</p> <ul style="list-style-type: none"> - 1st quarter: approval of 22 PR-s, for a total of 2.048.815,54 EUR of EU contribution; preparing of first draft AIR 2020; selecting of 11 SME-co-operations in the 'Beneficiary Light Scheme'; 1 PC meeting organised; - 2nd quarter: approval of 22 PR-s, for a total of 444.815,21 EUR of EU contribution; finalisation of AIR 2020; 2 MC written procedures organised; - 3rd quarter: approval of 41 PR-s, for a total of 1.082.959,89 EUR of EU contribution; 2 MC written procedures and 1 PC written procedure organised; - 4th quarter: approval of 51 PR-s, for a total of 1.761.561,61 EUR of EU contribution; 1 MC written procedure and 1 MC meeting organised.

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	2015	2016	2017	2018	2019	2020	2021	(Frequency of reporting is planned to be 2018, 2020 and 2023.)
PA 1, 1.1	Average GVA per capita of industry and services sectors of the programme area	EUR	5.208,00	2011	5.500,00	5.208,00	0,00	0,00	0,00	0,00	0,00	7.704,00	-	Statistical data will be requested and provided in the year 2023.
PA 2, 2.1	Number of guest nights in Zone B defined by the Handbook to Tourism Projects in the Hungary-Croatia (IPA) Cross-border Co-operation Programme 2007-2013	number	1.758.826,00	2013	1.846.747,00	1.758.826,00	0,00	0,00	35,00	18,00	0,00	3.132.096,00	-	Statistical data will be requested and provided in the year 2023.
PA 2, 2.2	Increased number of habitats with 'A: excellent' conservation status of selected Special Bird Protection Areas	number	179,00	2014	192,00	179,00	0,00	0,00	0,00	0,00	0,00	204,40	-	Research among territorially competent authorities will be carried out and provided in the year 2023.
PA 3, 3.1	Number of entities participating in cross-border networks and bilateral co-operations	number	36,00	2015	49,00	36,00	0,00	0,00	80,00	42,00	0,00	158,00	-	Research into the numbers will be carried out by the year 2023.
PA 4, 4.1	Number of educational institutions in the border region that offer courses jointly or with region- or neighbouring country-specific content	number	29,00	2014	90,00	29,00	0,00	0,00	18,00	13,00	0,00	45,00	-	Research into the numbers will be carried out by the year 2023.

Table 2

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

	ID	Indicator (Name of indicator)	Measure-ment unit	Target value (2023)	CUMULATIVE VALUE								Observations (if necessary)
					2014	2015	2016	2017	2018	2019	2020	2021	
Cumulative value – Outputs to be delivered by selected operations (forecast provided by Beneficiaries)	1.1	Number of enterprises receiving support	pcs	80,00	0,00	0,00	0,00	80,00	80,00	80,00	80,00	80,00	
Cumulative value – Outputs delivered by operations (actual achievement)					0,00	0,00	0,00	0,00	0,00	19,00	28,00	49,00	
Cumulative value – Outputs to be delivered by selected operations (forecast provided by Beneficiaries)	1.2	Number of enterprises receiving grants	pcs	80,00	0,00	0,00	0,00	80,00	80,00	80,00	80,00	80,00	The value is reported by the LB and includes 4 Calls for SME Light Projects until the end of 2021.
Cumulative value – Outputs delivered by operations (actual achievement)					0,00	0,00	0,00	0,00	0,00	19,00	28,00	42,00	
Cumulative value – Outputs to be delivered by selected operations (forecast provided by Beneficiaries)	1.3	Number of enterprises receiving non-financial support	pcs	80,00	0,00	0,00	0,00	80,00	80,00	80,00	80,00	80,00	The value is reported by the LB and includes support given to 4 Calls for SME Light Concepts until the end of 2021.
Cumulative value – Outputs delivered by operations (actual achievement)					0,00	0,00	0,00	0,00	0,00	167,00	400,00	529,00	
Cumulative value – Outputs to be delivered by selected operations (forecast provided by Beneficiaries)	2.1.1	Total surface area of rehabilitated land	ha	450,00	0,00	0,00	459,85	459,85	459,85	459,85	459,12	499,79	Targets on the indicator achievements are part of the Subsidy Contract.

Cumulative value – Outputs delivered by operations (actual achievement)				450,00	0,00	0,00	0,00	0,00	0,00	493,00	493,00	501,16	Overachievements appear as a consequence of implementation in actual circumstances.
Cumulative value – Outputs to be delivered by selected operations (forecast provided by Beneficiaries)	2.1.2	Increase in expected number of visits to supported sites of cultural or natural heritage and attractions	number	60.000,00	0,00	0,00	0,00	36.548,00	36.223,00	36.223,00	36.548,00	159.492,00	Contribution of the second CFP projects (fully contracted and reporting in 2021) is 77% of the total target value for this indicator.
Cumulative value – Outputs delivered by operations (actual achievement)				60.000,00	0,00	0,00	0,00	911,00	4.601,00	20.239,00	36.719,00	65.565,00	LB-s and B-s are reporting the achievements while providing also verifiable counting methods.
Cumulative value – Outputs to be delivered by selected operations (forecast provided by Beneficiaries)	2.1.3	Number of tourism facilities / service providers being certified by an environmental sustainability scheme	number	40,00	0,00	0,00	0,00	23,00	23,00	23,00	23,00	31,00	
Cumulative value – Outputs delivered by operations (actual achievement)				40,00	0,00	0,00	0,00	0,00	16,00	22,00	22,00	23,00	
Cumulative value – Outputs to be delivered by selected operations (forecast provided by Beneficiaries)	2.2.1	Surface area of habitats supported in order to attain a better conservation status	ha	5.400,00	0,00	0,00	0,00	135,37	165,37	165,37	165,37	3.145,37	
Cumulative value – Outputs delivered by operations (actual achievement)				5.400,00	0,00	0,00	0,00	1,99	154,57	236,96	25.000,37	25.090,37	Overachievements appear as a consequence of implementation in actual circumstances.

Cumulative value – Outputs to be delivered by selected operations (forecast provided by Beneficiaries)	2.2.2	Number of participants in joint education training schemes and awareness raising programmes	persons	1.000,00	0,00	0,00	0,00	546,00	741,00	741,00	741,00	4.586,00	Contribution of the second CfP projects (fully contracted and reporting in 2021) is 84% of the total target value for this indicator.
Cumulative value – Outputs delivered by operations (actual achievement)				1.000,00	0,00	0,00	0,00	0,00	250,00	499,00	855,00	928,00	Only 1 out of 54 projects of the second CfP has been implemented fully by December 2021.
Cumulative value – Outputs to be delivered by selected operations (forecast provided by Beneficiaries)	2.2.3	Number of joint international studies	pcs	10,00	0,00	0,00	0,00	6,00	6,00	6,00	6,00	30,00	Contribution of the second CfP projects (fully contracted and reporting in 2021) is 80% of the total target value for this indicator.
Cumulative value – Outputs delivered by operations (actual achievement)				10,00	0,00	0,00	0,00	0,00	0,00	1,00	5,00	5,00	Only 1 out of 54 projects of the second CfP has been implemented fully by December 2021.
Cumulative value – Outputs to be delivered by selected operations (forecast provided by Beneficiaries)	3.1	Number of institutions participating in joint capacity building actions	number	33,00	0,00	0,00	0,00	90,00	120,00	120,00	90,00	183,00	Reflects the contribution of 54 second CfP projects (fully contracted and reporting in 2021).
Cumulative value – Outputs delivered by operations (actual achievement)				33,00	0,00	0,00	0,00	22,00	51,00	118,00	118,00	170,00	

Cumulative value – Outputs to be delivered by selected operations (forecast provided by Beneficiaries)	3.2	Number of harmonized processes, shared initiatives, coordinated policies and projects developed jointly	number	66,00	0,00	0,00	0,00	37,00	37,00	37,00	37,00	88,00	Reflects the contribution of 54 second CFP projects (fully contracted and reporting in 2021).
Cumulative value – Outputs delivered by operations (actual achievement)				66,00	0,00	0,00	0,00	5,00	10,00	31,00	37,00	40,00	
Cumulative value – Outputs to be delivered by selected operations (forecast provided by Beneficiaries)	3.3	Number of participants in joint capacity building actions and events	number	810,00	0,00	0,00	0,00	1.208,00	1.212,00	1.212,00	1.212,00	1.212,00	Contribution of the second CFP projects (fully contracted and reporting in 2021) is 97% of the total target value for this indicator.
Cumulative value – Outputs delivered by operations (actual achievement)				810,00	0,00	0,00	0,00	835,00	1.143,00	1.974,00	2.248,00	4.241,00	Only 1 out of 54 projects of the second CFP has been implemented fully by December 2021.
Cumulative value – Outputs to be delivered by selected operations (forecast provided by Beneficiaries)	4.1	Training courses developed and delivered (formal and informal)	number	40,00	0,00	0,00	0,00	101,00	101,00	101,00	101,00	164,00	Reflects the contribution of 54 second CFP projects (fully contracted and reporting in 2021).
Cumulative value – Outputs delivered by operations (actual achievement)				40,00	0,00	0,00	0,00	27,00	65,00	121,00	121,00	121,00	Only 1 out of 54 projects of the second CFP has been implemented fully by December 2021.
Cumulative value – Outputs to be delivered by selected operations (forecast provided by Beneficiaries)	4.2	Number of educational premises refurbished	number	15,00	0,00	0,00	0,00	7,00	7,00	7,00	7,00	13,00	

Cumulative value – Outputs delivered by operations (actual achievement)				15,00	0,00	0,00	0,00	1,00	3,00	6,00	6,00	8,00	
Cumulative value – Outputs to be delivered by selected operations (forecast provided by Beneficiaries)	4.3	Number of educational premises upgraded with technical equipment	number	15,00	0,00	0,00	0,00	37,00	39,00	43,00	38,00	87,00	Reflects the contribution of 54 second CfP projects (fully contracted and reporting in 2021).
Cumulative value – Outputs delivered by operations (actual achievement)				15,00	0,00	0,00	0,00	19,00	28,00	39,00	39,00	56,00	Only 1 out of 54 projects of the second CfP has been implemented fully by December 2021.
Cumulative value – Outputs to be delivered by selected operations (forecast provided by Beneficiaries)	4.4	Number of participants in joint education and training schemes to support youth employment, educational opportunities and higher and vocational education across borders	number	860,00	0,00	0,00	0,00	1.706,00	1.816,00	2.168,00	1.842,00	3.193,00	Targets on the indicator achievements are part of the Subsidy Contract.
Cumulative value – Outputs delivered by operations (actual achievement)				860,00	0,00	0,00	0,00	419,00	1.838,00	3.489,00	3.489,00	3.717,00	Overachievements appear as a consequence of implementation in actual circumstances.
Cumulative value – Outputs to be delivered by selected operations (forecast provided by Beneficiaries)	4.5	Number of involved marginalised persons in training programmes	number	200,00	0,00	0,00	0,00	475,00	455,00	545,00	475,00	615,00	Reflects the contribution of 54 second CfP projects (fully contracted and reporting in 2021).
Cumulative value – Outputs delivered by operations (actual achievement)				200,00	0,00	0,00	0,00	280,00	466,00	529,00	529,00	534,00	

