



2nd PHASE EVALUATION

Effectiveness, efficiency and impact evaluation
of the Interreg V-A Hungary-Croatia
Cooperation Programme

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Abbreviations and acronyms

Table 1: List of the abbreviations

Abbreviations	Meaning
AA	Audit Authority
AT	Austria/Austrian
BA	Bosnia and Herzegovina
BIOKOM	BIOKOM Pécsi Városüzemeltetési és Környezetgazdálkodási Nonprofit Kft
BMFÜ	Baranya County Development Agency Non-profit Ltd.
BMÖ	Baranya Megyei Önkormányzat
BMRFK	Baranya Megyei Rendőr-főkapitányság
CA	Certifying Authority
CB	Cross-border
CBC	Cross-border Cooperation
CESCI	Central European Service for Cross-Border Initiatives
CLLD	Community-Led Local Development
CP	Cooperation Programme
CRII	Corona Response Investment Initiative
CW	Cyclist Welcome certification system
CSVMRG	Csokonai Vitéz Mihály Református Gimnázium
DDNPI	Duna-Dráva Nemzeti Park Igazgatóság
DDRFÜ	Dél-Dunántúli Regionális Fejlesztési Ügynökség
DDVIZIG	Dél-dunántúli Vízügyi Igazgatóság

Abbreviations	Meaning
DG REGIO	Directorate General for Regional and Urban Policy
DGAEF	Directorate General for Audit of European Funds (in Hungarian: EUTAF = Európai Támogatásokat Auditáló Főigazgatóság)
DZS	National Bureaus of Statistics (Croatian)
EFOP	Hungarian Human Resource Development Operational Programme (Emberi Erőforrás Fejlesztési Operatív Program)
EGTC	European Grouping for Territorial Cooperation
EN	English
EPSF	External Project Support Facility
ERDF	European Regional Development Fund
ESF	European Social Fund
ESI	European Structural and Investment Funds (ESI funds)
ESPF	External project support facility
ETC	European Territorial Co-operation
ETIS	EU Tourism Indicators System for sustainable destination management
EU	European Union
EUR	Euro
EUSDR	European Union Strategy for the Danube Region
FAQ	Frequently asked questions
FLC	First Level Control
FTE	Full-time employments
GFGK	Gimnazija "Fran Galović" Koprivnica
GINOP	Economic Development and Innovation Operational Programme (Gazdaságfejlesztési és Innovációs Operatív Program)
GIS	Geographic Information System
GVA	Gross Value Added
HCR/CROMAC	HRVATSKI CENTAR ZA RAZMINIRANJE / Croatian Mine Action Centre
HEBMESZ	Horgász Egyesületek Baranya Megyei Szövetsége
HGK Varaždin	Hrvatska gospodarska komora Županijska komora Varaždin
HICP	Harmonised Index of Consumer Prices
HR	Croatia/Croatian
HŠ Osijek	Hrvatske šume društvo s ograničenom odgovornošću

Abbreviations	Meaning
HU	Hungary/Hungarian
HUF	Hungarian Forint
ID	Identification
IKOP	Hungarian Integrated Transport Development Operational Programme (Integrált Közlekedésfejlesztési Operatív Program)
IMIS	IMIS 2014-2020 (Common) Monitoring and Information System
IMRO-DDKK	IMRO-DDKK Környezetvédelmi Nonprofit Korlátolt Felelősségű Társaság
IPA	Instrument for Pre-Accession Assistance
IRMO	Institute for Development and International Relations
ITI	Integrated Territorial Investment
JS	Joint Secretariat
REDEA	Javna ustanova za razvoj Međimurske županije REDEA
KEHOP	Environmental and Energy Efficiency Operational Programme (Környezeti és Energiahatékonysági Operatív Program)
KÖFOP	Public Administration and Civil Service Development Operational Programme (Közigazgatás- és Közzolgáltatás-fejlesztés Operatív Program)
KSH	Hungarian Central Statistical Office (Központi Statisztikai Hivatal)
LB	Lead Beneficiary
LBDCA	Lake Balaton Development Coordination Agency
LLC	Limited Liability Company
LLL	Lifelong Learning
LP	Light project
LPP	Light Project Proposal
MA	Managing Authority
MATE	Hungarian University of Agriculture and Life Science
MC	Monitoring Committee
ME	Montenegro
NA	National Authority
NACE	Statistical Classification of Economic Activities in the European Community
NGO	Non-Governmental Organization
NIF	Hungarian National Infrastructure Development Corporation
NUTS	Nomenclature of Territorial Units for Statistics

Abbreviations	Meaning
NZJZOBZ	Nastavni zavod za javno zdravstvo Osječko-baranjske županije
NYUDUVIZIG	Nyugat-dunántúli Vízügyi Igazgatóság
OIE Osijek	Obnovljivi izvori energije Osijek d.o.o
OK Sova	Orijentacijski Klub Sova
OP	Operational programme
OPKK	Operational Programme Competitiveness and Cohesion
OŠ EK Slatina	Osnovna škola Eugena Kumičića Slatina
PA	Priority Axis
PCG	Project Communication Guidelines
PORA	PORA Regionalna razvojna agencija Koprivničko-križevačke županije
PP	Project partner
PTE	Pécsi Tudományegyetem
REA Sjever	Regionalna energetska agencija Sjever; Unikom d.o.o.
RRA SiB	Regionalna razvojna agencija Slavonije i Baranje d.o.o.
RS	Republic of Serbia
SI	Slovenia
SKIK	Somogyi Kereskedelmi és Iparkamara
S.M.A.R.T.	Specific, Measurable, Achievable, Relevant, Time bound
SME	Small and Medium-sized Enterprises
SMVKA	Somogy Megyei Vállalkozói Központ Alapítvány
SO	Specific Objective
SPF	Small Project Fund
SPMH	Savez poduzetenika Mađara Hrvatske
SŠ MM Slatina	Srednja škola Marka Marulića Slatina
SZPO	Széchenyi Programme Office Nonprofit LLC
TA	Technical Assistance
TKK	Tankerületi Központ
TO	Thematic Objective
TOP	Territorial and Settlement Development Operational Programme (Terület- és Településfejlesztési Operatív Program)
ULJP	Operational programme Efficient Human Resources

Abbreviations	Meaning
UXO	Unexploded Ordnance
VGUK	Visoko gospodarsko učilište u Križevcima / Križevci College of Agriculture project team
VIDRA	VIDRA Agencija za regionalni razvoj Virovitičko-podravske županije
VUV	Veleučilište u Virovitici
ZMKIK	Zala Vármegyei Kereskedelmi és Iparkamara
ZMNE	Zala Megyei Népművészeti Egyesület
ZMVA	Zala Megyei Vállalkozásfejlesztési Alapítvány

1 OVERVIEW OF THE EVALUATION

1.1 Introduction to the evaluation document

Context of the evaluation

The Ministry of Foreign Affairs and Trade of Hungary as Managing Authority (MA) and the Ministry of Regional Development and EU Funds of the Republic of Croatia (NA) scheduled the so called Second Phase evaluation of the Interreg V-A Hungary-Croatia Cooperation Programme 2014-2020 (hereinafter: **HUHR** or **Programme**) for 2022-2023. This document summarises the results of this evaluation process.

The present Second Phase evaluation of the Programme was carried out in partnership by CESC (Hungary) and IRMO (Croatia):

- Central European Service for Cross-Border Initiatives (**CESC**)¹ is a Budapest-based association established according to Hungarian private law aiming to ease cross-border cooperation along the Hungarian borders and in Central Europe in general. The organisation is one of the strategic partners of the Ministry of Foreign Affairs and Trade of Hungary.
- The Institute for Development and International Relations (**IRMO**)² was founded by the University of Zagreb and the Croatian Chamber of Commerce several decades ago. In its scientific and professional work, the Institute focuses on various forms of interconnections between international relations and political, economic and socio-cultural development tendencies.

The evaluation procedure has been designed based on the Programme's **Evaluation Plan** as it was approved by the Monitoring Committee (MC) in its 4th meeting on the 1st of December 2016. The Evaluation Plan defined two types of evaluations, both of them intended to be prepared in two phases. The **first phase of the implementation-oriented evaluation** (including the effectiveness and efficiency aspects) was elaborated by the CESC in 2018-2019, while the **first phase of the impact evaluation** was carried out by the Pannon EGTC in the frameworks of the *CBJointStrategy*³ project. In the second phase of the evaluations, the three aspects (effectiveness, efficiency and impact) were assessed together, in a combined way.

¹ The association's website: <https://budapest.cesci-net.eu/en/>

² The institute's website: <https://irmo.hr/home-2/>

³ *CBJointStrategy*: HUHR/1902/3.1.1/0001, Supporting the development of the HU-HR border region by a common strategy jointly formulated by the various actors of the cross-border area

Table 2: Timetable of the planned and revised evaluation plan (HUHR)

	2016	2017	2018	2019	2020	2021	2022	2023
Implementation-oriented evaluations			Evaluation I.				Evaluation II.	
Impact evaluations for Priority Axes 1 to 4					Evaluation I.		Evaluation II.	

Structure of the document

The document is made up by three main sections: *1 Overview of the evaluation*, *2 In-depth evaluation* and *3 Annex*. The first section's main purpose is to set the context of the document, offer an overview of the Programme's implementation and present the main findings and answers to the guiding questions. The second section of the evaluation details the analysis. These first two main parts are strongly interlinked through cross-references, but they can also be read separately. The Annex chapter contains factual information and lists supporting the evaluation process.

Scope of the evaluation

The scope of the evaluation was defined in the Evaluation Plan. All three predefined aspects of the Evaluation Plan (effectiveness, impact and efficiency) have been assessed in this document. In addition, the document also evaluates the performance of the Programme. For the purposes of this evaluation, these terms are understood as follows:

- **Performance** shows the progress made against the planned implementation.
- **Effectiveness** refers to the degree to which the objectives and targets are achieved at the date of evaluation.
- **Impact** is a very complex term referring to the influence that the Programme exercises on the internal cohesion of the programming area and the level of cross-border cooperation. While effectiveness measures the internal success of the Programme, the impact rather identifies its external success.
- **Efficiency** refers to the use of financial/administrative resources in relation to outputs and results. Successful here means 'optimal' and 'resource-efficient'.

The evaluation assessed all of these aspects through the following chapters:

Table 3: Aspects assessed in the in-depth evaluation

Aspects	Relevant chapters of the evaluation
Performance	<i>2.1.1 Quantification of the performance</i>
	<i>2.1.2 Programme management</i>
	<i>2.1.3 Influence factors of the implementation</i>
Effectiveness	<i>2.2.1 Analysis of the fulfilment of regional needs</i>
	<i>2.2.2 Analysis of the impacted target groups</i>

Aspects	Relevant chapters of the evaluation
	<i>2.2.3 Analysis of the communication of the Programme and the projects</i>
	<i>2.2.4 Durability of the projects</i>
	<i>2.2.5 Analysis of the partnerships</i>
Impact	<i>2.3.1 Analysis of the result indicators</i>
	<i>2.3.2 Mapping of the territorial coverage</i>
	<i>2.3.3 Synergies with relevant programmes and strategies</i>
	<i>2.3.4 Horizontal principles</i>
	<i>2.3.5 The Programme's borderscape impact</i>
	<i>2.3.6 Factors influencing the Programme's impact</i>
Efficiency	<i>2.4.1 Cost-efficiency</i>
	<i>2.4.2 Cost-efficiency of the programme management</i>
Applied mechanisms and tools	<i>2.5.1 B Light Scheme</i>
	<i>2.5.2 Strategic projects</i>

Applied methods

During the evaluation exercise, the experts used several sources and applied different methods, traditional and innovative ones as well.