Cumulative value – Outputs to be delivered by selected operations (forecast provided by Beneficiaries)	5.1	Projects selected for financing	number	100,00	0,00	9,00	10,00	63,00	63,00	64,00	100,00	120,00	The selected value was set in the Co-operation Programme (CP) as expectation.
Cumulative value – Outputs delivered by operations (actual achievement)				100,00	0,00	0,00	0,00	0,00	32,00	65,00	120,00	120,00	3 strategic projects (B-Light, De-mine II, MuKoBridge) + 9 TA projects, 107 regular projects (53 first CfP + 54 second CfP) + 1 pilot project ('CBJointStrategy').
Cumulative value – Outputs to be delivered by selected operations (forecast provided by Beneficiaries)	5.2	Electronic monitoring system established	number	1,00	0,00	0,00	1,00	1,00	1,00	1,00	1,00	1,00	The programme (and its IT system) passed the designation audit in December 2017.
Cumulative value – Outputs delivered by operations (actual achievement)				1,00	0,00	0,00	1,00	1,00	1,00	1,00	1,00	1,00	There have been no fully implemented TA projects yet – the Interreg+ IT system is in use.
Cumulative value – Outputs to be delivered by selected operations (forecast provided by Beneficiaries)	5.3	Programme evaluation plan prepared (and approved by the MC)	number	1,00	0,00	0,00	1,00	1,00	1,00	1,00	1,00	1,00	The Evaluation Plan was approved by the MC in December 2016.
Cumulative value – Outputs delivered by operations (actual achievement)				1,00	0,00	0,00	1,00	1,00	1,00	1,00	1,00	1,00	There have been no fully implemented TA projects yet.
Cumulative value – Outputs to be delivered by selected operations (forecast provided by Beneficiaries)	5.4	Programme communication plan prepared	number	1,00	0,00	1,00	1,00	1,00	1,00	1,00	1,00	1,00	The Communication Strategy of the programme was

		(and approved by the MC)											approved by the MC in December 2015.
Cumulative value – Outputs delivered by operations (actual achievement)				1,00	0,00	0,00	1,00	1,00	1,00	1,00	1,00	1,00	There have been no fully implemented TA projects yet.
Cumulative value – Outputs to be delivered by selected operations (forecast provided by Beneficiaries)				3,00	0,00	1,00	1,00	4,00	8,00	9,00	10,00	12,00	
Cumulative value – Outputs delivered by operations (actual achievement)	5.5	Guiding documents addressed to applicants and Beneficiaries	number	3,00	0,00	0,00	1,00	4,00	8,00	9,00	10,00	12,00	New document in 2021: Project Implementation Handbook for second Cfp projects, INTERREG+ User Management Tool User Manual 2.0 (2).
Cumulative value – Outputs to be delivered by selected operations (forecast provided by Beneficiaries)				10,00	0,00	1,00	4,00	5,00	6,00	11,00	11,00	13,00	Selected value was set in the CP as minimum expectation.
Cumulative value – Outputs delivered by operations (actual achievement)	5.6	Publicity events	number of events	10,00	0,00	0,00	4,00	5,00	6,00	10,00	10,00	13,00	Opening conference (1), Information Days of the first Cfp (7), Info Days of the second Cfp (4), Best Practice Conference (1).
Cumulative value – Outputs to be delivered by selected operations (forecast provided by Beneficiaries)				9,00	0,00	0,00	9,00	9,00	9,00	9,00	9,00	9,00	There have been no fully implemented TA projects yet.
Cumulative value – Outputs delivered by operations (actual achievement)	5.7	Number of employees (FTE-s) whose salaries are co-financed by technical assistance	number of FTE-s	9,00	0,00	0,00	0,00	9,00	9,00	9,00	7,00	9,00	

3.3 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

Information on the milestones and targets defined in the performance framework

Priority Axis	Indicator Type (Key implementation step, financial, output or, where appropriate result indicator)	ID	Indicator or key implementation step	Measurement unit, where appropriate	Milestone for 2018	Final target (2023)	2014-2016	2017	2018	2019 ¹	2020	2021	Observations (if necessary)
PA 1 ²	Financial	1.1	Financial indicator	EUR	2.200.000,00	11.718.000,00	0,00	0,00	406.748,58	678.668,11	3.721.295,53	4.685.559,64	
	Output	1.2	Number of enterprises receiving grants	pcs	15,00	80,00	0,00	0,00	0,00	0,00	28,00	42,00	
PA 2	Financial	2.1	Financial indicator	EUR	7.580.000,00	42.093.711,00	0,00	1.740.525,76	3.931.605,12	10.937.885,55	22.649.432,13	25.122.951,43	

¹ Financial indicators were calculated based on eligible costs accepted in Applications for Reimbursement (in 2021) and submitted to the EC in Applications for Payment.

	Output	CO09	Increase in expected number of visits to supported sites of cultural or natural heritage and attractions	number	9.000,00	60.000,00	0,00	0,00	4.601,00	4.601,00	36.719,00	65.565,00	
	Output	CO23	Surface area of habitats supported in order to attain a better conservation status	ha	810,00	5.400,00	0,00	0,00	154.57	154.57	25.000,37	25.090,37	
PA 3	Financial	3.1	Financial indicator	EUR	1.210.000,00	6.726.464,00	0,00	0,00	911.271,47	2.296.906,38	2.818.915,94	3.623.449,69	
	Output	3.3	People participating in joint actions and events	number	125,00	810,00	0,00	0,00	1.143,00	1.143,00	2.248,00	4.241,00	
PA 4	Financial	4.1	Financial indicator	EUR	1.210.000,00	6.726.464,00	0,00	0,00	1.029.501,93	2.805.686,71	3.128.272,26	4.021.585,42	
	Output	4.2	Number of participants in joint education and training schemes to support youth employment , educational opportunities and higher	number	150,00	860,00	0,00	0,00	1.838,00	1.838,00	3.489,00	3.717,00	

			and vocational education across borders										
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*Member States submit cumulative values for output indicators. Values for financial indicators are cumulative. Values for the key implementation steps are cumulative if the key implementation steps are expressed by a number or percentage. If the achievement is defined in a qualitative way, the table should indicate whether they are completed or not.

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.
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	Category 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
PA 1	ERDF		Total eligible cost	11 718 000,00	85%	12 255 304,91	104,59	9 769 053,37	6 217 275,79	53,06	1
PA 2	ERDF		Total eligible cost	42 093 711,00	85%	41 664 422,81	98,98	41 437 358,49	26 247 520,95	62,35	42
PA 3	ERDF		Total eligible cost	6 681 783,00	85%	6 676 805,50	99,93	6 561 790,31	4 309 105,11	64,49	35
PA 4	ERDF		Total eligible cost	6 771 145,00	85%	6 525 999,88	96,38	6 479 980,07	4 537 108,15	67,01	33

PA 5	ERDF		Total eligible cost	6 635 389,00	55%	6 635 388,87	100,00	6 635 388,87	3 700 719,94	55,77	8
Total	ERDF		Total eligible cost	73 900 028,00	82,31%	73 757 921,97	99,81	70 883 571,11	45 011 729,94	60,91	119

Where applicable, the use of any contribution from third countries participating in the Co-operation Programme should be provided (for example IPA and ENI, Norway, Switzerland):

Not relevant in case of the Interreg V-A Hungary-Croatia Co-operation Programme 2014-2020.

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 co-operation programmes)

Priority axis	Characteristics of expenditure	Categorisation dimensions								Financial data			
		Intervention field	Form of finance	Territorial dimension	Territorial delivery mechanism	Thematic priority dimension	ESF secondary theme	Economic dimension	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	Number of operations selected
PA1	ERDF	001. Generic productive investment in SME-s	01	01	07	03		06	HR050	5 967 003,55	4 475 252,62	2 619 175,34	1 ³
PA1	ERDF	001. Generic productive investment in SME-s	01	02	07	03		06	HR050	3 978 002,36	2 983 501,75	1 746 116,89	1
PA1	ERDF	066. Advanced support services for SME-s and groups of SME-s	01	01	07	03		06	HR050	1 386 179,40	1 386 179,40	1 111 190,14	1
PA1	ERDF	066. Advanced support services for SME-s and groups of SME-s	01	02	07	03		06	HR050	924 119,60	924 119,60	740 793,42	1
PA2	ERDF	034. Other reconstructed or improved road	01	03	07	06		11	HU223	1 862 734,27	1 862 734,27	1 036 502,57	2

³ Within PA1 only one operation has been selected, the 'Beneficiary Light Scheme' strategic project.

Priority axis	Characteristics of expenditure	Categorisation dimensions								Financial data			
		Intervention field	Form of finance	Territorial dimension	Territorial delivery mechanism	Thematic priority dimension	ESF secondary theme	Economic dimension	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	Number of operations selected
PA2	ERDF	085. Protection and enhancement of biodiversity, nature protection and green infrastructure	01	03	07	06		21	HR025	1 307 222,33	1 301 260,15	1 307 222,33	1
PA2	ERDF	085. Protection and enhancement of biodiversity, nature protection and green infrastructure	01	03	07	06		21	HR061	1 372 557,10	1 372 557,10	110 102,78	1
PA2	ERDF	085. Protection and enhancement of biodiversity, nature protection and green infrastructure	01	03	07	06		21	HU223	454 109,00	454 109,00	149 538,03	1
PA2	ERDF	085. Protection and enhancement of biodiversity, nature protection and green infrastructure	01	03	07	06		21	HU231	1 086 741,96	1 052 087,70	1 086 741,96	2
PA2	ERDF	086. Protection, restoration and sustainable use of Natura 2000 sites	01	03	07	06		21	HR022	2 374 377,51	2 374 377,51	1 814 355,02	2

Priority axis	Characteristics of expenditure	Categorisation dimensions								Financial data			
		Intervention field	Form of finance	Territorial dimension	Territorial delivery mechanism	Thematic priority dimension	ESF secondary theme	Economic dimension	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	Number of operations selected
PA2	ERDF	086. Protection, restoration and sustainable use of Natura 2000 sites	01	03	07	06		21	HR025	1 351 353,44	1 286 684,31	1 351 353,44	1
PA2	ERDF	087. Adaptation to climate change measures and prevention and management of climate related risks	01	03	07	06		21	HU231	241 829,98	241 829,98	241 829,98	1
PA2	ERDF	089. Rehabilitation of industrial sites and contaminated land	01	03	07	06		21	HR025	3 495 699,40	3 495 699,40	3 495 699,40	1
PA2	ERDF	090. Cycle tracks and footpaths	01	02	07	06		11	HR025	892 237,50	892 237,50	892 237,50	1
PA2	ERDF	090. Cycle tracks and footpaths	01	03	07	06		11	HR022	1 945 646,48	1 945 646,48	1 945 646,48	1
PA2	ERDF	090. Cycle tracks and footpaths	01	03	07	06		11	HR061	1 463 966,46	1 463 966,46	229 120,17	1
PA2	ERDF	090. Cycle tracks and footpaths	01	03	07	06		11	HR063	1 577 485,67	1 577 485,67	1 577 485,67	1
PA2	ERDF	090. Cycle tracks and footpaths	01	03	07	06		11	HU223	1 583 478,30	1 583 478,30	1 583 478,30	1

Priority axis	Characteristics of expenditure	Categorisation dimensions								Financial data			
		Intervention field	Form of finance	Territorial dimension	Territorial delivery mechanism	Thematic priority dimension	ESF secondary theme	Economic dimension	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	Number of operations selected
PA2	ERDF	090. Cycle tracks and footpaths	01	03	07	06		11	HU231	1 098 799,07	1 098 799,07	1 098 799,07	1
PA2	ERDF	091. Development and promotion of the tourism potential of natural areas	01	02	07	06		20	HR022	1 692 741,15	1 692 741,15	87 469,80	1
PA2	ERDF	091. Development and promotion of the tourism potential of natural areas	01	03	07	06		20	HR061	2 210 729,26	2 210 729,26	338 067,28	2
PA2	ERDF	091. Development and promotion of the tourism potential of natural areas	01	03	07	06		20	HR062	1 245 215,36	1 245 215,36	58 213,90	1
PA2	ERDF	091. Development and promotion of the tourism potential of natural areas	01	03	07	06		20	HU223	815 421,35	815 421,35	815 421,35	1
PA2	ERDF	092. Protection, development and promotion of public tourism assets	01	02	07	06		20	HR022	570 777,12	570 777,12	469 478,06	2
PA2	ERDF	092. Protection, development and promotion of public tourism assets	01	02	07	06		20	HU223	762 094,00	762 094,00	51 929,28	1

Priority axis	Characteristics of expenditure	Categorisation dimensions								Financial data			
		Intervention field	Form of finance	Territorial dimension	Territorial delivery mechanism	Thematic priority dimension	ESF secondary theme	Economic dimension	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	Number of operations selected
PA2	ERDF	092. Protection, development and promotion of public tourism assets	01	02	07	06		20	HU232	1 597 840,00	1 597 840,00	264 293,50	1
PA2	ERDF	092. Protection, development and promotion of public tourism assets	01	03	07	06		20	HR022	1 454 705,71	1 454 705,71	1 454 705,71	1
PA2	ERDF	092. Protection, development and promotion of public tourism assets	01	03	07	06		20	HR025	1 699 946,78	1 643 244,26	47 984,31	1
PA2	ERDF	092. Protection, development and promotion of public tourism assets	01	03	07	06		20	HR061	1 441 081,59	1 441 081,59	1 441 081,59	1
PA2	ERDF	092. Protection, development and promotion of public tourism assets	01	03	07	06		20	HU231	875 433,12	875 433,12	875 433,12	1
PA2	ERDF	092. Protection, development and promotion of public tourism assets	01	03	07	06		20	HU232	375 668,34	361 998,83	375 668,34	1

Priority axis	Characteristics of expenditure	Categorisation dimensions								Financial data			
		Intervention field	Form of finance	Territorial dimension	Territorial delivery mechanism	Thematic priority dimension	ESF secondary theme	Economic dimension	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	Number of operations selected
PA2	ERDF	094. Protection, development and promotion of public cultural and heritage assets	01	02	07	06		20	HR022	399 681,37	399 681,37	10 018,60	1
PA2	ERDF	094. Protection, development and promotion of public cultural and heritage assets	01	02	07	06		20	HR062	350 130,75	350 130,75	180 684,23	1
PA2	ERDF	094. Protection, development and promotion of public cultural and heritage assets	01	02	07	06		20	HR063	1 482 956,15	1 473 344,16	303 745,15	2
PA2	ERDF	094. Protection, development and promotion of public cultural and heritage assets	01	02	07	06		20	HU231	233 393,80	229 140,95	40 545,93	1
PA2	ERDF	094. Protection, development and promotion of public cultural and heritage assets	01	03	07	06		20	HR022	858 446,75	858 446,75	858 446,75	1

Priority axis	Characteristics of expenditure	Categorisation dimensions								Financial data			
		Intervention field	Form of finance	Territorial dimension	Territorial delivery mechanism	Thematic priority dimension	ESF secondary theme	Economic dimension	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	Number of operations selected
PA2	ERDF	094. Protection, development and promotion of public cultural and heritage assets	01	03	07	06		20	HR025	399 969,12	391 305,37	150 306,13	1
PA2	ERDF	094. Protection, development and promotion of public cultural and heritage assets	01	03	07	06		20	HU223	315 032,33	315 032,33	315 032,33	1
PA2	ERDF	094. Protection, development and promotion of public cultural and heritage assets	01	03	07	06		20	HU231	774 920,29	746 042,16	188 882,89	2
PA3	ERDF	119. Investment in institutional capacity and in the efficiency of public administrations and public services	01	01	07	11		17	HR025	195 000,00	195 000,00	108 793,48	1
PA3	ERDF	119. Investment in institutional capacity and in the efficiency of public administrations and public services	01	01	07	11		17	HU231	546 410,26	546 410,26	173 256,97	2

Priority axis	Characteristics of expenditure	Categorisation dimensions								Financial data			
		Intervention field	Form of finance	Territorial dimension	Territorial delivery mechanism	Thematic priority dimension	ESF secondary theme	Economic dimension	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	Number of operations selected
PA3	ERDF	119. Investment in institutional capacity and in the efficiency of public administrations and public services	01	02	07	11		17	HR061	349 525,48	349 525,48	228 457,90	2
PA3	ERDF	119. Investment in institutional capacity and in the efficiency of public administrations and public services	01	02	07	11		17	HR062	412 155,27	412 155,27	412 155,27	2
PA3	ERDF	119. Investment in institutional capacity and in the efficiency of public administrations and public services	01	02	07	11		17	HU223	686 919,29	681 331,79	271 584,69	3
PA3	ERDF	119. Investment in institutional capacity and in the efficiency of public administrations and public services	01	02	07	11		17	HU232	208 554,21	208 554,21	208 554,21	1
PA3	ERDF	120. Capacity building for all stakeholders delivering education, lifelong learning, training and	01	01	07	11		20	HR025	1 202 935,53	1 183 304,09	1 035 050,79	5

Priority axis	Characteristics of expenditure	Categorisation dimensions								Financial data			
		Intervention field	Form of finance	Territorial dimension	Territorial delivery mechanism	Thematic priority dimension	ESF secondary theme	Economic dimension	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	Number of operations selected
	Fund	employment and social policies											
PA3	ERDF	120. Capacity building for all stakeholders delivering education, lifelong learning, training and employment and social policies	01	01	07	11		20	HU223	169 047,70	169 047,70	169 047,70	1
PA3	ERDF	120. Capacity building for all stakeholders delivering education, lifelong learning, training and employment and social policies	01	01	07	11		20	HU231	509 894,86	490 375,66	179 019,57	4
PA3	ERDF	120. Capacity building for all stakeholders delivering education, lifelong learning, training and employment and social policies	01	02	07	11		20	HR061	184 983,64	184 983,64	184 983,64	1
PA3	ERDF	120. Capacity building for all stakeholders delivering education, lifelong learning, training and	01	02	07	11		20	HR063	701 350,46	696 472,68	626 240,81	4

Priority axis	Characteristics of expenditure	Categorisation dimensions								Financial data			
		Intervention field	Form of finance	Territorial dimension	Territorial delivery mechanism	Thematic priority dimension	ESF secondary theme	Economic dimension	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	Number of operations selected
		employment and social policies											
PA3	ERDF	120. Capacity building for all stakeholders delivering education, lifelong learning, training and employment and social policies	01	02	07	11		20	HU231	765 295,83	733 432,12	315 877,31	4
PA3	ERDF	120. Capacity building for all stakeholders delivering education, lifelong learning, training and employment and social policies	01	03	07	11		20	HR022	142 431,15	127 808,90	142 431,15	1
PA3	ERDF	120. Capacity building for all stakeholders delivering education, lifelong learning, training and employment and social policies	01	03	07	11		20	HR025	199 202,25	192 577,24	19 375,11	1
PA3	ERDF	120. Capacity building for all stakeholders delivering education, lifelong learning, training and	01	03	07	11		20	HR061	147 652,62	147 652,62	128 006,08	1

Priority axis	Characteristics of expenditure	Categorisation dimensions								Financial data			
		Intervention field	Form of finance	Territorial dimension	Territorial delivery mechanism	Thematic priority dimension	ESF secondary theme	Economic dimension	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	Number of operations selected
	Fund	employment and social policies											
PA3	ERDF	120. Capacity building for all stakeholders delivering education, lifelong learning, training and employment and social policies	01	03	07	11		20	HU223	195 400,00	187 061,50	85 651,43	1
PA3	ERDF	120. Capacity building for all stakeholders delivering education, lifelong learning, training and employment and social policies	01	03	07	11		20	HU231	60 046,95	56 097,15	20 619,00	1
PA4	ERDF	117. Enhancing equal access to lifelong learning for all age groups in formal, non-formal and informal settings	01	01	07	10		18	HU231	144 853,96	142 563,33	144 853,96	1
PA4	ERDF	117. Enhancing equal access to lifelong learning for all age groups in formal, non-formal and informal settings	01	02	07	10		18	HR022	1 109 817,13	1 109 817,13	848 908,99	7

Priority axis	Characteristics of expenditure	Categorisation dimensions								Financial data			
		Intervention field	Form of finance	Territorial dimension	Territorial delivery mechanism	Thematic priority dimension	ESF secondary theme	Economic dimension	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	Number of operations selected
PA4	ERDF	117. Enhancing equal access to lifelong learning for all age groups in formal, non-formal and informal settings	01	02	07	10		18	HR025	188 232,75	168 838,33	100 016,25	1
PA4	ERDF	117. Enhancing equal access to lifelong learning for all age groups in formal, non-formal and informal settings	01	02	07	10		18	HR062	169 077,74	169 077,74	169 077,74	1
PA4	ERDF	117. Enhancing equal access to lifelong learning for all age groups in formal, non-formal and informal settings	01	02	07	10		18	HR063	571 797,79	567 624,86	541 361,61	3
PA4	ERDF	117. Enhancing equal access to lifelong learning for all age groups in formal, non-formal and informal settings	01	02	07	10		18	HU232	226 063,82	219 681,08	226 063,82	1
PA4	ERDF	117. Enhancing equal access to lifelong learning for all age groups in formal, non-formal and informal settings	01	03	07	10		18	HU232	182 743,08	182 743,08	182 743,08	1