The **official documents of the Cooperation Programme** serve as fundamental sources of the evaluation. To define the basic information on the implementation among others the internal rules, the MC decisions and the documents of the call for proposals were analysed.

In order to reveal the qualitative information, more than 30 **interviews** were conducted with several relevant stakeholders, including the Programme Bodies, beneficiaries and the experts of the first impact assessment. The majority of the interviews were done mostly via online platforms such as Zoom, but interviewees were also given the opportunity to share their experiences in written format. Before conducting the interview, the list of questions was sent to the interviewees to give them time to prepare. The types of interviewees were as follows:

- **Programme Bodies:** Managing Authority, National Authority, Joint Secretariat, members of the Monitoring Committee, First Level Control Bodies from Hungary and Croatia.
- **Management organisation of the B Light Scheme⁴:** HAMAG-BICRO, as LB and the regional development agencies (3 from the Hungarian and 2 from the Croatian side).
- **Beneficiaries:** Nearly 30 beneficiaries were selected and asked for interviewing, and approximately half of the potential interviewees accepted the request. To represent a wide sectoral scope and address the most decisive projects, the interviewees' selection was based on

⁴ B Light Scheme: HUHR/1602/1.1.1/0002, Fostering value added business cooperation projects between SMEs operating on different sides of the Hungary-Croatia border.

the following aspects: the type and thematic focus of the project, the role of the beneficiary, the amount of ERDF support and the assumed willingness of the beneficiary to cooperate. Regarding the strategic projects, all relevant beneficiaries were asked, while in the case of regular projects, a list was created according to the afore-mentioned criteria. The light beneficiaries of the B Light Scheme were not involved in the interviewing process.

- **Experts of the first impact assessment.**

Table 4: List of implemented interviews

Country	Name	Type
HU	Managing Authority	programme implementing body
HR	National Authority	programme implementing body
HU	Joint Secretariat	programme implementing body
HU	Baranya megye	MC member
HU	Somogy megye	MC member
HU	Zala megye	MC member
HR	Međimurska županija	MC member
HR	Varaždinska županija	MC member
HR	Koprivničko-križevačka županija	MC member
HR	Bjelovarsko-bilogorska županija	MC member
HR	Virovitičko-podravaska županija	MC member
HR	Požeško-slavonska županija	MC member
HR	Osječko-baranjska županija	MC member
HR	Vukovarsko-srijemska županija	MC member
HR	HAMAG-BICRO	coordinator and strategic partner of B Light Scheme
HR	PORA Regionalna razvojna agencija Koprivničko-križevačke županije	strategic partner of B Light Scheme
HR	Javna ustanova za razvoj Međimurske županije REDEA	strategic partner of B Light Scheme
HU	Zala Megyei Vállalkozásfejlesztési Alapítvány	strategic partner of B Light Scheme
HU	Somogy Megyei Vállalkozói Központ Alapítvány	strategic partner of B Light Scheme
HU	Baranya Megyei Fejlesztési Ügynökség Nonprofit Kft.	strategic partner of B Light Scheme
HR	HR FLC body	programme implementing body
HU	HU FLC body	programme implementing body
HU	VitalPro Kft.	experts of the first impact assessment
HU	Pannon EGTC	lead beneficiary of strategic project; experts of the first impact assessment

Country	Name	Type
HU	Mura EGTC	beneficiary of strategic project, lead beneficiary and beneficiary of regular projects
HU	IMRO-DDKK Környezetvédelmi Nonprofit Korlátolt Felelősségű Társaság	lead beneficiary of regular project
HU	Mecsekerdő Zrt.	lead beneficiary and beneficiary of regular projects
HU	Nyugat-dunántúli Vízügyi Igazgatóság	lead beneficiary of regular project
HR	HRVATSKE ŠUME d.o.o. Zagreb, Uprava šuma, Podružnica Našice	beneficiary of regular project
HR	Hrvatske šume društvo s ograničenom odgovornošću	beneficiary of regular projects
HR	Hrvatske vode, pravna osoba za upravljanje vodama	lead beneficiary and beneficiary of regular projects
HR	Javna ustanova za upravljanje zaštićenim dijelovima prirode Varaždinske županije	beneficiary of regular project
HR	Turistička zajednica Međimurske županije	beneficiary of regular projects
HR	Turistička zajednica Osječko-baranjske županije	lead beneficiary and beneficiary of regular projects
HR	Udruga za zaštitu prirode i okoliša Zeleni Osijek	lead beneficiaries of regular projects
HR	PORA Regionalna razvojna agencija Koprivničko-križevačke županije	beneficiary of regular and light project

The **INTERREG+ database** was used containing detailed information on all projects regardless their status (e.g. closed, contracted, under modification). The database was extracted on 7th of February 2023, and it was an important source to gain relevant information on multiple aspects. In some cases, the INTERREG+ database had to be harmonised with the data provided by the JS. It was a positive circumstance that INTERREG+ also includes data on light projects and it wasn't necessary to collect this kind of data separately.

It has to be noted, that for the financial analysis, the experts applied a so-called '**expected budget**' concept, taking into account the verified amount of the completed projects, and the planned budget of those projects without an approved final report (these are still being in implementation at the cut-off date).

In order to gather opinions from as wide a range of stakeholders as possible, an **online survey** was conducted both in Hungarian and in Croatian. A total of 143 responses were received to the questionnaire sent out by JS.

The evaluators took into consideration the respondents' time and experiences. In order to ensure that respondents only had to answer the questions that were relevant to them, the survey included routing questions. This meant that respondents did not have to read through the entire survey, so the number

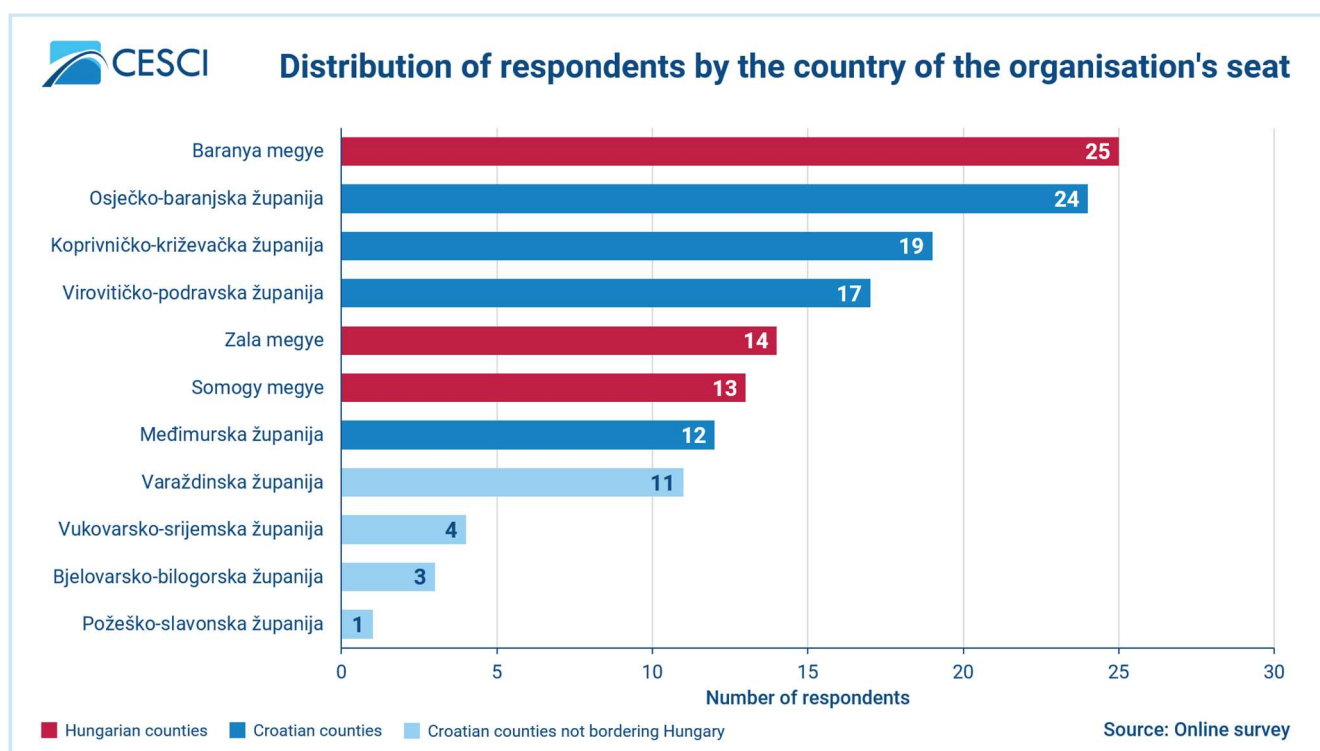
of received answers to each question is different. The various sections of the questionnaire and the number of responses received are shown in brackets in the list below:

- 1st block: cross-border cooperation in general:
 - general situation of the border region (143 responses),
 - frequency of border crossing (143 responses),
 - role of the different factors in cross-border interactions (143 responses).
- 2nd block: thematic areas of the 2014-2020 Cooperation Programme:
 - increasing the competitiveness of SMEs (38 responses),
 - income-generating tourism (60 responses),
 - ecological diversity (30 responses),
 - institutional cooperation (80 responses),
 - educational cooperation (47 responses).
- 3rd block: Cooperation Programme, from the point of view of:
 - stakeholders who didn't provide application (35 responses),
 - open call/strategic project applicants/beneficiaries (90 responses),
 - B Light call applicants/beneficiaries (18 responses).

The first block of questions was received by all respondents, followed by the thematic questions (2nd question block), which were only available to those who declared themselves competent to answer. Among the thematic areas, institutional cooperation and income-generating tourism received the largest number of answers (approximately half of the respondents opened these blocks of questions), while only 30 beneficiaries (21% of the respondents) considered themselves competent to answer questions related to ecological diversity. The last part of the survey (3rd question block) differentiated the respondents by their status in the Programme's calls for proposals (similarly to the block of thematic questions, the respondents here were also guided by routing questions).