Priority axis	Characteristics of expenditure	Categorisation dimensions								Financial data			
		Intervention field	Form of finance	Territorial dimension	Territorial delivery mechanism	Thematic priority dimension	ESF secondary theme	Economic dimension	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	Number of operations selected
PA4	ERDF	118. Improving the labour market relevance of education and training systems, facilitating the transition from education to work, and strengthening vocational education and training systems and their quality	01	01	07	10		18	HR025	214 952,96	214 952,96	214 952,96	1
PA4	ERDF	118. Improving the labour market relevance of education and training systems, facilitating the transition from education to work, and strengthening vocational education and training systems and their quality	01	01	07	10		18	HR063	209 608,43	209 608,43	209 608,43	1
PA4	ERDF	118. Improving the labour market relevance of education and training systems, facilitating the transition from education to work, and strengthening vocational education and training systems and their quality	01	01	07	10		18	HU231	184 196,08	184 196,08	184 196,08	1

Priority axis	Characteristics of expenditure	Categorisation dimensions								Financial data			
		Intervention field	Form of finance	Territorial dimension	Territorial delivery mechanism	Thematic priority dimension	ESF secondary theme	Economic dimension	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	Number of operations selected
PA4	ERDF	118. Improving the labour market relevance of education and training systems, facilitating the transition from education to work, and strengthening vocational education and training systems and their quality	01	02	07	10		18	HR022	444 973,65	444 973,65	93 039,99	2
PA4	ERDF	118. Improving the labour market relevance of education and training systems, facilitating the transition from education to work, and strengthening vocational education and training systems and their quality	01	02	07	10		18	HR025	198 134,23	198 134,23	198 134,23	1
PA4	ERDF	118. Improving the labour market relevance of education and training systems, facilitating the transition from education to work, and strengthening vocational education and training systems and their quality	01	02	07	10		18	HR061	211 799,95	211 799,95	128 802,33	1

Priority axis	Characteristics of expenditure	Categorisation dimensions								Financial data			
		Intervention field	Form of finance	Territorial dimension	Territorial delivery mechanism	Thematic priority dimension	ESF secondary theme	Economic dimension	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	Number of operations selected
PA4	ERDF	118. Improving the labour market relevance of education and training systems, facilitating the transition from education to work, and strengthening vocational education and training systems and their quality	01	02	07	10		18	HR062	289 196,22	286 802,16	260 085,28	2
PA4	ERDF	118. Improving the labour market relevance of education and training systems, facilitating the transition from education to work, and strengthening vocational education and training systems and their quality	01	02	07	10		18	HR063	1 545 420,99	1 534 035,96	625 941,05	6
PA4	ERDF	118. Improving the labour market relevance of education and training systems, facilitating the transition from education to work, and strengthening vocational education and training systems and their quality	01	02	07	10		18	HU231	160 878,97	160 878,97	160 878,97	1

Priority axis	Characteristics of expenditure	Categorisation dimensions								Financial data			
		Intervention field	Form of finance	Territorial dimension	Territorial delivery mechanism	Thematic priority dimension	ESF secondary theme	Economic dimension	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	Number of operations selected
PA4	ERDF	118. Improving the labour market relevance of education and training systems, facilitating the transition from education to work, and strengthening vocational education and training systems and their quality	01	02	07	10		18	HU232	474 252,13	474 252,13	248 443,38	2
PA5	ERDF	121. Preparation, implementation, monitoring and inspection	01	07	07			17	HR050	999 019,00	999 019,00	359 404,59	2
PA5	ERDF	121. Preparation, implementation, monitoring and inspection	01	07	07			17	HU110	5 307 369,87	5 307 369,87	3 341 315,35	6 ⁴
PA5	ERDF	122. Evaluation and studies	01	07	07			17	HU110	80 000,00	80 000,00	0,00	1
PA5	ERDF	123. Information and communication	01	07	07			17	HU110	249 000,00	249 000,00	0,00	1
Total	ERDF									73 757 921,97	70 883 571,11	45 011 729,94	119

⁴ Within PA5 altogether 8 operations have been prepared (TA).

Priority axis	Characteristics of expenditure	Categorisation dimensions								Financial data			
		Intervention field	Form of finance	Territorial dimension	Territorial delivery mechanism	Thematic priority dimension	ESF secondary theme	Economic dimension	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	Number of operations selected
Grand total										73 757 921,97	70 883 571,11	45 011 729,94	119

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
	<p>The amount of ERDF 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)</p>	<p>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 ERDF at programme level *100)</p>	<p>Eligible expenditure of ERDF 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)</p>	<p>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 ERDF at programme level *100)</p>
<p>All or part of an operation outside the Union part of the Programme area (1)</p>	<p>0,00</p>	<p>0,00</p>	<p>0,00</p>	<p>0,00</p>

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

In line with the Evaluation Plan of the Interreg V-A Hungary-Croatia Cooperation Programme 2014-2020, approved by the MC in 2016 after its 4th meeting, the Impact Evaluation of the programme has started at the beginning of 2020, parallel with the planning exercise of the new programme for 2021-2027, **in the frame of pilot project 'CBJointStrategy'**. It was approved by the MC on 12 July 2019 via its 14th written decision-making procedure, and it is managed by Pannon EGTC as sole Beneficiary, incorporating all counties of the Hungarian-Croatian cross-border programme area as members.

Though **the Impact Evaluation of the programme** has been implemented as a separate activity within the pilot project, it **is closely integrated into the programming process**: it directly relies on the data collection and consultation activities of the situation analysis phase (concluded in February 2020), and was intended to evolve iteratively alongside the Joint Development Strategy of the future Interreg programme between Hungary and Croatia for the period 2021-2027.

Milestones of the Impact Evaluation, overarching the years 2020 and 2021:

- **Inception Report**, endorsed by the MC on 15 January 2020 on its 9th meeting with conditions; final approval on 30 June 2020.
- **1st online questionnaire survey** conducted between 24 January and 10 February 2020, to support both the situation analysis and the impact evaluation phases of the 'CB Joint Strategy project'. Altogether 2.469 stakeholders were targeted by the survey, producing 346 valid (properly filled-in) answers. 192 of respondents were former/current Beneficiaries of the programme (74 HU and 118 HR). Their answers serve as the basis of the analysis presented within the Interim Report on Impact Evaluation.
- **Interim Report on Impact Evaluation**, approved by the MC on 30 June 2020 in the frame of its 19th MC written procedure.
- **2nd online questionnaire survey**, taken place between 15 December 2020 and 15 January 2021, including a more detailed impact assessment, specifically focusing on the PO-s to be selected for the 2021-2027 period. (Thus the survey served the strategy-making process as well.) The questionnaire was sent out to 2.513 addresses, from whom 349 valid (properly filled-in) answers arrived back to the experts. 223 of the respondents were former/current Beneficiaries of the programme (84 HU and 139 HR). Results of the survey **were included into the Final Impact Evaluation Report**.
- **3rd online questionnaire survey**, carried out between 4 March 2021 and 16 March 2021 to collect data from the field regarding PO3 and PO4 result indicators as it was originally planned in the Programming document. Since SO 3.1 (Number of entities participating in cross-border networks and bilateral co-operations) and SO 4.1 (Number of educational institutions in the border region that offer courses jointly or with region- or neighbouring country-specific content result indicators) are also **measured through the selected and implemented projects' achievement values stored in the monitoring system**, eventually the Impact Evaluation as well as the AIR uses this latter source of information due to the fact that the number of incoming answers to the survey was less than expected.
- **The Final Impact Evaluation Report**, approved by the MC on 27 May 2021 in the frame of the 26th MC written procedure.

The main findings of the Final Report on Impact Evaluation can be summarised as follows:

- The Interreg V-A Hungary-Croatia Cooperation Programme 2014-2020 is now **a mature and introduced CBC programme with a sound implementation framework**, at the last phase of its third consecutive programming period. It is based on a thorough preparation and a coherent intervention logic. Its development priorities are properly aligned with the challenges of the border region, and are still valid 7 years after their selection. **The high implementation quality and flexibility** is proven by the fact that very few selected projects have been withdrawn or cancelled during contracting or implementation.
- **The majority of outputs planned until 2023 are already realised**, or will be comfortably realised by project activities still to be implemented. For the moment it also seems that the programme will pull through the COVID-related difficulties without severe consequences on overall impacts or its financial absorption capability.
- **The main challenge for the remaining part of the programming period is to contract the remaining amount** from the total financial appropriation of the programme, and to secure further results in terms of result indicators that may not be met by 2023 – either by allocating extra funds to projects with further absorption capacity, or by identifying further projects with a potential to be implemented in a limited timeframe.
- **The five SO-s selected for interventions properly address shared challenges of the region.** This is underlined also by the fact that all of them are preferred options for the next programming period as well, only an energy related theme was missing from the 2014-2020 portfolio of objectives. SO-s are well-aligned with national, macro-regional and EU policies, proven by the abundant number of synergies identified with national and transnational funding schemes.
- As a very progressive characteristic, **the programme successfully involved for-profit partners into the cross-border programme**; the ‘Beneficiary Light Scheme’ became a pilot possibility that proved to be very popular, establishing sustainable co-operations between SME-s. The continuation of the activity in some form should be considered as an option in the next programming period.
- **The geographic distribution of projects and funding is generally balanced**, with some significant shortages:
 - The four Croatian counties not directly situated by the border (and being equally treated beneficiaries of the programme for the first time in the 2014-2020 period) were significantly less active than other territories;
 - Regional centres (like Pécs and Osijek) were highly dominant in some themes, proving that rural areas are more difficult to involve and motivate;
 - At the same time, **a very good territorial balance has been achieved concerning the counties located directly along the border**, and the strong relative performance of the middle of the border region, suffering from bad accessibility and depopulation is a major step towards the integrated approach promoted by the CP.
- Main conclusions and recommendations **regarding SO 1.1, the SME ecosystem**:
 - The application of the ‘Beneficiary Light Scheme’ provided support and simplification for applicants with limited project management and administration capability, thus **the number of SME-s with improved fund-raising ability and value adding capacity have surely increased.**

- Due to the specific circle of potential beneficiaries, namely SME-s with generally less former experience with EU funding and relatively distant from the communication lines of development instruments, **the applying of a specific procedure (strategic project, small project fund etc.) is advised in the future as well**, in order to provide the most direct and tailored flow of information, project generation and project implementation support. At the same time, more flexible solutions can also be applied (option to involve external project development/management expertise instead of the joint External Project Support Facility etc).
 - **The dominance of major economic centres of the border area should be balanced by a more increased motivation of SME-s located in other areas**, especially in the four non-border counties of Croatia, as well as large untapped areas of Somogy County etc. To this end more workshops and exchange events, partner search fora should be organised, to support cross-border partner search and the development of projects with real quality and added value.
 - Though the application of a two-stage selection procedure has clear advantages (minimising the lost efforts of non-selected applicants, possibility to provide support to pre-selected applications), **applicants clearly require simplifications in the applied procedures**, as well as clarification of tasks and expectations. In general, the processes should be faster: entrepreneurs cannot wait long for the funding, as their business environment does not tolerate delays.
- Main conclusions and recommendations **regarding SO 2.1, tourism:**
- **All sources of information prove that tourism is a high interest area** of the Hungarian-Croatian border region which should enjoy specific focus in the next programming period as well. Experience from the current period shows that **these projects are usually outstandingly balanced** in terms of budget allocation between partner organisations. At the same time, tourism projects selected so far **tend to include mirror activities**, lacking real joint activities – a phenomenon that should be addressed with targeted selection criteria.
 - It can be generally concluded that **underlying infrastructure problems and shortages** (including the general standard of tourism attractions, the availability of quality accommodation, and adjacent commuting infrastructure) tend to require heavy investments, more in line with the capabilities of mainstream, national funding policies rather than CBC programmes. The tourism-related aspirations of the programme should **keep the combination of attractions and potentials into joint packages and thematic networks** in their focus.
 - Though unwanted effects of the programme are particularly difficult to detect, tourism projects can potentially increase human disturbing in vulnerable natural areas. To avoid such effects is particularly important in the case of the Hungarian-Croatian border area, with a unique and relatively untapped natural environment. **It is important to include selection criteria where environmentally conscious solutions** (e.g. noise reduction cycle route surfaces and other means balancing negative effects) **are not optional but conditional**.
 - **A specific value of SO 2.1 is the territorial focus to the so-called Zone B:** As the financial means of the programme are limited, it is of utmost importance to focus interventions where cross-border effects can be maximised and where the 'traditional' disadvantages of a borderline status are the highest. Zone B (a delimited area stretching 40 km from the border rivers on both sides) is an introduced and commonly accepted form of territorial

focusing that has been already successfully applied in two consecutive programming periods. **It has been able to concentrate the funding to areas close to the border** (concentrated to an even narrower strip along the border than the actual area of Zone B).

- The current pandemic imposes a major hit on the tourism sector of the programme area. At the same time, it will induce changes in the interests and behaviour patterns of post-COVID tourists, providing specific opportunities. The 2021-2027 programme has to make sure to capitalise on these potentials, especially **focusing on outdoor and nature-friendly activities** (e.g. outdoor attractions, parks/gardens, wildlife/natural environment attractions etc.) **that will probably enjoy increased demand in the future.**
- Main conclusions and recommendations **regarding SO 2.2, biodiversity:**
- This SO hosts a very low number of projects, but the projects themselves are relatively large both in terms of budget and partnership. **They represent true co-operation of professional institutions within and between the countries.** The number of Croatian beneficiaries exceeded the number of Hungarian ones, but this did not cause funding or intervention imparity, it is simply due to the more decentralised organisational structure of nature protection institutions and authorities in Croatia. Despite the differences it can be concluded that **various institutions successfully found their compatible counterpart organisations on the other side of the border** (state owned forest management bodies, water management organisations, regional and local authorities) and successfully co-operated along shared environmental challenges.
 - An important lesson from the programming period is the **high interest towards energy related projects.** Though the programme did not include a dedicated theme on energy, and the environmental SO focused purely on biodiversity interventions, 25% of institutional co-operation projects in SO 3.1 were concentrating on this subject. This fact suggests that energy should receive a more articulated presence in the future programme.
 - Project monitoring experience of the JS shows that both the main result indicator (Number of habitats with 'A: excellent conservation' status of selected Special Bird Protection Areas) and the territorial output indicator of the SO (Total surface area of rehabilitated land) were very difficult to tackle by the projects. **It is important to find smarter indicators in the future,** ones that impose requirements towards the projects' actual capabilities.
- Main conclusions and recommendations **regarding SO 3.1, co-operation:**
- The elimination of factors blocking cross-border co-operation is a widely articulated expectation of programme area stakeholders and of the programme itself. SO 3.1 is the proper theme to host projects targeting these expectations in areas not covered by other thematic areas. **The results clearly show the necessity of further efforts in the social inclusion of minorities, the enhancement of governance-related co-operation of institutions, as well as the targeting of social groups** where support effectively materialises in multiplied, long-term benefits (like the youth population of the area).
 - As mutual knowledge and trust building is a prerequisite for effective co-operation in all thematic co-operation areas, and for all business, institutional and civil sectors, **people-to-people actions should continue to be an indispensable element** in the future programming period as well.
 - In order to focus the impacts of co-operation interventions to areas with the highest potential in fighting major challenges of disadvantaged border areas (including poverty, segregation, unemployment and outward migration), **areas offering direct economic or**

employment benefits could be highlighted in future calls for proposals (e.g. tourism, silver economy, health care services etc).

- SO 3.1 projects aimed at too diverse thematic areas, making consistent evaluation and fair selection impossible. **If they were thematically aligned to support other main themes of the programme, co-operation projects would have higher synergy effects** (e.g. joint events and fairs could be used to add value in building business co-operations).
- Main conclusions and recommendations **regarding SO 4.1, education:**
 - Concerning the limited financial means of the Programme, **the relatively wide scope of the SO may potentially result in the fragmentation of funding**, not reaching the total aggregate potential, while mainstream policy instruments are much better positioned for infrastructure development activities. **At the same time, there is clear interest for continuation of co-operation on all levels of education**, including the small scale infrastructure development, especially among Croatian stakeholders. A narrower focus and emphasis on synergies with other SO-s (like environmental education or market-oriented skill development) can increase long-term impacts in the future. **General development of education infrastructure requires heavy investments**, more in line with the capabilities of mainstream, national funding policies, rather than CBC programs.
 - **Vocational education is transforming rapidly in both countries**, more flexible options are now available for dual education and participation of enterprises in vocational education, widening the opportunities for more market-oriented education profiles and quicker adaptation than in the framework of traditional education structures. **Options to include (or at least motivate) co-operations between education institutions and SME-s should be evaluated**, as economically focused education, and the development of vocational education (or general education themes supporting profitable service industries) supports the (re-)industrialization of disadvantaged areas.
- **Regarding the communication activities of the programme** the participants of the second online survey answered related questions, from the answers it can be concluded that:
 - **Stakeholders were generally pleased with the support received** in generating new partnerships among potential beneficiaries, and confirmed that the activities succeeded in highlighting the role and added value of the EU and its funding.
 - The most critical issue of communicating with stakeholders was obviously the **continuous provision of clear and up-to-date information at any time**.
 - **Several remarks required a more frequent information campaign before the call deadlines**, and more effective ways to address specific target groups that are not in the mainstream of EU-related information (e.g. SME-s and civil organisations.)
- A specific section of the second online survey addressed **the contribution of the programme to the Europe 2020 Strategy**, along 9 highlighted strategic objectives. Scores of stakeholders were medium-to-positive for most areas, highest in terms of preserving and sustainably using natural heritage; creating incentive environment for future collaborations; and creating supportive public attitude to future collaborations through joint education programs. Areas receiving average scores below medium include the support of co-operation and joint development of SME-s; and the priority provided to areas disadvantaged in terms of employment or social equality.

- **Finally, for the 2021-2027 period it is advised to select strategic projects that address areas where concentrated investments can effectively bring visible results** in the given programming period itself, besides having also multiplication potential for the longer term.

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

The most significant hindrance to programme- and project management has also in the year 2021 been the pandemic which started in 2020, and which kept affecting the entire area of the Hungarian-Croatian cross-border region. The guidance documents issued by the programme bodies at the first appearance of the new coronavirus (two so-called COVID Guides from March and October 2020) remained in place, providing useful suggestions to projects regarding the managing of activities such as workshops, trainings and other events or travels.

Concerning all circumstances, the programme has managed to handle the pandemic comparably well, due to the mitigating effect of the two Calls for Proposals having been launched in a certain distance from each other. All projects of the first CfP had already finished implementation before the arrival of the first wave in Q1 of 2020. Thus they were already in the process of final reporting and financial closure, and their project activities were not threatened by the restrictions. At the same time, the first projects of the second CfP have started implementation only from spring/summer 2020 onwards and were thus spared at least from the first wave of the pandemic.

However, at the time of compiling this report the fifth wave of COVID-19 still has an effect on project implementation (and the third and fourth wave have also affected every Beneficiary), which means that even in the second CfP projects there has been a number of activities that could not be implemented properly and in time. **Travel restrictions, closed borders, bans on public gatherings or limitations to number of participants at events are especially hindering CBC projects** that have cultural events and big gatherings planned.

Another challenge to project implementation is the sometimes steep rise in the price of certain items, mostly felt by projects which have planned construction activities and/or purchase of complex equipment. The price increases are mostly attributable to the pandemic as well, in particular its adverse effect on the production of construction material and technical equipment (especially IT tools).

The solutions offered by the programme to mitigate the above-mentioned hindrances are on one hand to grant possibility to all projects **to extend their originally planned implementation period** if needed (this is mirrored in the large number of MC decisions taken via the written procedures of 2021), and on the other hand **to make it possible for Beneficiaries to reallocate costs within their budgets**, covering rising costs of some items with the unused amounts eventually saved on other budget lines. **Nevertheless, it is visible that many Beneficiaries had to contribute to their project part with more own contribution than originally planned.** Since the programme can only support the project expenditure until the extent approved in the budget, certain additional costs resulting from procurements ending up more expensive have to be covered by the project partner organisations themselves, from financial sources outside of the contracted ERDF funding.

So far these issues, faced by many ongoing projects, have not been influencing the n+3 performance of the programme as a whole negatively, but the achieving of the 2022 target will depend on the success of projects to increase spending in the current year.

(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

The general progress of the programme is advanced, **the selected strategic- and regular projects (and the TA projects) together have already been covering the total available amount of ERDF to the programme.**

All projects of the first CfP have finished implementing their activities in 2019 the latest, with the project closure phase (final progress reporting) stretching over to 2020 as well. Given the successful co-operation between the programme bodies (FLC-s, JS, MA and CA) it did not present any difficulties.

The second and last open Cfp was managed in 2019, project proposals were assessed and the decision-making on support of projects was prepared in 2019, with the MC meeting taking place on 15 January 2020. **The stipulation of the SC-s for the EU funding began in the first quarter of 2020 and continued throughout the reporting year**, as there were three rounds of project selection related to the second Cfp: one in January (with decisions taken on all thematic areas but tourism-development), one in May (deciding on the winners in Component 2.1.2, Tourism Attractions) and one in September (selecting projects from the Reserve list of the Cfp). . Although highly affected by the pandemic, most of these projects managed to progress well in 2021.

Further projects to be supported are standing by on **the Reserve list**, but while the method of future selection steps has already been agreed by the MC, the likelihood of many additional projects to receive funding is relatively low: the contracted projects are implemented financially quite efficiently, and only a small amount of funds has been remaining to return back to new projects. In any case, the JS is continuously monitoring the available funds and will make recommendations as to their use on the Reserve list.

Regarding the n+3 rule, ERDF paid out to LB-s until 31 December 2020 amounts to a total of 24.518.754,27 EUR (without the TA), which was in itself significantly higher than the target for the end of 2020 (15.259.298,04 EUR), and which has almost reached already the cumulative target for 2021 (25.093.545,86 EUR).