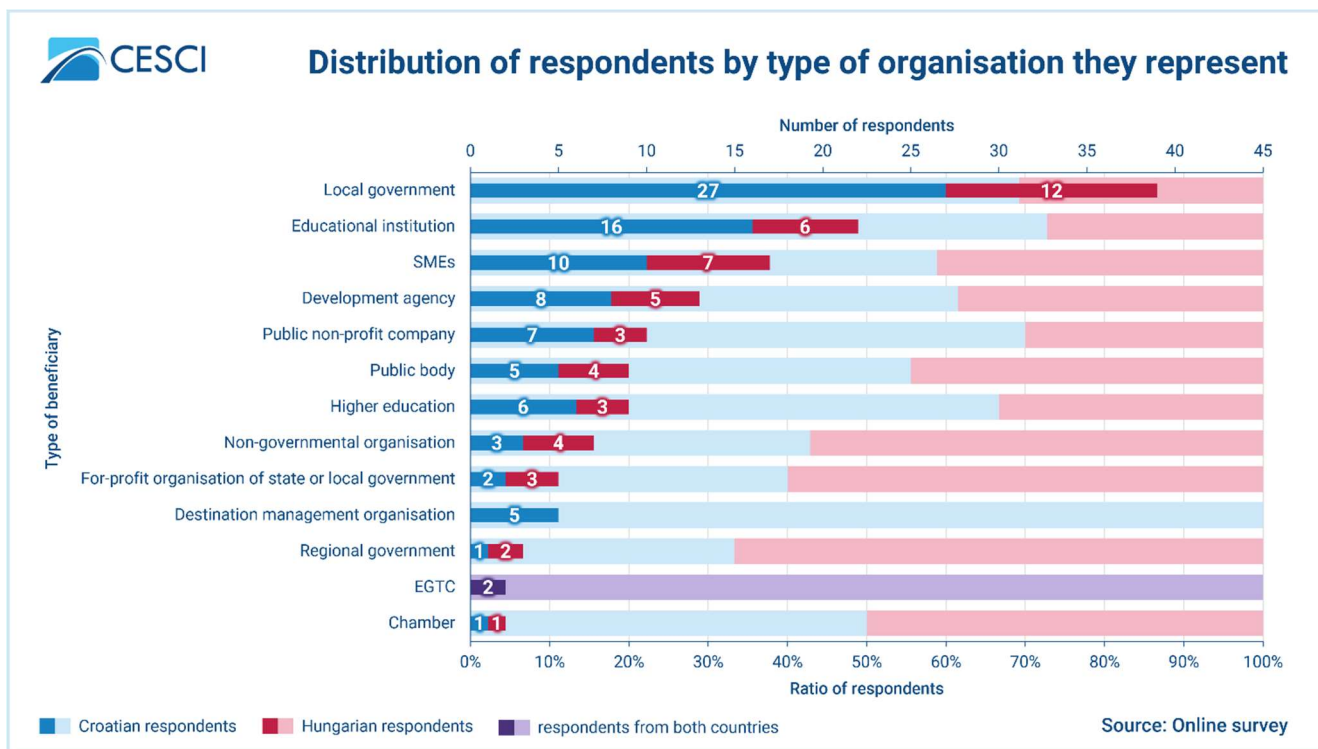
Figure 1 introduces the territorial distribution of respondents. Most of the responses were received from those counties that have the greatest territorial coverage by project activities and are located next to the border. Accordingly, Baranya vármegye and Osječko-baranjska županija are absolutely on the top of the list, while the responsiveness is minimal in those Croatian counties that do not have common border with Hungary. The only exception is Varaždinska županija, but it is in the vicinity of the Hungarian border (the distance is around 10 km). Overall, more than 60% of the respondents were Croatian (91 respondents), while in Hungary only 52 organisations devoted time to fill the survey.

Figure 1: Territorial distribution of respondents



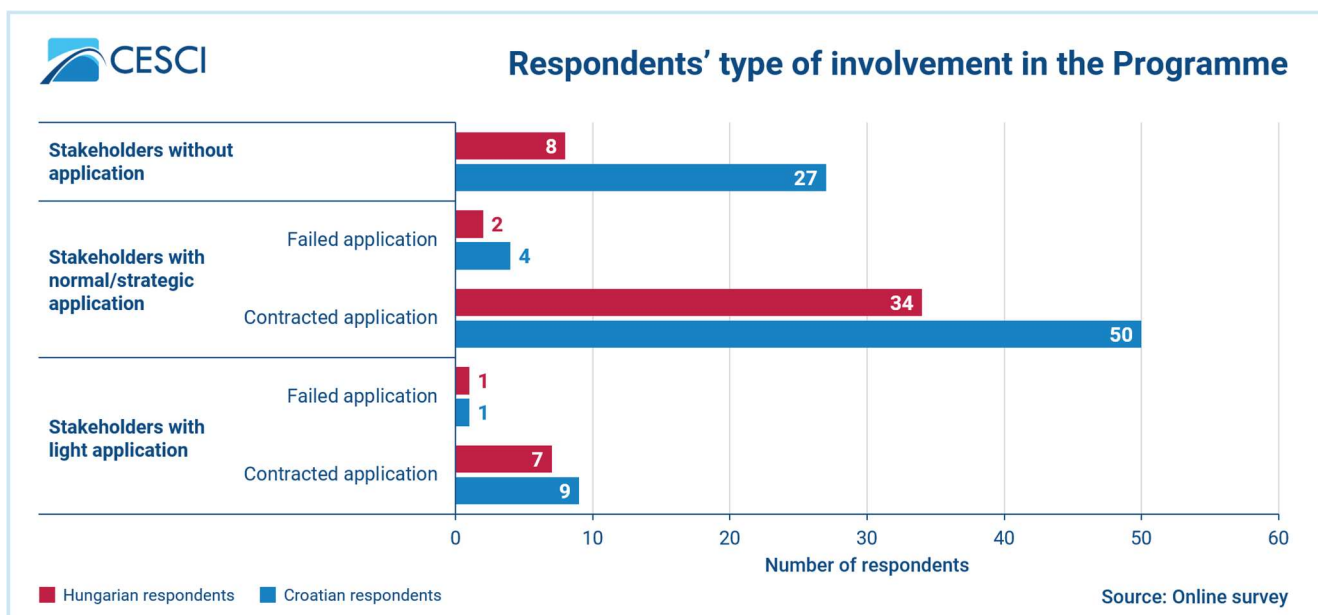
The number of respondents by type of organisation is shown in *Figure 2*. The majority of the responses were received from the representatives of local governments (27% of the respondents), but the educational institutions (15%) and SMEs (12%) also contributed significantly to the success of the survey. However, it is not possible to draw firm conclusion on the level of interest and activity of the stakeholders only from the participation of these organisations, as the number of the other institutions (e.g. universities, regional governments, chambers of commerce, EGTCs etc.) is very limited in the programme area. Regarding the distribution of respondents by countries, in most of the cases the Croatian stakeholders are in the majority, especially as regards destination management organisations and educational institutions. In the latter case, the relatively low Hungarian involvement is due to the specificity of the Hungarian educational system, which is more centralised than in Croatia. On the other hand, the Hungarian stakeholders are in the majority only in 3 cases (regional government, NGO, for-profit organisation of state or local government). Altogether 2 EGTCs operate in the programme area, their headquarters are in Hungary and both of them responded to the survey.

Figure 2: Distribution of respondents by type of organisation they represent (Online survey)



The distribution of respondents based on their involvement in the Programme is presented in *Figure 3*. The majority of the respondents submitted regular or strategic project proposals (93% of them successfully implemented it), followed by those who did not submit any application, while the lowest number of responses is from stakeholders who had light concepts (89% of them had winning light project). Beneficiaries could express their opinion about communication, type of financial support, target groups, partnership, horizontal principles and programme management. Light beneficiaries were asked about the B Light Scheme.

Figure 3: Respondents' type of involvement in the Programme



The stakeholders with no application had the opportunity to express the reasons why they did not participate in the programme. The most commonly identified reasons were the complicated application procedure and the lack of ready-made project ideas, partners or knowledge about the Programme. The fact of no pre-financing on the Croatian side also led to standoff, but one of the respondents complained that its organisation had received the information too late and did not have suitable application writing team.

GIS-based territorial analysis was applied in order to illustrate the Programme's achievements in terms of the regional needs and the territorial coverage of the projects. Various maps help understanding and evaluating the impacts achieved within each PA. The evaluation process included data collection, database building and processing phases.

Finally, a content **analysis of other policy guidelines and related financing sources** was performed with regard to how the CP complies with these guidelines. As part of this analysis, the contribution of the HUHR projects to the Priority Areas of the EU Strategy for the Danube Region (EUSDR) and the headline targets of the EU2020 Strategy were analysed. Two features of the projects were evaluated:

1. the direction of the projects' impact (negative, neutral, or positive);
2. direct/indirect nature of the impact.

This method facilitated to answer to what extent the Programme has contributed to cross-border regional development and how it has complemented and enhanced the effect of other related policies or strategies.

Furthermore, the influence of various programmes, such as Interreg, national, operational, and other programmes on the PAs of the CP were also analysed. For this purpose, different data sources were used, for example, data provided by the cohesiondata.ec.europa.eu; information available on the different Interreg programmes' websites; responses of the regional stakeholders via an online survey.

As a unique method, the evaluators analysed the **Programme's impact on the borderscape**. The ultimate mission of the CBC programmes is to diminish the separating effects of the administrative borders and to convene the citizens living on either side of the border in order to build mutual trust and peaceful coexistence. The elimination of the barrier effects influences the perceptions and the spatial behaviour of the citizens living in the border area. This aspect is addressed by the assessment of borderscape changes which are usually not assessed, due to the methodological difficulties. The term 'borderscape' refers to the way how the everyday citizens perceive, experience, dissolve and (re-)create the state border.

During the last years, CESC has been developing the methodological background for measuring the *borderscape* and *borderscaping* phenomena. For this purpose, three groups of factors are analysed based on the classification of Henk van Houtum⁵:

- 1) **cross-border flows** refer to the volume and intensity of the cross-border flow of goods, persons, services and the business activities in the borderland;

⁵ Houtum, van H. (2000): An Overview of European Geographical Research on Borders and Border Regions, *Journal of Borderlands Studies*, 15:1, pp. 57–83.

- 2) **cross-border cooperation** factors include the analysis of the administrative conditions for and the quality of cooperation and social connectivity across the border, including (among others) cross-border institutions, projects and the level of bilingualism;
- 3) the so-called **people** factor refers to the border citizens' perception on distance, otherness and territoriality generated and defined by the administrative border.

The three aspects show a strong correlation. The intensification of cross-border flows facilitates the development of cooperation and, *vice versa*, the stronger the cooperation level between the actors, the more intense is the volume of cross-border flows. Similarly, the perceptions of the border citizens on the border and the other side of the border will gradually be changing based on frequent encounters and, *vice versa*, the changing perception of the border people will facilitate the intensification of cooperation, etc. When assessing the impacts of a CBC programme, the most important aspect is to show how the selected interventions contributed to stronger cross-border integration – which manifested through the intensification of cross-border flows and cooperation – and to a more favourable atmosphere for building mutual trust.

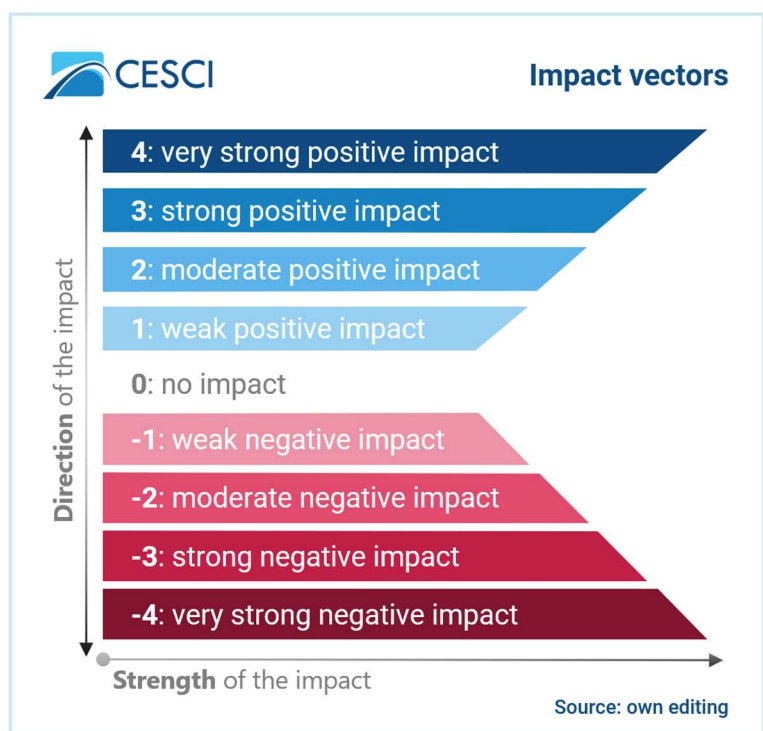
The relevant chapter (2.3.5 *The Programme's borderscape impact*) contains a matrix presenting the estimated impacts of the CP on the different borderscape factors and a summary of the findings related to the borderscape aspect.

The applied impact vector has two axes:

- Direction of the impact (negative – positive);
- Strength of the impact produced by the Programme (weak – strong).

Through this innovative approach the experts intend to make the impacts of the programme on the programming region more intelligible.

Figure 4: Impact vectors



It has to be highlighted that the original comprehensive methodology was tailored to the objectives and indicators of the Programme document, i.e. to the intervention logic of the CP. Therefore, those factors and types of changes are analysed which are in line with the Programme.

Limitations of the evaluation

Due to the nature and scope of the analysis, as well as the availability of the relevant data, the current evaluation has limitations that need to be taken into account when interpreting its results.

Firstly, **the cut-off date of the evaluation was set to be 7th of February 2023**, which led to a few restrictions. Despite the fact that the administrative closure of projects reached an advanced level by the cut-off date, there are still some that have not been administratively closed (100 projects out of 142 (70%) had an approved final report). This fact currently makes it difficult to estimate the Programme's impacts. See further information on the administrative closure of projects in chapter *2.1.1 Quantification of the performance*.

For the evaluation, one of the **main data sources** was the monitoring system of the CP, called INTERREG+ system. In cooperation with the Széchenyi Programme Office Nonprofit LLC, a substantial data export was done at the beginning of the work. In some minor cases, it was necessary to harmonise the exported data with the JS database.

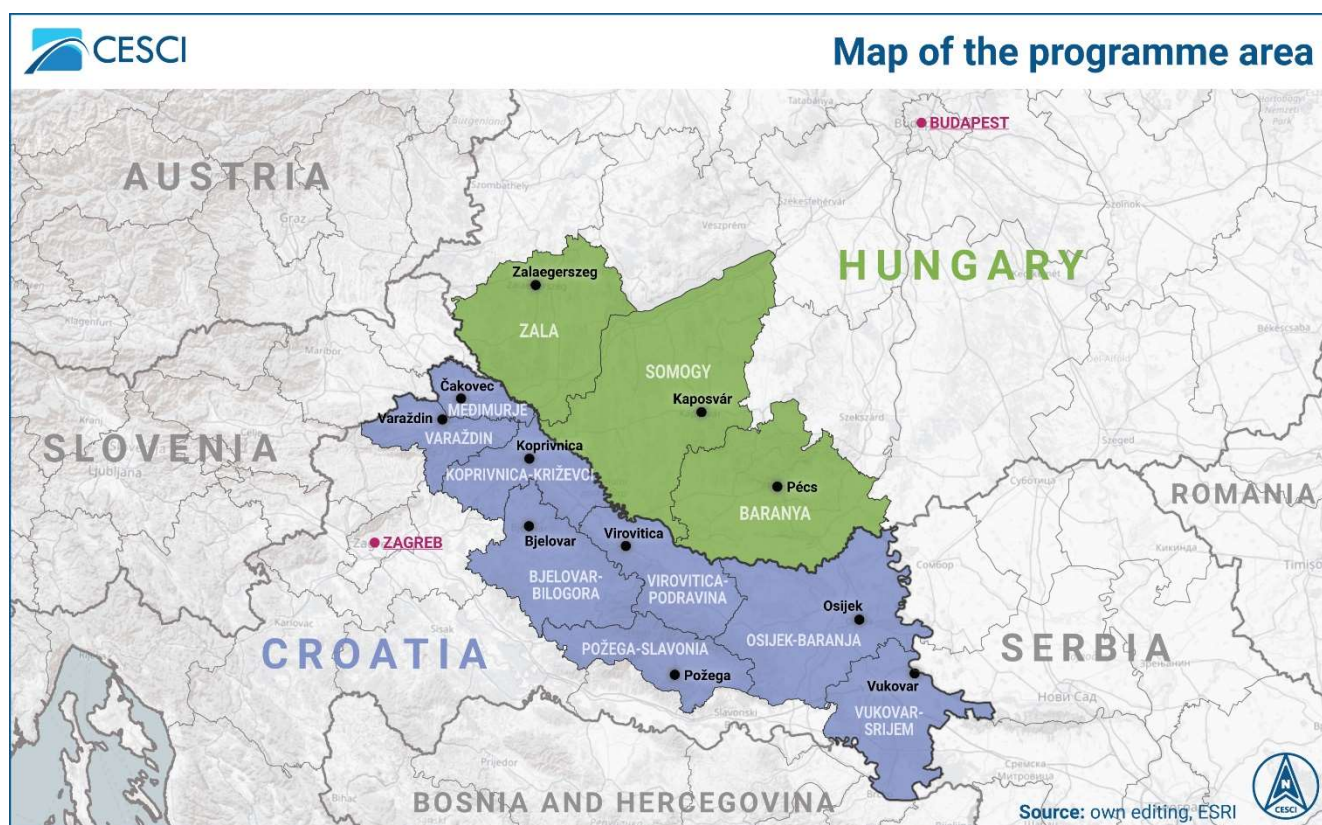
The success of **involving beneficiaries** in the evaluation process varied widely. Some beneficiaries actively participated, while others did not complete the questionnaire and declined the invitation to be interviewed.

Furthermore, in some cases, the **inadequate data sources** posed a severe limitation. The lack of relevant statistical data in certain cases made the calculation of complex indices impossible. This is especially valid for the sections on 'Borderscape' where the analysis of the different factors would have required the existence of such a broad-scale dataset that is far beyond of the scope of the present analysis. The difficulties in the analysis of the progress in the field of the result indicators are also linked to this phenomenon. In many cases, harmonised data series are not available or easily accessible. See the relevant findings of the chapter *2.3.1 Analysis of the result indicators*.

1.2 General features of the Programme

The Interreg V-A Hungary-Croatia Cooperation Programme 2014-2020 is the successor of the Hungary-Croatia IPA Cross-border Cooperation Programme 2007-2013. The extent of the programme area has not changed (31,113 km², similar size to Belgium)⁶, but the access to the EU contribution has. In the previous Programme, the adjacent counties could receive a maximum 20% of the funding allocated to the Programme, but this limitation has been removed in the current period. At the beginning of the Programme (2014), approximately 2.1 million people lived in the area, that has been dwindled to 1.9 million until the cut-off date (2022), 54% of them living on the Croatian and 46% on the Hungarian side of the border. While in 2014 the programme area had a larger population than neighbouring Slovenia, by 2022 the order has changed and the population had fallen to the size of Latvia.

Figure 5: Map of the programme area



Altogether 11 administrative territorial units (at NUTS3 level) belong to the programme area out of which the Croatian side covers 8 NUTS3 regions (so called 'županija') and the Hungarian side 3 NUTS3 regions (so called 'vármegye') as follows:

Croatia:

- HR021 (previously: HR047)⁷ – Bjelovarsko-bilogorska županija
- HR022 (previously: HR048) – Virovitičko-podravnska županija

⁶ Territorial and demographic data are based on EUROSTAT (2014 and 2022). Source: [demo_r_d3area] and [demo_r_pjanaggr3]

⁷ The NUTS classification for Croatia was revised in 2019, the new classification was published in 2021.

- HR023 (previously: HR049) – Požeško-slavonska županija
- HR025 (previously: HR04B) – Osječko-baranjska županija
- HR026 (previously: HR04C) – Vukovarsko-srijemska županija
- HR061 (previously: HR046) – Međimurska županija
- HR062 (previously: HR044) – Varaždinska županija
- HR063 (previously: HR045) – Koprivničko-križevačka županija

Hungary:

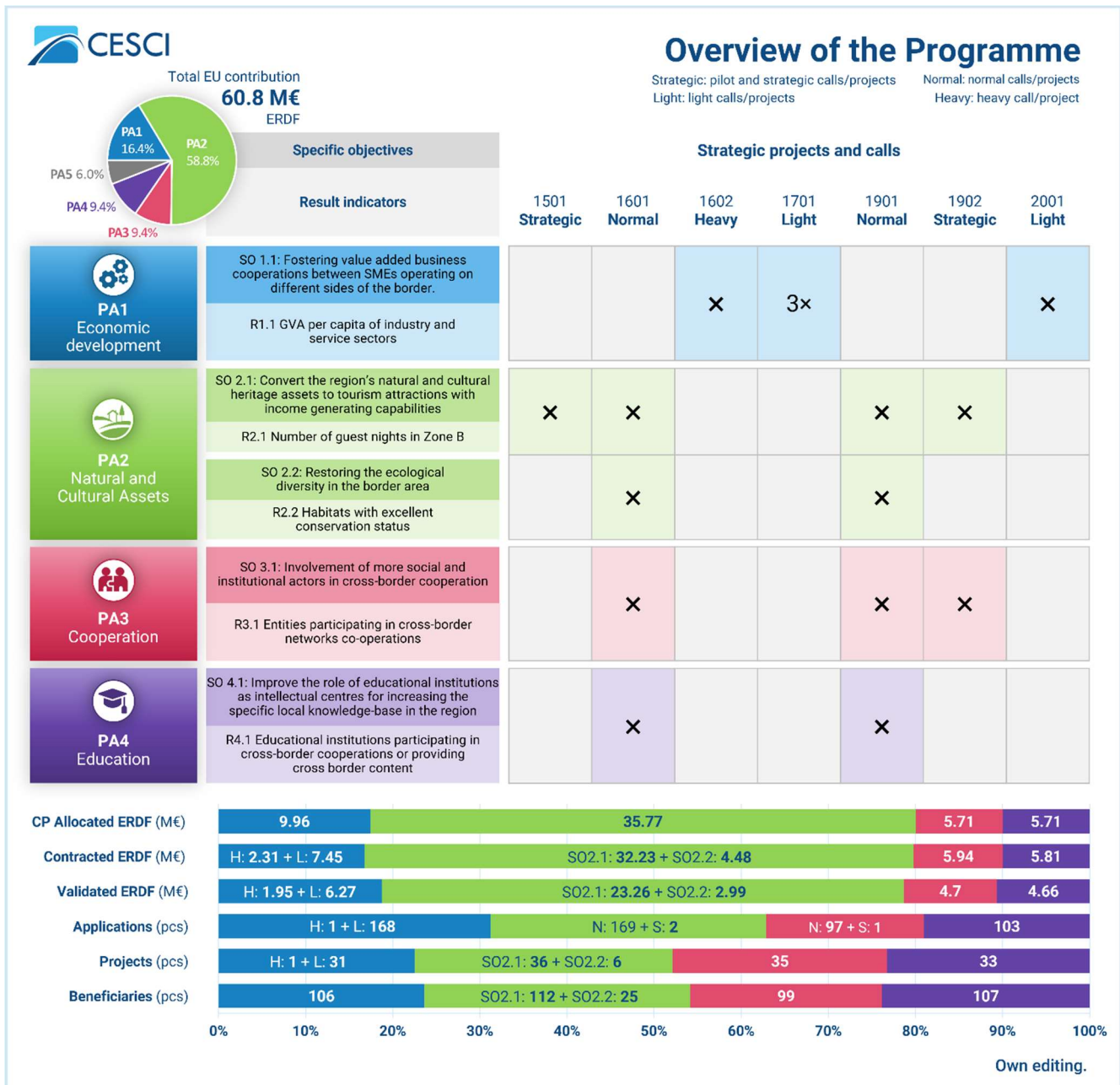
- HU223 – Zala vármegye
- HU231 – Baranya vármegye
- HU232 – Somogy vármegye

Among the mentioned regions, four of them (Bjelovarsko-bilogorska, Požeško-slavonska, Vukovarsko-srijemska and Varaždinska županija) do not have direct physical connection with the Croatian-Hungarian state border, but their territorial proximity and the border influences justify their participation in the Programme. On the Croatian side of the programme area, Osječko-baranjska županija is the biggest and also the most populated, while on the Hungarian side Somogy vármegye is the largest, but Baranya vármegye has the largest population. The two main urban centres (Pécs and Osijek) are located in the eastern part of the area.

The Programme was approved by the European Commission by its decision C(2015)6228 on 7th of September 2015, and is co-financed by the European Regional Development Fund (ERDF) for both countries. The total EU contribution to the Programme is EUR 60,824,406 complemented with national co-financing, thus amounting to EUR 73,900,028.