For a priority-by-priority description please refer to the sub-chapters below:

Priority Axis 1 – Economic Development

The funding to this PA (9.960.300 Euros of ERDF, representing 16,38% of the programme's total EU funding) is entirely dedicated to the so-called '**Beneficiary Light Scheme**'. Building on an example from the German-Dutch border region the planning experts and the MC have embraced a new approach towards supporting co-operation between actors of the economy on the Hungarian and Croatian side: for the first time in this border region the cross-border programme provides ERDF funding to SME-s. The project partnership managing the support scheme was set up in 2016, and the project (AF and further materials such as the Implementation Manual) was **approved by the MC on its 4th meeting, on 1 December 2016**. The contracting process and the starting of implementation were carried over to 2017 and **the strategic project had its kick-off on 1 February 2017**, while the end date, originally foreseen to be 31 July 2021, has been extended in the reporting year to 31 December 2022. (The reason for the prolongation are earlier delays in project implementation and also unspent funds coming back from implemented 'light projects' which are being used for financing projects of the fourth Call for Light Project Proposals; the new end date for the entire scheme ensures that all SME co-operations can be implemented entirely and successfully.)

As the 'Beneficiary Light Scheme' is a novelty in the life of the programme, some crucial steps had to be taken also during project implementation, not only the setting-up, in order to allow the project to operate. **The scheme has a built-in supporting mechanism for the participating SME-s, the External Project Support Facility (EPSF)**, which first had to be set up before detailed project elaboration of SME co-operations (the second phase of the two-step selection process inside the scheme) could begin. These experts are funded from the LB's budget and they have been providing project development assistance to the SME-s since September 2018, being selected in that year by the LB, Croatian enterprise-development company HAMAG-BICRO in a public procurement procedure.

In the meantime, the first Call for Light Concepts was open from 9 June until 15 September 2017, resulting in 53 submitted and 20 approved project concepts. The second round for the first Call for Light Project Proposals approved was opened on 26 October 2018 with a closing date of 14 December until which **17 project proposals were received**. The successful Selection Board (SB) meeting took place on 11 March 2019 with the establishment of the ranking list. The planned funding available to the first Call projects was 2,55 million EUR, awarded to **10 winning SME partnerships in 2019, out of which 8 light projects could be contracted**. From these co-operations 6 were still under implementation in 2021 as well. The number of light projects financially closed in 2021 was 4.

Regarding the next two-step application process, the second Call for Light Concepts was open between 16 April and 18 June 2018 – **from the 32 submitted concepts 24 were approved to enter the second round** and received detailed project development aid from the EPSF. Subsequently, the second Call for Light Project Proposals (the second stage) was launched on 14 January 2019 with a submission deadline of 15 March until which **21 project proposals were received**. The Selection Board meeting was held on 1 August 2019 when the SB members approved the final ranking list. The planned funding available to the second Call projects was 3,05 million EUR and was awarded to **12 winning SME partnerships**. There was also an awarding ceremony organised by the LB for all SME-s supported in the first two selection processes, the event was held on 29 November 2019 in Prelog, Croatia. All 6 contracted projects were still implementing their activities in 2021 (and one project will stretch over into 2022 as well).

In the following two-step application process the 3rd Call for Light Concepts was open between 19 March and 20 May 2019. **From the 37 submitted concepts 25 were approved to enter the second round** which was launched on 28 October 2019 with a submission deadline of 20 December, until which **23 project proposals were received**. The SB meeting was held on 28 February 2020, resulting in 8 light projects, for a total amount of 2.034.071,93 EUR of EU funding. **The 7 contracted projects – out of which one could not start their implementation and quit by the end of 2020 – started implementation either in Q2 or Q3 of 2020**. Only one project could close its implementation in the year 2021, the rest (5 projects) have asked for prolongation and will end in 2022. For the selected third Call light projects there was an award ceremony organised in Virovitica on 14 May 2021.

(It has to be noted that, due to the fact that for-profit organisations can face situations which non-profit ones usually do not, the number of selected and contracted light projects sometimes does not match. **It can happen that an SME loses interest in a given development** because in the time passing from the formulation of the project idea to the date of contract signature the product / service is developed by someone else, or the market for the product / service is changing in the meantime in a way that further investment in that particular solution is not reasonable anymore. **Also, SME-s are often struggling with a weak financial background**, and their capability to financially safely implement a planned investment can rapidly change over time, especially if the economic surroundings take a turn for the worse, like it has unfortunately happened since 2020 with the pandemic.)

The question of prolongations was present also in the 'Beneficiary Light Scheme' due to the uncertainties caused by the pandemic: most of the selected and implemented SME-s were facing extended difficulties in implementing their project parts, especially as the CBC aspect is hard to be fulfilled with borders closed. Thus many first, second and third Call light projects were asking for (and getting) prolongations of max. 2 months' time, to be able to fulfil their activities and also to report about them.

Last but not least, with respect to the remaining amounts of ERDF in the PA, **a last, fourth Call for Light Project Proposals was launched in November 2020.** With regard to the shortness of time until the end of the programming period, the selection of the SME co-operations was modified from the two-step procedure to a one-step process this time. **By the submission deadline of 22 January 2021 there were 34 applications received by HAMAG-BICRO.** After the formal and eligibility check 31 proposals were assessed and taken before the SB for decision-making. On 8 April 2021 the SB chose 11 new light projects to be funded and has established a reserve list regarding those for which the funding was not available. (Later there was one SME co-operation that could be added to the already supported ones, so the final count of the fourth Call is 12 light projects under implementation.) Following the so-called fulfilment of conditions (FoC) phase unfortunately only 11 light projects signed the contract for their subsidy; their implementation has commenced during the summer months of 2021, but by 1 September the latest. (Between 25 May and 2 June 2021 online FoC meetings were held for the selected fourth Call light projects, organised by the LB with the support and presence of the JS.)

The JS and the FLC-s keep ensuring their continuous support and co-ordination to the LB to make the administrative and reporting part easier and smoother for all SME-s and other involved participants.

Priority Axis 2 – Sustainable Use of Natural and Cultural Assets

This PA, allocated a total of 35.779.654 Euros of ERDF (representing 58,82% of the programme's total EU funding), is divided into two IP-s, 6c (Conserving, protecting, promoting and developing natural and cultural heritage) and 6d (Protecting and restoring biodiversity and soil and promoting ecosystem services, including through NATURA 2000, and green infrastructure).

IP 6c hosted one of the strategic projects of the programme, '**De-mine HU-HR II**', a continuation of the earlier de-mining co-operation of the two Member States which was approved by the MC on its 1st meeting in December 2015, and which was under implementation between 1 June 2016 and 31 May 2018. The total EU funding to the project amounted to 2.999.989,74 EUR from which 2.971.344,40 EUR were successfully spent by the LB and the Beneficiaries.

For the available funding in IP 6c to **projects to be selected in open calls**, the first CfP saw interest from submitted project proposals at 51.409.488 Euros in total, representing ca. 4 times the amount (12.752.544 Euros) made available. Regarding IP 6d this ratio was 1,4 times (meaning 12.317.661 Euros requested, against 8.576.241 Euros available). **In the frame of the first CfP there were 20 projects supported within PA2**, with the following division among the Components:

- 6 projects in Component 2.1.1 (Bicycle Paths),
- 7 projects in Component 2.1.2 (Tourism Attractions),
- 4 projects in Component 2.1.3 (Thematic Routes and other Tourism Products), and
- 3 projects in Component 2.2.1 (Restoring the Ecological Diversity in the Border Area).

In the second CfP 69 applications were submitted to PA2, requesting a total of 56.767.332,15 EUR of EU funding which is more than 3,7 times higher than the EU contribution made available (15.211.969,00 EUR). As regards the components within PA2 the number of project proposals was the following:

- 39 project proposals in Component 2.1.2 (Tourism Attractions), from which 32 made it into the quality assessment phase – there were **9 projects selected** for support in 2020;
- 19 applications in Component 2.1.3 (Thematic Routes and other Tourism Products), with 13 forwarded to quality assessment – resulting in **8 supported projects**, and
- 11 project proposals in Component 2.2.1 (Restoring the Ecological Diversity in the Border Area), out of which 9 were assessed from the quality point of view – and out of which **the MC has selected 3** for implementation.

Please note that due to the advantageous rate of achievement regarding the component-specific indicators, **Component 2.1.1 (Bicycle Paths) was not anymore opened** in the second CfP. (Certain joint developments concerning bicycle infrastructure were instead possible to be implemented within projects in Component 2.1.2.)

Priority Axis 3 – Cooperation

Almost half (2.500.000,00 EUR from the total amount of 5.717.494,00 Euros) of the ERDF allocated to this PA (representing 9,4% of the programme's total EU funding) was made available to potential applicants in the framework of the first open CfP. **A popular topic already in the previous Hungarian-Croatian co-operation programmes**, this thematic area attracted the second largest amount of submitted applications, at 52 pieces. The requested total funding amount of 9.663.788,00 EUR meant that interest was 3,9 times higher than the available allocation.

From the **15 supported projects of the first CfP** in PA3 there were

- 12 implemented in Component 3.1.1 (Thematic Co-operation) and
- 3 in Component 3.1.2 (People-to-People Co-operation).

PA3 was opened in the second CfP as well. 45 applications were submitted, requesting a total of 8.641.985,50 EUR of EU funding, which is more than 2,8 times higher than the EU contribution made available (3.059.379,00 EUR). As regards the Components within PA3

- in Component 3.1.1 there were 30 project proposals submitted, out of which 26 were forwarded to quality assessment and **7 were supported** by the MC in 2020, while
- Component 3.1.2 had 15 project proposals competing for support, out of these 14 reached the quality assessment phase, and **11 could be selected by the MC** for funding during the reporting year.

As mentioned already in Chapter 3.1, **one pilot project, 'CBJointStrategy', is also implemented within PA3**; it was selected for support by the MC on its 8th meeting, on 21 May 2019. Its objectives have been to a) prepare the impact analysis of the 2014-2020 cross-border programme, and b) to draft (building also on the impact analysis) the situation analysis and the strategy of the new, 2021-2027 programme. **The sole Beneficiary is Pannon EGTC, and the planning- and capacity-building project was awarded 246.153,62 EUR of EU funding**, with the end date of implementation extended to 31 March 2022, to coincide with the planned submission of the new programming document to the EC.

Priority Axis 4 – Education

The ERDF allocation of this PA, just as in case of PA3, amounts to 5.717.494 Euros of ERDF (representing another 9,4% of the programme's total EU funding). At the time of programme planning the inclusion of this PA was also requested by the stakeholders 'on the ground', and as if to underline the positive decision, this PA has received the largest number of applications in the first open CfP, attracting 55 project proposals. The total requested amount of EU funding was 9.603.168 Euros as compared to an available 2.700.000 Euro framework, resulting in a funding need 3,6 times higher than made available. Projects supported by the MC within the first CfP were divided as follows:

- 3 projects in Component 4.1.1 (Co-operation In Higher Education) and
- 15 in Component 4.1.2 (Co-operation in Pre-school, Primary- and Secondary Education and Adult Education).