The Programme budget was divided among five Priority Axes, one of which was dedicated to technical assistance (PA5), and the other four focus on specific thematic fields. *Figure 6* shows the specific objectives, result indicators, applied mechanisms, financial allocation, progress, number of projects and beneficiaries per PA.

Figure 6: Overview of the Programme



1.3 Answers to the guiding questions

1.3.1 General guiding questions

Q1. How well are the project objectives, outputs and results aligned with the expectations as set in the Co-operation Programme (intervention logic)?

To answer the question in which areas the beneficiaries' projects were able to best reflect on the identified needs, in line with the expected results of the CP, one can say that regarding PA1 well-addressed topics are boosting product and service development for SMEs: 100% of the total EU contribution of projects within this PA directly contributes to the need, and 72% of the projects have primary connection to this need. Similarly, well-addressed topics are supporting the cooperation of SMEs (100% of the contribution coming from PA1 related projects, the third largest number of projects with connection to this need). On the other hand, based on the survey, the CP's impact was weak considering the increase in number of SMEs and the increase of the level of cross-border innovation potential.

Well-addressed regional needs in relation to PA2 are developing tourism infrastructure, networks and products (64% of the projects having direct connection). At the same time, supporting new business services for tourists is less reflected (no project with direct connection). Regarding PA3 a well-aligned need is capacity-building of organisations (26% of projects with direct positive impact). Furthermore, education-related topics could also be listed as well-grasped ones (49% of projects with direct impact), excluding access to good quality education, reducing inequalities (no contribution from PA3 projects, 14% of projects with direct connection to it). Considering PA4 strengthening mutual knowledge on both sides of the border stands out by far (3rd highest number of primary connections, 32% of projects with direct connection). In addition, the least reflected regional needs in terms of outputs and results are increasing cross-border accessibility; supporting traditional, sustainable land-use and farming; improving access to education, reducing inequalities, and supporting new business services for tourists in terms of total EU contribution allocated to the relevant project (with primary connection). Considering number of projects with primary connections, supporting the cooperation of SMEs; access to education; land-use and farming; and accessibility are less successfully addressed.

Furthermore, strategic projects have played a special role, of which *De-mine HU-HR II* is closely related to the objectives described as the project had direct connection to the CP (PA2 in particular). This single project served well the decontamination of minefields, and alone represents 5.3% of total ERDF allocated to projects with direct connections. Further information can be read in the chapter [2.2.1 Analysis of the fulfilment of regional needs](#) and in the related Annex ([3.4 In-depth analysis of the regional needs' fulfilment](#)).

Q2. What is the progress of the Programme towards achieving the targets of the Specific Objectives in terms of expected results, activities, target groups, types of Beneficiaries and indicators?

In terms of the **expected results**, the Programme made significant progress in the field of sustainable use of natural and cultural assets (PA2), as the majority of the implemented projects and also the greatest amount of EU support was directed to this PA. Within PA2, the enhancement of the income generating capabilities of natural and cultural heritage triggered the highest interest, while that of the restoration of ecological diversity was minimal compared to the previous objective. The promotion of cooperation between citizens and institutions (PA3) and the development of cross-border educational training schemes (PA4) also exceeded the original expectations, as these priorities received higher amount of financial support than it was indicated by the CP. Only PA1 fell short of the expectations, as lower number of SMEs and ERDF were engaged than planned initially. Since it was the first time within the Programme to foster value added business cooperation between SMEs, this slight underperformance is understandable. *Figure 6* shows the volume of the differences between the CP and contracted EU support.

The evaluation analysed the implemented **activities** from different aspects. Activities carried out by the beneficiaries mostly targeted directly regional challenges, but a lot of useful secondary contributions could be detected. Despite the fact that the programme itself promoted the territorial balance, the territorial distribution of the activities shows some gaps within the programme area. The Programme can be seen from this standpoint as a real cross-border programme that supported activities and interventions targeting the border areas based on geographical proximity. In general, the cost efficiency of the activities (based on the cost of fulfilling the indicators) was in most cases favourable, better than what was expected by the CP. Further information can be found in the following sections, among others: *F_2.1 Analysis of the fulfilment of regional needs; F_3.2 Mapping of the territorial coverage; 2.4.1 Cost-efficiency of the projects.*

The CP adeptly selected **target groups** to meet regional needs and expected outcomes, with a logical overlap between Priority Areas and Specific Objectives, ensuring each had a distinct and justified range of groups. The most frequently targeted group across the program was the general public, followed by children and youth, various partners including SMEs, sectoral stakeholders, and experts. Each PA had its focus: PA1 on SMEs and the general public; PA2 on tourists, the general public, children, and youth; PA3 on the general public and sectoral stakeholders; and PA4 predominantly on children, youth, teachers, and the general public. Marginalised groups, educational bodies, and tourism service providers were among the less addressed, with some intended target groups receiving less attention during project implementation. The effectiveness of reaching these groups was generally assessed as moderate, with certain groups like the media and municipalities being more successfully engaged than others like public service providers and economic operators. Further details can be read in the chapter describing the main findings: *F_2.3 Analysis of the impacted target groups.*

The analysis reveals a nuanced landscape of project **beneficiaries** within a specific framework, showing variations in partnership sizes. The smallest average number of partners is found in PA3 (2.83 partners), while the largest is observed in PA2 (4.17 partners), with an overall program average of 3.16 partners per project. A notable shift has occurred with a significant increase in lead beneficiaries from Croatia compared to Hungary, driven by differences in regional development policies, resources, and

competences. Croatian regions demonstrate a stronger capability and resourcefulness in forming partnerships, in stark contrast to their Hungarian counterparts who face limitations. Local governments, particularly from Croatian cities, are prominently represented among beneficiaries, benefiting significantly from cross-border networks and strategic project involvements. Despite the limited role of NGOs in the program, their participation is more pronounced in specific areas, especially in fostering people-to-people projects. Universities on both sides play a crucial role in shaping partnerships, primarily within education and innovation. Development agencies have been instrumental in expanding partnership networks, particularly through involving SMEs in certain program areas. However, the partnership network shows a tendency towards isolation at the program level, with most cross-program connections being between two specific areas. The structure of these partnerships often reflects a preference for local collaboration, fostering close, established connections that underscore the program's cross-border emphasis. Further details can be read in the chapter describing the main findings: *F_2.2 Analysis of the partnerships*.

The fulfilment of Programme output **indicators** was largely successful, with specific targets met or exceeded in many areas, although some fell short, reflecting the dynamic nature of Programme implementation and the complex interplay of strategic objectives and actual outcomes. In the case of the result indicators, most of the target values are achieved and in case of those not achieved, 90% of their goals are accomplished. However, the comparability of the achieved and baseline values – due to the methodology and data source problems – is questionable. Further details can be read in the chapter describing the main findings: *F_1.1 Quantification of the performance* and *F_3.1 Analysis of the result indicators*.

Q3. What change was achieved in the eligible programme area in terms of meeting the needs and challenges of the border region, as identified in the Co-operation Programme document (considering the scope and characteristics of the Programme)?

The Programme effectively tackled the needs and challenges of the border region, as identified in the Cooperation Programme document, achieving substantial progress across several domains. Key areas where significant change was observed include the enhancement of mutual knowledge and cultural understanding across the border, capacity building in various sectors, and the promotion of SME cooperation, with a notable emphasis on developing tourism infrastructure, networks, and products, which received the major part of ERDF allocation. This focus reflects a strategic prioritisation of tourism as a critical area for regional development, supported by projects aimed at improving accessibility, such as the development of bicycle routes and technical preparations for crucial infrastructure like the Mura bridge. Additionally, the Programme addressed ecological conservation through joint databases and monitoring, flood management cooperation, and educational initiatives that resulted in jointly developed curricula and trainings, significantly improving cross-border institutional cooperation and enhancing educational facilities.

Despite these achievements, areas for future improvement and focus were identified, suggesting avenues for further development under subsequent Interreg programmes. These include increasing the SME base to enhance economic diversification, fostering cross-border innovation potential, developing new business services for tourists to enrich the region's tourism offer, expanding water tourism in light of Schengen accession, improving cross-border accessibility, and emphasising joint ecological

management and administration. Addressing these areas could provide a more comprehensive approach to regional development, ensuring sustainability, and fostering deeper cross-border cooperation and understanding, thus building on the successes of the current Programme while tackling its less covered needs. Further information can be found in the chapter: *F_2.1 Analysis of the fulfilment of regional needs*.

Q4. Where are the eventual gaps between what was achieved and what are the remaining / emerging needs of the area at the time of the evaluation?

The evaluation highlights gaps between the Programme's achievements and remaining or emerging needs within the border region. While significant progress was made in areas like mutual knowledge enhancement, capacity building, SME cooperation, tourism development, educational service support, and SME product and service development, certain needs remain partially addressed or have emerged as new challenges. Notably, the Programme successfully allocated significant resources towards developing tourism infrastructure and networks, which received considerable ERDF funding. However, gaps were identified in several critical areas, including the need to increase the number of SMEs, enhance cross-border innovation potential, develop new business services for tourists, promote water tourism in light of Schengen accession, improve cross-border accessibility, and focus on joint ecological management and administration. Additionally, there is a recognised need for further advancements in energy-related developments, emphasising energy efficiency, renewable energy, and the circular economy. These gaps suggest areas for focused attention in future Interreg programmes to ensure comprehensive regional development and address evolving needs. Further information can be read in the chapter describing the main findings: *F_2.1 Analysis of the fulfilment of regional needs*.

Q5. How well did the guiding principles lead the projects towards the expectations of the Programme?

The guiding principles established for the Programme have played a pivotal role in steering projects towards achieving the Programme's expectations effectively. By aligning these principles with the intervention logic of the Programme, they served as a critical framework for selecting projects that are coherent and closely aligned with its objectives. The decision to explicitly list these principles in an Appendix of the calls for proposals was strategic, as it guided potential beneficiaries in shaping and developing their projects with a clear focus on the Programme's goals. This approach ensured that all projects funded and implemented were not only relevant but also contributed significantly to the overall success and impact of the Programme, demonstrating the effectiveness of the guiding principles in leading projects towards the intended outcomes. Further information can be read in the chapter *2.1.2.2 Assessment of procedures of the project cycle*.

Q6. How well was the integrated approach to territorial development followed?

The Programme did not contain the tools of CLLD or ITI, in addition there were no actions/projects forming part of an ITI project financed by other Operative Programmes. In addition, the guiding principles determined by the CP do not declare any requirement in terms of the integrated approach.

According to programme managers of the JS, an integrated approach to territorial development can be detected to some extent in case of some projects: (at least partly) the same partnership initiated synergetic developments which aims to complete or strengthen each other on the long run. The concerned projects are listed in the chapter *2.2.4 Durability of the projects*.

Q7. How well was the territorial balance respected?

The territorial balance within the Programme primarily favoured areas closer to the border, showcasing its effectiveness as a cross-border initiative. Regions further from the border, particularly certain Croatian areas lacking direct border sections with Hungary, were less covered by project activities. The Programme demonstrated a tendency towards supporting larger settlements like Pécs, Osijek, and others such as Koprivnica and Virovitica, where a higher density of project activities was noted due to factors like regional centrality, weaker border separation, ethnic minorities playing a bridging role, and longstanding economic relations. However, notable exceptions included smaller settlements around Letenye, Goričan, and the Barcs-Donji Miholjac border area, which experienced significant project impacts.

The territorial distribution exhibited unevenness along the east-west axis, with marked disparities between the middle border sections and the extremities, highlighting a concentration of impact in specific Croatian and Hungarian regions. The limited project locations in areas like Somogy highlight challenges in achieving geographical balance, attributed to factors such as limited border crossings, the natural barrier of the river Drava, and weaker socio-economic ties. To address these disparities, the Programme acknowledges the need for a more balanced territorial distribution, suggesting the potential of small-scale, people-to-people projects to enhance coverage and mitigate urban-rural divides, the central gap, and improve involvement of areas not directly along the border. Further information can be read in the chapter describing the main findings of the evaluation: *F_3.2 Mapping of the territorial coverage*.

Q8. To what extent does the Programme add benefits to cross-border regional development and how does it complement and enhance the effect of other related policies or strategies? How does this mechanism work and what can be improved?

The Programme's complementarity and enhancement of related policies or strategies are evident through its synergies with territorially relevant policies, particularly in thematic fields such as tourism, culture, education, and competitiveness of enterprises. The explicit alignment with the aims of the EUSDR, with a substantial portion of the ERDF funds directly supporting its goals, showcases the Programme's strategic integration with broader EU strategies. However, there's room for improvement in addressing areas with low synergy levels, such as mobility and energy efficiency, to fully harness the Programme's potential in complementing and enhancing the effects of related policies or strategies. The Programme's initiatives could be more closely aligned with EU2020 goals, especially in underrepresented components, to strengthen its comprehensive impact on regional development and policy coherence. Further information on the Programme's synergies with the related policies and strategies, especially EUSDR and EU2020, can be read in the chapter describing the main findings of the evaluation: *F_3.5 Synergies with relevant programmes and strategies*. Recommendations to increase the synergy of the Programme with the mentioned strategies have been made in the 1st Phase Evaluation

(see: *Table 7: Overview of the application of the 1st phase recommendations*), but it has not been adopted yet. It would be useful to reconsider its implementation.

The impact of the territorially and thematically relevant national and mainstream programmes expectedly far exceeds that of the Programme, because of the limited budgetary frame of the latter one. It only can be considered as a supplementary funding source in the border region. However, its role in the development of cross-border cooperation is outstanding. The Programme has also significantly contributed to cross-border regional development by addressing the challenges posed by both external and internal factors, most notably the COVID-19 pandemic. Despite the obstacles, proactive and exemplary cooperation between programme management bodies and beneficiaries mitigated significant damage to the Programme's performance. This resilience underlines the Programme's capacity to add benefits to cross-border regional development, albeit facing unprecedented global challenges. Further information about the extent of the Programme's added value to the cross-border region and the evaluation of the impacts of further national and mainstream programmes can be read in the chapter describing the main findings of the evaluation: *F_1.3 Influence factors of the implementation*.

Q9. What is the current and estimated aggregated effect of the Programme in the eligible area?

The Programme has significantly shaped the borderscape of the eligible area through its multifaceted impact on cross-border flows, cooperation, and social connectivity. In the realm of cross-border flows, it has notably enhanced student mobility across the border and facilitated cross-border service practices, such as educational exchanges and tourism services. This was achieved through projects that organised events for youth, improved transport infrastructure, and supported the development of tourism and public administration services. Although there was no notable impact on the number of registered residents originating from the other side of the border, the Programme's contribution to cross-border mobility and services is evident.

In terms of cross-border cooperation, the Programme has successfully fostered the growth of cross-border institutions and governance entities, such as the Pannon EGTC and Mura EGTC, which have played pivotal roles in enhancing stakeholder collaboration and implementing significant projects. This includes efforts in joint nature conservation, educational cooperation, and the development of cross-border infrastructure. The value and number of projects implemented by these initiatives underscore the Programme's role in bolstering cross-border cooperation and institutional capacity.

Social connectivity has also seen a marked improvement, with a considerable number of citizens, especially children and youth, participating in cross-border activities. These activities span environmental education, cultural events, and sports, fostering a sense of community and shared cultural heritage. The Programme has facilitated mutual cultural appreciation and understanding through joint events and initiatives, thereby enhancing social bonds across the border.

Lastly, the Programme has positively influenced perceptions of otherness and ownership of the shared territory. It has broadened mutual understanding through media and cultural communication strategies, increased the permeability of the border for tourism, and introduced new destinations for cross-border mobility. This holistic approach has not only improved the geographic scope of cross-border mobility

but also solidified a sense of shared heritage and community between the border regions, marking a profound change in the borderscape.

The aggregated effect of the Programme is summarised in the *Table 27* of the chapter *2.3.5 The Programme's borderscape impact*. Further information can be read in the chapter describing the main findings of the evaluation: *F_3.4 The Programme's borderscape impact*.

Q10. Are the Programme's outputs and results sustainable in the long run?

Assessing the long-term sustainability of the Programme's outputs and results is challenging due to the ongoing nature of some projects and the lack of comprehensive post-project monitoring. The reliance on surveys and interviews for evaluation, coupled with the difficulty in ensuring the sustainability of soft activities, paints a complex picture of the Programme's long-term impact. Moreover, the sustainability of SME projects, which are expected to contribute market-ready, financially viable products and services, remains to be seen in the coming years. This uncertainty underscores the need for a more robust monitoring system and innovative approaches to ensure the durability of the Programme's contributions, particularly in addressing the specific needs of the border region and fostering institutional and financial sustainability. While there is a positive trend towards stronger cooperation, the infrequent establishment of cross-border institutions and the reliance on generic rather than tailor-made sustainability solutions may limit the Programme's lasting impact on the border region. Further information can be read in the chapter describing the main findings: *F_3.3 Durability of the projects*.

1.3.2 Questions related to the PA1

Q11. What changes can be observed in relation to the value-added improvements of the SMEs including joint product, technology and service developments? Are there any unintended impacts?

The overall economic performance between 2013 and 2020 was favourable as notable GDP growth based on PPS per inhabitant took place, especially in Varaždinska (+39.2%), Bjelovarsko-bilogorska (+23.8%) and Vukovarsko-srijemska (+23.4%), as well as in Baranya (+26.9%) and Somogy (+24.3%). However, regional disparities have been persistent in the border region, with areas lagging behind in the central and south-eastern subregions of the programme area.

Enterprise density increased in all concerned regions between 2013 and 2020, but it was much greater on the Hungarian side where the density had already been considerably higher.

A positive change can be recognised in the increasing level of funding for product development in general. New financial sources (the Programme itself and own contributions) have been involved in the product development of SMEs.

Market integration has been facilitated across the Programme area by Croatia joining the Common Market and the Schengen Area. Interviewees and survey respondents expressed their opinion that the integration and accession process of Croatia made stakeholders easier to cooperate and communicate

with the Hungarian side. European Union and Schengen integration have enabled faster, better quality and more efficient cross-border cooperation with a greater and easier possibility of project realisation.

The COVID-19 pandemic and its consequences (including the general inflation, the gaps in the global value chains) were both important factors that had an impact on the conditions for SMEs and added value they were able to produce. Comparing years 2019 and 2020, for example, in both countries and in each region the former trend of economic growth was interrupted by different scales of decline in GDP per capita (ranging from -0.7% in Somogy to -5.9% in Zala and -5.3% in Požesko-slavonska).

The energy crisis as well as the high level of inflation from the last quarter of 2021 (harmonised indices of consumer prices on a monthly and annual rate of change basis reached 12.7% in Croatia and 25% in Hungary by December 2022) made purchasing, construction, furthermore maintenance of buildings and services difficult. Significant increase in costs and risks counterbalanced the positive effects of national and EU level business support funds.

There were no unintended impacts registered. Further information can be read in the chapter: *3.4 In-depth analysis of the regional needs' fulfilment*.

Q12. To what extent has the Programme contributed to that change?

The CP was useful in counterbalancing the otherwise deteriorating or only slowly and sluggishly improving situation concerning SME development in the border region in Hungary, in particular. In some cases, during the COVID-19 pandemic, it was the Programme support, which helped the enterprises to avoid bankruptcy.

12.2% of the CP's budget has been allocated to projects addressing product and service development. Development of different kinds of products was encouraged, and it was significant compared to technology and service development.

The various activities in the frameworks of product development initiated new business-to-business forms of cooperation and were instrumental in deepening already existing ones. The Programme had a positive impact mostly on the intensification of business relations in various fields from initial technological description and market research through prototyping and testing to branding, marketing and sales. As a result, cross-border product development chains have emerged among quite a few local-regional SMEs.

An opening towards the markets and actors of 'the other side' of the border can be observed, which is a great step toward the SME sectors' further cross-border integration. Further information can be read in the chapter *3.4 In-depth analysis of the regional needs' fulfilment*.

Q13. How has the implemented B-Light Scheme delivered the observed impacts?

Thanks to the B Light Scheme, the CP managed to go beyond the approach of involving intermediary organisations (chambers of commerce, development agencies, etc.) to indirectly support the SME sector. Instead, the Scheme has managed to invite private companies (SMEs) to cooperate as projects partners. B Light has created a specific network of private company stakeholders with mostly bilateral B2B connections across the border.

The involvement of the SMEs was definitely supported by the specific features of the scheme, especially the administrative support offered by the External Project Support Facility (EPSF) or the 75% co-financing rate (which is higher than those of the mainstream programmes).

The tool was able to achieve some improvement in terms of the development of new services and products, strengthening the mutual trust between the SMEs across the border, as well as the SMEs' internationalisation and enter into new markets on the other side. Further information can be read in the chapter on *F_4.3.1 Main findings regarding the B Light Scheme*.

Q14. Does the intensity of the impact vary among the target groups?

The intensity of the impact among the target groups of the Programme does vary, influenced by the specificity of target groups across different Priority Areas and Specific Objectives, as well as by the effectiveness in reaching these groups during implementation. While the Programme logically selected and clearly defined its target groups, addressing regional needs and expected outcomes, the main groups such as the general public, children and youth, partners including SMEs, and sectoral stakeholders experienced varied levels of impact. The effectiveness in engaging these groups was rated as medium by beneficiaries, with some groups like media, municipalities, and the general public, including young people, being reached more successfully than others such as public service providers, economic operators, and sectoral stakeholders. This discrepancy highlights a need for more focused efforts in reaching and impacting all intended groups, especially those that are harder to address but are crucial for the Programme's objectives. Further information can be read in the chapter: *F_2.3 Analysis of the impacted target groups*.

1.3.3 Questions related to the PA2

Q15. What change can be observed in relation to the sustainable development of natural and cultural heritage and its utilisation in income generating tourism? Are there any unintended impacts?

The number of guest nights between 2013 and 2019 had considerably risen until the COVID-19 pandemic reached the region. Until 2019 the rate of increase was +27%-points (HU: +22%-points, HR: +63%-points) which was followed by a -46%-point recession (change between 2019 and 2020). The scale of recession was more massive on the Croatian side of the border region (HU: -44%-points, HR: -56%-points). The recovery has not taken place yet, the deficit between 2019 and 2021 was 37%-points (HU: 38%-points, HR: 30%-points).

There has been a great change in tourism development in the border region focusing mostly on new infrastructure and networks and not necessarily on creating new business services.

Cross-border accessibility greatly supported tourism development. The total number of vehicles per day (v/d) at border crossing points doubled between 2013 and 2019 (from 3.530 v/d to 7.527 v/d; 113%-points increase), but in the year of COVID-19 pandemic it fell back to almost the same level as at the beginning of the programme period (the recession was 51%-points). In 2022, the volume of traffic (7.211 v/d) did not achieve that of the last pre-pandemic year, but the difference was only 4%-points.

The natural value of the region thrived, irrespective of the pandemic. The number of Natura 2000 sites under the Habitats Directive which have habitats with excellent conservation status increased by 5 protected areas⁸ (2013: 31 areas, 2021/2022: 36 areas). In the same period, the number of habitats (with excellent conservation status) increased in 11 areas, while 5 areas experienced losses. Under the Birds Directive, the number of Natura 2000 sites with excellent conservation status has not changed, but the number of bird species (with excellent conservation status) grew by 2. Further information can be read in the chapter: *2.3.4.1 Horizontal principles at programme level*.