In the second CfP altogether 48 project proposals were submitted to PA4, requesting 9.380.989,05 EUR of EU contribution which is 3,6 times higher than the available amount (2.566.435,00 EUR). As regards the Components,

- 4.1.1 received 12 project proposals, out of which 12 reached the quality assessment phase and finally **3 were supported**, while
- 4.1.2 had 36 project proposals, with 33 undergoing quality assessment and **9 receiving support from the MC**.

Priority Axis 5 – Technical Assistance

At 6% of the total EU funding allocated to the programme, TA is the smallest PA, however, it acts as the engine of programme implementation since it contains financial support to all the organisations that manage the programme throughout its entire life cycle. The 3.649.464 Euros of ERDF (and matching national contributions) were initially allocated to **8 TA projects, all approved by the MC at its 1st meeting, on 8 December 2015**. One additional TA project and -form were introduced in 2018 when project HUHR TA/01 had to be split to two due to technical reasons. (No new activities or costs were introduced, only the existing ones were re-grouped.)

Reflecting on the goal of PA5 to *'improve the administrative procedures and lower the administrative burden of the Beneficiaries'* **the activities in the programme were also in 2021 in line with the statement of Chapter 7 of the CP** that *'the efforts of the Programme to decrease the administrative burden will have to balance between quality and quantity of documentation, as well as between giving clear guidance and overregulation'*. As regards the two concrete actions envisaged in the CP, the situation in 2021 was as follows:

- **Simplified Cost Options** had been introduced already in the first CfP. Preparation costs are defined as a lump sum of 3.000 EUR per project, the Beneficiaries can choose to receive their staff costs as a flat rate of up to 20% of direct costs other than staff costs, furthermore office and administration expenditure is calculated as a flat rate of 15% of the staff costs, and equipment for general (office) use is an eligible expenditure that is automatically granted to the selected projects in the form of a lump sum for the maximum of 1.000 EUR per Beneficiary. Owing to these changes in administering and reporting, the Beneficiaries have been freed from a substantial burden, and – along the rules set in the CfP and the Control Guidelines – also the FLC bodies on both sides have been profiting from the simplification of the checking of costs.
- In line with Article 122(3) of the CPR and **the requirements of e-Cohesion**, in case of the first CfP in the processes following the awarding of the EU subsidy the paper-based administration obligations of the Beneficiaries have drastically decreased. The selected projects perform their reporting activities already in the electronic monitoring system which integrates all control processes from the BR-s upwards. **At the same time, the second open CfP was launched already electronically, decreasing the administrative burden already in the application phase**. The projects that were selected in 2020 and that are under implementation during most of 2021 as well are the first ones that are being implemented 100 per cent in an electronic way, from entering the project proposal to submitting the final PR.
- Last but not least in the autumn of 2020 negotiations have begun between the JS, the FLC-s and the developers of the INTERREG+ monitoring system to enable **a simpler reallocation of smaller amounts inside the Beneficiaries' budgets**. Certain budget changes do not anymore have to be administered by the projects, neither as Subsidy Contract changes nor as 'other project changes'. The related development and the connected modification of the Project Implementation Handbook became reality in January 2021, from which point there has been again less administrative burden on the LB-s and Beneficiaries if there are slight modifications in their budget tables owing to new circumstances in their project parts' implementation. **(This flexibility is crucial** since in most cases

1-2 years pass between planning a project budget and closing the implementation of that project, so minor adaptations are necessary in almost all projects.)

Contribution to macro-regional strategies

The eligible programme area of the Interreg V-A Hungary-Croatia Cooperation Programme 2014-2020 is fully included in the European Union Strategy for the Danube Region (EUSDR). The strategy was launched in 2011 and is built on 4 pillars, divided into 12 priority areas (Priority Area, PA). The pillars are the following:

- Connecting the Danube Region with other regions,
- Protecting the environment in the Danube Region,
- Building prosperity in the Danube Region, and
- Strengthening the Danube Region.

From the point of view of the projects, in case an application proved to contribute to one of the Priority Areas of the EUSDR based on its action plan, extra points could be awarded to it during project assessment. **The quality assessment grid of the first CFP of the programme contained a related criterion** in relation to each Component. Point 2 of the heading *'Relevance and methodology'* highlights the following aspect:

'The planned project shows synergy with macro-regional strategies (EU Strategy for the Danube Region). The planned project shows synergy with other EU funded projects or other development initiatives in the relevant field, the ways of complementing these is properly described. The project builds upon other operations previously implemented by a member of the partnership.'

In a similar manner, Point 7 of the quality grid of the second CFP contained the same text and awaited scoring for this aspect. **The criterion could be awarded a score of 0-4 / 0-3 points** (on a scale of 100) in the two Calls and was therefore a factor that determined the final score of a project proposal – it could be decisive especially in cases when projects had a very similar score on the Ranking list. Quality assessors were advised at their personal training in Budapest to ascertain the compliance of the project activities with the macro-regional strategy relevant to the territory of the programme.

From the institutional point of view both the preparation of the materials of the Calls and the project selection process were closely observed by the Danube Region Strategy National Co-ordinators of Hungary and of Croatia who are sitting on the MC as members in advisory capacity. They are constantly involved into all meetings of the MC (including the 'pre-meetings' organised before them on each side of the border as 'national level preparation meetings'), as well as in all written decision-making processes of the MC.

Out of the 54 contracted projects of the second CFP **almost half, 23 have been making a direct reference to the EUSDR** in the 'Project description' section of their application form.

For example, in Component 2.1.2, **project 'Hidden Landscapes'**, led by the Association for nature and environment protection 'Green Osijek' as LB, is coherent with the EUSDR in that it also promotes green tourism and environmentally friendly visiting to natural areas. The main Croatian project location of Zlatna Greda lies along the Danube- (EuroVelo 6) and the Pannonian Peace Trail cycling routes and plans to establish new facilities (e.g. a wilderness route, hunting lodges and an observation tower), land art and festivals that will induce longer stays of tourists and cyclist along these international routes in the eligible programme area. The project part will be of interest also to the visitors of the nearby Nature park Kopački rit which is a major attraction to eco-tourism enthusiasts in the Slavonian part of the country. On the

Hungarian side, Duna-Dráva National Park also has ample experience with environmental protection and green tourism, and its activities and investments in the project complement the goal of Protecting the environment and Building prosperity in the Danube Region.

Project 'Vucedol', implemented in Component 2.1.3 with the lead of Festival Association 'Ördögkatlan', builds on the legacy of several EU-funded projects, making them more sustainable and valorising their outputs. (Some of the examples and linked EU strategies on the European and macro-regional level include the European Year of Cultural Heritage, the Creative Europe Programme and the Polyphony Project supported by the EC.) The project has roots in the EUSDR, especially in its Priority Area 3 (Tourism and Culture) and also in PA9 (People and Skills) as there is a strong educational element as well, but it builds on PA10 as well (Institutional Capacity and Cooperation). The project takes on the output of the Danube Strategy Project Fund, 'The Bridge Project' (<http://thebridge.eu>), and researches and surveys prepared as part of it. Last but not least, the project is also the valorisation and implementation of the Interreg Danube project 'Danube-Iron-Age' (<http://www.interreg-danube.eu/approved-projects/iron-age-danube>) and especially its final output, the International Conference on Archaeology and Tourism. During the design of the current project the partnership has leaned on and integrated several aspects of other strategies, priorities and already existing outputs and methodologies.

'Eco Bridge', led by the Town of Čakovec in Component 2.2.1, is in line with the EUSDR which stresses the importance of building on natural and cultural opportunities provided by the Danube river and its tributaries (i.e. the Drava or Mura rivers). The project complements the EUSDR Action Plan with regard to pillar B) PROTECTING ENVIRONMENT IN THE DANUBE REGION, Priority Area: to preserve biodiversity, landscapes and quality of air and soils. EUSDR aims actions directed at 'managing Natura 2000 sites and other protected areas effectively' and 'to develop green infrastructure in order to connect different biogeographic regions and habitats'. The project complements all of the quoted by investing in three urban parks (two in Čakovec, HR and one in Letenye, HU) which will promote natural heritage of the cross-border destinations of Međimurje County and Zala County. In presenting the natural heritage, emphasis will be on Natura 2000 sites covered by the project. (One of the outputs of the 'Three Rivers = One Aim' project of the 2007-2013 CBC programme was the Study of Birds of The Croatian Part of The Mura-Drava-Danube Biosphere Reserve (2015); that document was the base for the preparation of the 'Eco Bridge' project and it will also serve as the starting point for the survey and analysis to be managed jointly.)

Međimurje Energy Agency Ltd. is LB in **'CO-EMEP'**, a project implemented in Component 3.1.1 and dealing with energy poverty and with developing guidelines on energy poverty mitigation planning. Next to building on several EU-level directives and national laws and plans, they quote PA2, Sustainable Energy and PA5, Environmental Risks (next to PA10, Institutional Capacity And Cooperation) as parts of the EUSDR that are relevant to their planned work. Via thematic workshops and information days the project will identify the problematic sectors while at the same time helping planners on regional and local level to connect with each other and develop their upcoming strategic documents in a way that they include the solutions to the energy poverty problem. At the heart of the project will be the development of a comprehensive online energy management tool and the implementing of pilot actions through developing 10 energy audits and measurements (thermographic measurements, blower door testing and U-value measurement) of identified energy-poor households (5 in HR and 5 in HU). This is to be followed by the developing of detailed plans for enhancing energy efficiency via defined measures with financial possibilities for each building analysed.

Project 'MR-EGTC Heritage' with LB Mura Region EGTC as its LB set out in Component 3.1.2 to facilitate the increase of institutional co-operation between 27 local public authorities (members of the EGTC) and one NGO, B1 of the project, all located in the close cross-border area around Tótszerdahely, HU and Goričan, HR. The project activities reference PA10 of the EUSDR ('Institutional Capacities And Cooperation') which aims at stepping up institutional capacity and co-operation. At the same time, in accordance with the EUSDR Action Plan, the participating settlements through their planned cultural and traditional events are also aligned to PA9, 'People And Skills'. More than 14 festivals are foreseen, among them an event at Pentecost, Festival of the Gibanica, and a Day of Crafts and Day of Wines, furthermore

the presenting of traditional crafts of the area (e.g. basket spinning and gold washing) and of the cultural heritage of the local Hungarian, Croatian and German minorities.

With the LB being Calvinist Grammar School, Primary School and Dormitory 'Mihály Csokonai Vitéz', one project partnership in Component 4.1.2 entitled '**ECOoperation**' connects to PA6 ('To preserve biodiversity, landscapes and the quality of air and soils') within Pillar 2, 'Protecting The Environment' of the EUSDR. The aim is to strengthen the work on halting the deterioration in the status of all species and habitats covered by EU nature legislation, in order to achieve a significant and measurable improvement, adapted to the special needs of the respective species and habitats in the Danube Region. The other goal of the project is to enhance the work on establishing green infrastructure and the process of restoration of at least 15% of degraded ecosystems, including soil, in order to maintain and enhance ecosystems and their services in the Danube Region and to improve air quality. Regarding the actions supporting the preservation of biodiversity, landscapes and the quality of air and soils, the project and its participating organisations contributes to achieving the goals of the strategy in their own location and on their own scale.