Q16. To what extent has the Programme contributed to that change?

The Programme contributed to numerous newly established and extended partnerships and (future) longer term cooperation forms especially concerning cultural and natural heritage sites and the connected stakeholders. With this regard thematic routes can be highlighted.

Considering wine tourism, destination management capacity building, transfer of know-how, integration and joint promotion of cross-border wine tourism offer on local, regional and international markets is an important contribution.

Another important contribution of the Programme is related to the extension and development of bicycle routes across and in both sides of the border.

The Programme successfully impacted the riversides areas by connecting and developing joint water-based tourism products.

The Programme supported branding and marketing, therefore the visibility, attractiveness and popularity of the given cultural and natural heritage sites have increased at various levels. Study tours for tourism stakeholders, service providers, media and professionals, free bike and boat trips as well as events of various kinds (e.g. fairs) contributed to achieving this goal.

At the same time, tourist service developments, especially on a for-profit basis, have scarcely been supported by the Programme.

Regarding the natural value of the region, the programming period is too short to highlight exact, lasting changes regarding the ecological diversity of the area, as the ecosystem is a too complex and slowly changing system to give immediate visible responses to the impacts. Furthermore, the size of the Programme is not big enough to fundamentally affect ecological diversity. Further information can be read in the chapter: *3.4.2 SO2.1 Convert the region's natural and cultural heritage assets to tourism attractions with income generating capabilities (Tourism development)*.

Q17. What are the factors and mechanisms facilitating the observed impacts?

Regarding the internal factors, the introduction of the tool of strategic projects made a difference. Demine HUHR II and MuKoBridge indirectly contributed to creating the framework for converting the region's natural and cultural heritage assets to tourism attractions.

⁸ Until 2021/2022 (compared to 2013) 7 new-comer areas were added to the list of Natura 2000 sites which have habitats with excellent conservation status, and 2 areas were removed from the list.

In terms of the external factors, during the programming period tourism was extremely challenged by the COVID-19 pandemic, as the mobility of the people and the interoperability of the border crossing points were limited. In the Hungarian-Croatian border the transit of goods and passengers was restricted with different intensity between 17th March 2020 and 10th June 2021. Cross-border public transport (rail connection between Budapest – Zagreb and Pécs – Osijek) was shut down, only the service connecting the two capitals was open intermittently.

At the same time, tourism can be highlighted as an area where cooperation had been successfully facilitated by the EU integration process of Croatia, and it will expectedly reach an even greater level in the future.

Taking into account the contributions to the TOs supported by the Cooperation Programme, the mainstream programmes covering the programme area allocated the highest amount for TO-06 Environment Protection & Resource Efficiency. Taking into consideration other CBC programmes intervention fields '094 Protect, develop & promote public cultural assets' (greatest contribution out of all) and '091 Develop & promote tourism potential of natural area' got significant EU contributions. Further information can be read in the chapters: *F_4.3.2 Main findings regarding the strategic projects* and *2.1.3 Influence factors of the implementation*.

Q18. Does the impact vary among the target groups?

Tourism-related SOs are successful in involving large number of various target groups and covering all of them at a certain level. PA2 addressed tourists, the general public, children and youth the most. The specific objective also plays an important additional role in impacting the general public with the highest share of all PAs (34%) that identified the respective target group.

Less frequently addressed groups in tourism are the various tourism organisations and service providers, especially compared to tourists in general. Local farmers and owners of Natura 2000 sites could have gained more importance in line with what was defined in the CP. Further information can be read in the chapter: *F_2.3 Analysis of the impacted target groups*.

1.3.4 Questions related to the PA3

Q19. What change can be observed in relation to cross-border joint structures and shared processes of the social and institutional actors in the border region? Are there any unintended impacts?

A positive tendency toward creating of stronger and higher-level cooperation can be observed, although the establishment of cross-border institutions and services is still not common. Developing interinstitutional relations can be detected in the case of higher education institutions and inter-municipal relations (twinning) based mainly on cultural exchange. The number of joint cultural events based on the performers' nationality shows a positive tendency, just like the number of citizens participating in cross-border activities and projects.

The average annual turnover, number of employees of cross-border cooperation initiatives and governance entities (such as EGTCs) also experienced a growth.

Little increase and development were experienced in relation to the number of cross-border institutions, networks and clusters. Further information can be read in the chapter: *3.4.4 SO 3.1 Involvement of more social and institutional actors in cross-border cooperation (Institutional cooperation)*.

Q20. To what extent has the Programme contributed to that change?

Strong positive effect of the Programme was detected in relation to **social connectivity and people-to-people** connections, namely in the fields of citizens participating in cross-border activities and projects, and in the number of joint cultural events (focused mostly on heritage related to Šokci, gastronomy, music and dance).

Moderate positive effect of the Programme can be detected in relation to Mura and Pannon EGTCs in particular. The role of the Programme covers the contribution to capacity building and partnership development, further institutionalisation, increase of turnover, number of employees and number of projects implemented by them (including CBJointStrategy and MuKoBridge).

Regarding institutional cooperation, flood protection can be highlighted where the CP contributed to efficient and real-time cooperation with a developed alarm and forecast system. Efficient and real-time flood cooperation between Hungarian and Croatian bodies in the frames of the flood alarm and forecast system of the Mura is outstanding. In the frames of capacity building, apart from nature conservation and water management that encouraged information exchange and knowledge transfer, tourism management and development can be listed in addition.

The CP facilitated cross-border and inter-institutional cooperation with the involvement of primary and secondary schools the most frequently.

An uncovered need is that more attention should be given to joint management and administration with regard to ecological topics.

It was an essential experience that the role of the CP is crucial in involving institutional and social actors in cross-border cooperation. Further information can be read in the chapter: *F_3.4 The Programme's borderscape impact*.

Q21. What are the factors and mechanisms facilitating the observed impacts?

Regarding the internal factors, strategic projects had an important role in enhancing impacts, namely CBJointStrategy and MuKoBridge. CBJointStrategy directly contributed to the capacity and partnership building of the Pannon EGTC, as well as positively affected its embeddedness into the regional institutional framework.

The COVID-19 pandemic had a negative effect on both institutional and social connections. Many social activities and events requiring personal contacts such as cultural performances or classes were cancelled and/or rescheduled. Interactions were forced to be moved to the online space, if they were not cancelled in the first place. Social distancing and all the restrictions on entry to the given states blocked physical contacts. The negative impact of the COVID-19 pandemic is particularly important for cross-border projects (especially for P2P projects). Distancing and the lack of direct contact do not help building trust

between the institutions either, which has a particularly harmful effect on the softer topics belonging to PA3.

The **EU integration of Croatia** is seen as a factor that significantly improved the interactions across borders, which has a special importance in the case of the PA. Schengen is perceived to be having an even greater influence on the interactions than the EU accession itself. It should also be mentioned that the effects are so great that many think it exceeds the role of the Programme's projects. Further information can be read in the chapter: *F_3.4 The Programme's borderscape impact*.

Q22. Does the impact vary among the target groups?

PA3 has the most balanced target group composition, where apart from a limited number of groups all the stakeholders are affected in a balanced manner.

Nevertheless, PA3 focused on the general public, and sectorial stakeholders, civil organisations and public service providers in the frameworks of the largest number of projects. Public service providers (57% of related projects addressed them, e.g. water-related institutions, public institutions, water companies) and sectorial stakeholders (e.g. energy and waste experts, cultural experts, social professionals) can be regarded as well-represented.

The border people are also targeted by a large share of civil organisations; every second such project was supported by PA3.

Public authorities can be identified as those among the least targeted groups by the projects, despite the fact that they are considered as target groups of paramount importance in the programme documents. Further information can be read in the chapter: *F_2.3 Analysis of the impacted target groups*.

1.3.5 Questions related to the PA4

Q23. What change can be observed in relation to the cross-border educational and training services, including those focusing on the improvement of the specific local knowledge-base? Has the capacity increased for co-operation in order to reach a higher level of maturity in cross-border relations?

As unemployment is a sign of a low level of education, the percentage of unemployed persons compared to the total population can present the main tendencies of educational and training services. The rate of unemployment has decreased since 2013 and the year of pandemic could not change this trend (only slight peaks happened in 2020). The percentage of unemployed persons was reduced between 2013 and 2022 more significantly in the Croatian part (6.7%-points) of the programme area than in the Hungarian one (2.2%-points). During the programme period, the westernmost Croatian counties could emerge from behind the Hungarian counties, but the backwardness of the easternmost Croatian counties remained.

Since 2015 the retention force of the region has been gradually improving, backsliding was measured only after the critical year of the pandemic (when the free movement became possible again). Although the internal net migration rate of the region is still negative (in 2021 HUHR: 0,7), but its extent

moderated by 1 unit compared to 2013. The change was higher in the Hungarian side (HU: +1.2; HR: +0.9), where the net migration rate has been positive since 2020 (in 2021 HU: 0.3; HR: 1.5).

Mutual knowledge on each other has been improved in the border region. Specific knowledge about the cross-border territories of the neighbouring country has been significantly improved.

The number of interinstitutional connections and their quality have been improved, as well as new educational and training services have been created. Further information can be read in the chapter: *F_2.1 Analysis of the fulfilment of regional needs.*

Q24. Have the interventions under this PA/SO led to the achievement of any effects, intended or unintended? How much of the effects identified are directly attributable to interventions under the Programme?

The highest number of HUHR projects strengthened mutual knowledge on both sides of the border and resulted in capacity building, especially as a secondary effect of the related projects. Strengthening mutual knowledge was the third most important among all regional needs (8.7% of total EU contribution directly addressed this topic) supported. The CP had a visible impact on the mutual learning of each other's cultural values, folk customs, and language in particular.

The Programme clearly contributed to various jointly developed curricula and trainings. Out of the several topics ecotourism, food industry and gastro tourism was particularly affected.

Both the skills and competences of the students and the teachers were affected positively by the Programme, which has contributed to the social inclusion of disadvantaged and marginalised groups. Improving trends in talent management can also be mentioned here.

Without the Programme, less upgraded educational facilities and technical equipment could have been used in the programme area.

Pupils from early age have also been motivated by common educational activities and exchange events that increase positive attitudes to cross-border cooperation and will develop a sense of belonging to the broader community of the region.

The CP managed to create an interlinked network of beneficiaries. There have been many relations established and/or enhanced among projects and project partners (incorporating universities, educational institutions in particular). Further information can be read in the chapter: *3.4.5 SO4.1 Improve the role of educational institutions as intellectual centres for increasing the specific local knowledge-base in the region (Educational topics).*

Q25. What factors and mechanisms facilitate the observed impacts?

Due to the limited numbers of border crossing points and the language barrier, commuting for educational purposes is not common in the region. The only exception is the university in Pécs, which is still attractive for students from the Croatian side. The Programme had a crucial role to link the students across the border, and enhance the educational institutions to cooperate with foreign actors. This trend was interrupted by the COVID-19 pandemic, as making personal contacts and implementing exchange programmes became more difficult.

The whole integration agenda gave the Croatian side, beneficiaries included, a special new impetus in cross-border cooperation. Their mentality and capacities were aimed at supporting EU integration with the help of INTERREG tools, among others. The EU integration process made stakeholders easier to cooperate and communicate with the Hungarian side. European Union and Schengen accession have enabled faster, better quality and more efficient cross-border cooperation with a greater and easier possibility of project realisation. Knowledge transfer and mutual learning of best practices could be an even more obvious form of cooperation.