Information and publicity activities

Communication activities in 2021 were also implemented **based on the 'Communication Strategy of the Interreg V-A Hungary-Croatia Co-Operation Programme 2014-2020'**, approved on 8 December 2015 via MC Decision No 7/2015 (08.12), **as well as the Communication Plan For The Year 2021** as approved by the MC on 16 April 2021. The 'Introduction' chapter of the Strategy references the Eurobarometer surveys which showed that on the level of the entire Union, the awareness of citizens of the positive impacts of Regional Policy is limited. However, the situation in the two Member States involved in the Programme is significantly better than the European average, with Hungary and Croatia regularly being featured among the top positive results, proven again by a Eurobarometer survey, from July-August 2021 (Flash Eurobarometer 497). Building on this good starting point, the Communication Strategy defines the goal that *'the achievements of the Programme as a whole, as well as those of its individual projects, should be widely promoted and, when possible, put into a wider perspective of their contribution to the EU Cohesion Policy'*.

All communication activities of the Programme make it their priority to emphasize the role of the EU funding for the Programme and the Hungarian-Croatian border region. This translates to the level of projects through the Project Communication Guidelines (PCG), compulsory to be followed by all selected operations. Thus *'the Beneficiaries are required to [...] ensure a statement included in any document, attendance or other certificate about the effect that the Programme was financed by the EU'* (see Chapter 1.1 of the PCG). Projects are also obligated *'to ensure that their final outputs have clear reference to EU contribution, while Programme and EU (EU Interreg with ERDF reference) logos are obligatory to be used'*. Compliance with the detailed programme-level rules regarding communication (and regarding the emphasising of the EU support to the project) is to be monitored by both the FLC bodies and the JS during project reporting.

The focus of programme-level communication in 2021 was on the implementation of the second CfP projects, especially on reporting their activities and promoting their results, as well as on supporting the Beneficiaries in the implementation of the activities, including the requirements regarding the communication and visibility.

The programme also organised **trainings for the Beneficiaries, as well as technical meetings** of programme implementing bodies (FLC-s MC, PC) with the aim of better information exchange and quality implementation of activities on project and programme level.

Due to the pandemic the communication activities of the programme had to be adapted to the situation and were therefore **mostly in a virtual setting**, with extensive use of the website and the social media outlets (more than 100 posts on social media, video materials, online meetings).

Programme staff made extensive use of new technology in an effort to intensify communication in lack of personal contact, so in many instances, when no other possibility existed, both internal communication as well as participation in project events and meetings were managed via online platforms.

The whole of 2021 was another year marked by the global pandemic, so also the planned project- and programme events were being implemented in line with the epidemiological situation at any given moment. With most of the second CfP projects being well into their life cycle, the main communication activities towards the general public were **reports about the activities and events organised by the projects**, held either live or online, depending on the current local situation. During 2021 (especially in summer and early autumn months) **at least 42 project events**, promoting the projects and the planned activities either live or in a virtual setting, were held with the programme supporting them in the implementation, by participation and promotion of these events.

The somewhat better epidemiological situation during September and early October 2021 was reflected also in the number of events within the programme **organised as part of the European Cooperation Day campaign, where this year as many as 12 events were included in the Europe-wide celebrations, with about a 1.000 total participants in the Hungarian-Croatian border region**. Due to the pandemic, the projects were faced with additional organisational challenges and were supported by the programme with employing flexibility and innovative solutions. Unfortunately, some of the events could therefore only be realised as 'hybrid' or fully online, but luckily only one planned event had to be completely cancelled due to the situation.

The programme also **took part in the Project Slam Competition** by applying several best practice projects to the EU-level contest, but did not have a representative in the final selection.

To enable the proper implementation, monitoring and evaluation of the information- and communication related activities, **a system of output- and result indicators has been developed in the Communication Strategy**. The evaluation system is centred on quantitative indicators for the programming period, where the output indicator is to measure the activity taken to establish the respective measure, and the result indicator shows what the direct result of the action is. The Communication Strategy has defined yearly frequency of reporting for the output indicators, while for the result indicators either the end of programme implementation or three times during programme implementation: in 2018, 2020 and 2023.

Development of the new INTERREG+ IT system

In July 2019 the MA of all four Interreg programmes using the IMIS 2014-2020 system decided – with the support of the participating Member States – to launch a new procurement procedure on developing a new IT system, the so called INTERREG+ to cover all missing functions of IMIS 2014-2020. The reason behind the system change was that even after a longer error management period the functionality of the IMIS 2014-2020 system could not be consolidated, and the number of software errors was still higher than expected, especially for programmes in their implementation modules. The INTERREG+ system has replaced IMIS 2014-2020 during the year 2021, at the same time it has been developed with a view also on the requirements of the 2021-2027 period.

The new INTERREG+ system is developed for the following four CBC programmes:

- Interreg V-A Hungary-Croatia Cooperation Programme,
- Interreg V-A Slovakia-Hungary Cooperation Programme,
- Interreg-IPA Cross-border Cooperation Programme Hungary-Serbia and
- Hungary-Slovakia-Romania-Ukraine ENI Cross-border Cooperation Programme.

The first step towards the INTERREG+ system in the Interreg V-A Hungary-Croatia Cooperation Programme was the approval of the modification of the TA project TA/01 by the MC on 4 November 2019, which authorized Széchenyi Programme Office (SZPO, the hosting body of the JS) to launch the public procurement procedure. SZPO initiated the public procurement in November 2019, and as a result signed the development contract with the selected tenderer on 17 February 2020.

The INTERREG+ system development project lasted until 30 September 2021 and is followed by a continuous maintenance and support period throughout the whole implementation of the programme. According to the contractual time plan, the system went live with the following functionalities as listed below:

- Project and Contracting Module, covering recording of programme- and CfP data – June 2020;
- Reporting Module – August 2020,
- Control and Payment Module – November 2020;
- TA Project Module, Programme-Level Financial Module (submission of Application for Payments to EC and Annual Accounts Modules), planning migration procedure of all implementation and financial data from the IMIS – February 2021;
- Irregularity, Recovery and Closure Module – May 2021;
- e-Application and Assessment Module for the 2021-2027 period – August 2021; and
- Service functions, development of interfaces (i.e. InforEuro), closing of the development project and handover of the source code of the INTERREG+ system – by 30 September 2021.

After the signature of the development contract on 17 February 2020, specification of the new system has immediately started in the coordination of the I+ Office (set up within SZPO), in close co-operation with the JS of the programme. After several testing rounds the first module, covering programme, CfP and project data as well as contracting procedure, was launched live on 30 June 2020. Online reporting module for Beneficiaries as well as control functions was launched in August 2020 on the live system, followed by the launch of the LB reporting and payment module on 27 November 2020. Since then Beneficiaries and LB-s of the programme have started using the INTERREG+ system for the online submission of their reports, as well as First Level Controllers for their validation activities and the JS for its daily programme- and project management activities. Migration of data from IMIS 2014-2020 to INTERREG+ was also managed, with a date of completion of 30 September 2021. (At the same time, IMIS 2014-2020 remained accessible still, but in read-only mode.)

The general features of INTERREG+ involve two sides of one system: the Front Office and the Back Office. The Front Office surface of INTERREG+ is for Beneficiaries and LB-s who can submit their Beneficiary Reports, Project Reports and Applications for Reimbursement online, while the Back Office is used by all bodies of the programme implementation (MA, Croatian NA, FLC-s, JS, CA and AA) as a management and monitoring tool.

Advanced technical features of INTERREG+ system have been developed to ease the user's daily activities. The system's **workflow engine** guarantees that each process step has to be completed in sequence according to the pre-defined order, and the system also checks whether the user is authorized to accomplish a certain task. Thanks to **version management** all project changes are tracked and stored so that each project version can be queried and compared to any other versions. The project history screens contain all system events like a diary (who did when and what). **Several hundreds of built-in checks, warnings and automatic calculations** (data aggregation from partner- through project- to programme level) ensure the accuracy of Project Reports and Applications for Reimbursement, while the **built-in document templates and standard notification letters** enhance the convenience of the users. **Detailed budget tables show the projects' financial progress** (planned, reported and remaining amounts, statuses).

Considering the relatively high number of bodies and users involved in programme implementation, the system operates online. This solution facilitates simultaneous data input and flexible data storage capacity at all participating actors. In order to avoid unauthorized logins and movements, **INTERREG+ possesses a sophisticated access rights system:** access to functions and data is restricted by organizational membership, level of hierarchy and geographic location.

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.

See separate file attached to this report.

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 V-A Hungary-Croatia Co-operation Programme 2014-2020. (There are no financial instruments in the meaning of Article 46 of the CPR.)

8. WHERE APPROPRIATE, 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 V-A Hungary-Croatia 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.)

8.1 Major projects

Table 7

Major projects

Project	CCI	Status of MP 1.completed 2.approved 3.submitted 4.planned for notification/submission to Commission	Total investments	Total eligible costs	Planned notification/submission date (if applicable) (year, quarter)	Date of tacit agreement/approval by Commission (if applicable)	Planned start of implementation (year, quarter)	Planned completion date (year, quarter)	Priority Axis/ Investment priorities	Current state of realisation -financial progress (% of expenditure certified to Commission compared to total eligible cost)	Current state of realisation -physical progress Main implementation stage of the project 1.completed/ in operation; 2.advanced construction; 3.construction; 4.procurement; 5.design	Main outputs	Date of signature of first works contract (i) (if applicable)	Observations (if necessary)

- (i) In the case of operations implemented under PPP structures the signing of the PPP contract between the public body and the private sector body (Article 102(3) of Regulation (EU) No 1303/2013).

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

Not relevant in case of the Interreg V-A Hungary-Croatia Co-operation Programme 2014-2020.

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

Not relevant in case of the Interreg V-A Hungary-Croatia Co-operation Programme 2014-2020.

8.2 Joint action plans

Progress in the implementation of different stages of joint action plans

Not relevant in case of the Interreg V-A Hungary-Croatia Co-operation Programme 2014-2020.

Table 8

Joint action plans

Title of the JAP	CCI	Stage of implementation of JAP 1.completed 2.> 50 % implemented 3.Started 4.approved 5.submitted 6.planned	Total eligible costs	Total public support	OP contribution to JAP	Priority axis	Type of JAP 1.normal 2.pilot 3.YEI	[Planned] submission to the Commission	[Planned] start of implementation	[Planned] completion	Main outputs and results	Total eligible expenditure certified to the Commission	Observations (if necessary)

Significant problems encountered and measures taken to overcome them

Not relevant in case of the Interreg V-A Hungary-Croatia Co-operation Programme 2014-2020.