PA4 fields of interventions were not supported by any other CBC programme. The mainstream programmes allocated significant support to educational and vocational training (together approximately EUR 300 million), but the amounts are more decisive in Hungary (EUR 195 million) than in Croatia (EUR 95 million). As these allocations have been available in the frameworks of different fields of intervention, the synergy of the impacts is not certain. Further information can be read in the chapter: *3.4.5 SO4.1 Improve the role of educational institutions as intellectual centres for increasing the specific local knowledge-base in the region (Educational topics)*.

Q26. Does the impact vary among the target groups?

The related projects were aimed at involving students and teachers in very high numbers. PA4 is dominant in these two aforementioned groups with its rather focused character in targeting audience.

In addition, albeit in smaller numbers, marginalised persons are also addressed. Consequently, PA4 (especially '4.1.2 Co-operation in preschool, primary and secondary education and adult education') with its share of 56% that targeted this group plays a decisive role in reaching out to the Roma, beside people with disabilities. Further information can be read in the chapter: *F_2.3 Analysis of the impacted target groups*.

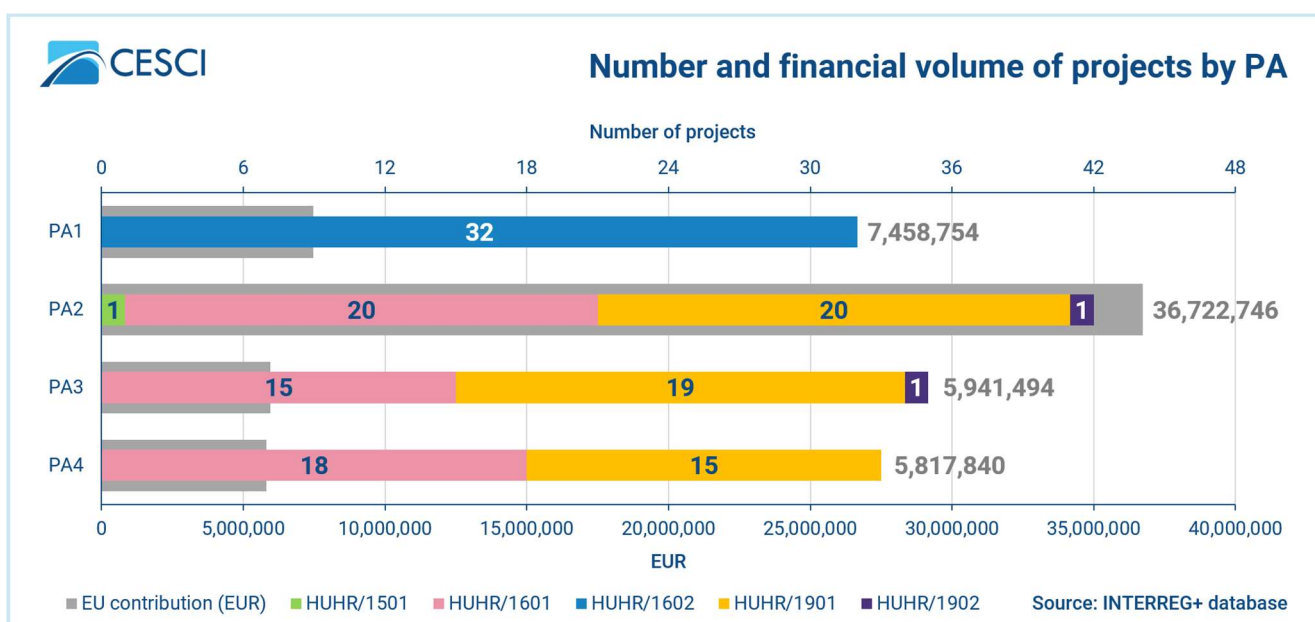
1.4 Main findings of the evaluation

F_1. Performance

F_1.1. Quantification of the performance

Despite the implemented new tool, the B Light Scheme and the unexpected external and internal impacts, the Programme has gone well and the performance analysis did not detect any significant hitches. The first open call (HUHR/1601) triggered the biggest interest (207 applications). PA2 (Natural and Cultural Assets) was the most popular thematic field since it incorporated 42 projects, which absorbed more than EUR 36.7 million ERDF (contracted amount) (see [Figure 7](#)). In the case of the other three PAs, the number of projects was below 35 and the contracted ERDF amount was only around EUR 6-7 million.

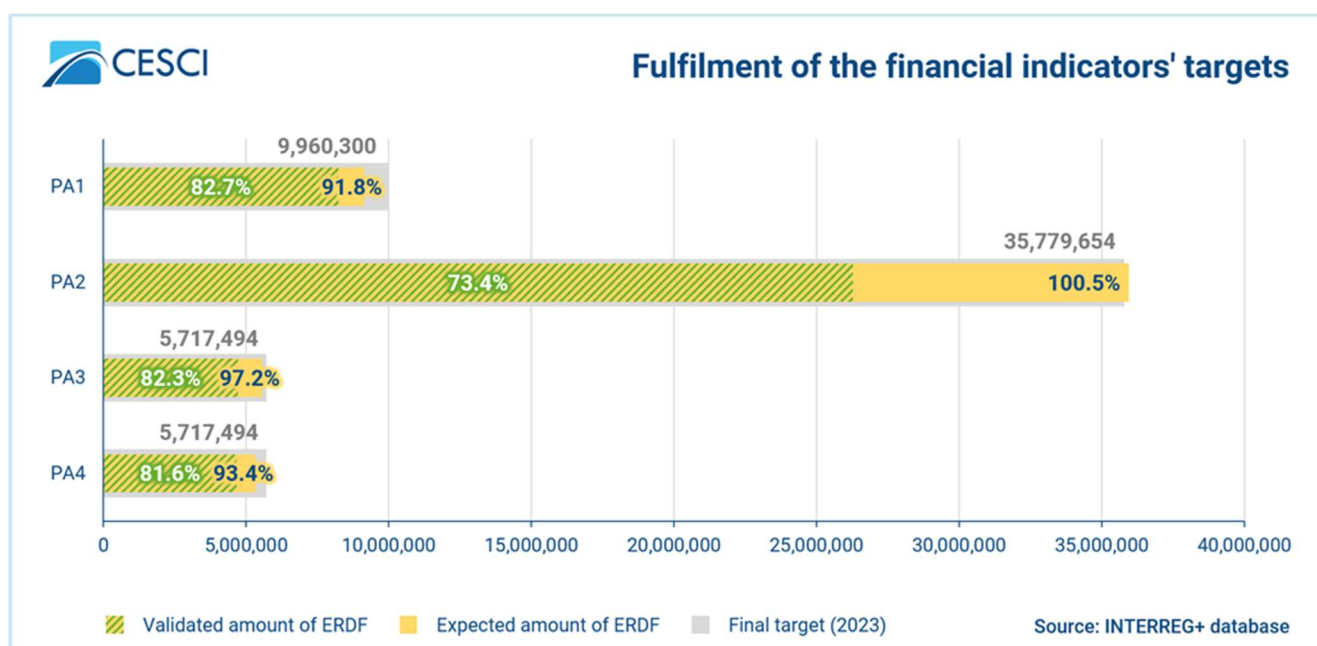
Figure 7: Number and financial volume of projects by PA



The process of final report submission was managed well, 70% of all the projects have been administratively closed until the cut-off date. Despite the external factors (COVID-19 pandemic, inflation), the average duration change was not more than 3 months for any PA, the development of tourism attractions was the most affected component. Although the average duration change was minimal (2 months), nearly half of the projects (47.9%, 68 projects) needed to modify the original duration.

Regarding the financial progress, the PA1 and PA4 are the most advanced, since the ratio of validated ERDF amount was more than 80% under these Priority Axes at the cut-off date. The allocation for PA2 has been fully utilised, but for the other PAs the total allocation of the CP will not be absorbed. However, in each case, the allocation rate is expected to be above 90% (see [Figure 8](#)).

Figure 8: Fulfilment of the financial indicators' targets



At the cut-off date, out of 17 programme output indicators 5 have not achieved⁹ the target value set by the CP¹⁰. According to the ratio of fulfilled and non-fulfilled programme indicators¹¹, PA3 is the best performing priority of the Programme.

In most of the cases, the **specificity and measurability** of the output indicators are suitable. The only exception is the 2.1 – SO3 Increase in expected number of visits, as the indicator reflects on a future commitment that cannot be measured at the end of the projects. Moreover, the interpretation and calculation of the increase require more attention from the beneficiaries' side. The **achievability** of the indicators is the most questionable segment of the S.M.A.R.T. assessment¹², since there are examples of both over (42.3% of the indicators) and underperformance (19.2%). As the indicators fit into the intervention logic of the PAs, the **relevance** is ensured; however, the CB aspect is missing or weak in most of the cases. For instance, instead of measuring the total number of participants, only the number of participants from across the border should be taken into account (e.g. 2.2 – SO3 Number of participants in joint education training schemes). Furthermore, the relevance of the indicators that measure isolated developments with weak cross-border effect is also questionable (e.g. 4.1 – SO3 Number of educational premises refurbished). This shortage does not solely concern the HUHR Programme, as the programmes apply a pre-defined list of indicators, in which the CB aspect is already

⁹ 1.1 – SO2 Number of enterprises receiving support; **1.1 – SO3 Number of enterprises receiving grants;** **2.1 – SO4 Number of tourism facilities/service providers;** 3.1 – SO3 Number of harmonized processes; **4.1 – SO3 Number of educational premises refurbished.** (The highlighted 3 indicators still have not fulfilled the Programme's target value in February 2024. Detailed values are presented in *Figure 91*).

¹⁰ The comparison is based on the target values set by the CP and the achieved values reported by the project partners via INTERREG+.

¹¹ The achieved values (registered in INTERREG+ system) were compared to the programme and project level target values. Thereafter, the average of fulfilled and non-fulfilled indicators was calculated by PAs.

¹² The S.M.A.R.T. criteria are explained in the Performance chapter.

weak. The majority of the indicators have a proper **timeframe**, as they clearly define the period to be taken into account when measuring the values. The only exception is the 2.1 – SO3 Increase in expected number of visits, as it does not specify an exact deadline and timeframe for the commitments to be fulfilled.

F_1.2. Programme management

In spite of the unexpected burdens (such as the COVID-19 pandemic), the management of the Programme has worked adequately, the Programme Bodies have been able to provide a smooth implementation process. Capacity shortages concern mostly the MA and the JS. The MA needs colleagues for horizontal (not programme specific) positions, while the JS's staff should be complemented at least with two persons (one in Budapest and one in Osijek). The new staff members would make it possible to reopen the contact point in Osijek. The communication and cooperation between the Programme Bodies is satisfactory.

Apart from evaluating the application and introduction of the new monitoring systems, no significant change in the procedures of the Programme implementation has occurred since the 1st Phase Evaluation. Successful modification was made in the project evaluation procedure in order to ease the workload of the JS and reduce the beneficiaries' waiting time before the contracting phase. In addition, a well-functioning online monitoring system (INTERREG+) was established which positively affected all procedures of the project cycle.

Delays and complaints of the beneficiaries concerned mainly the bureaucratic and time-consuming reporting procedure. As the two FLCs have applied different approaches to assist beneficiaries, significant differences were experienced on the two sides of the border. The delays on the Croatian side temporarily hindered the progress on both sides.

In terms of the simplification measures, there is a high level of acceptance and support concerning the new INTERREG+ system (ensuring online, electronic administration and less paper-based supporting documents) and the simplified cost options (SCOs) on both the beneficiaries' and the Programme Bodies' side. The improved trends and the respondents' views suggest that there is a need for further simplification.

There is also a positive trend in terms of the Programme's ownership. The B Light Scheme has enabled a completely new target group (the SMEs) to take part in the Programme; in addition, the management of the new tool has been partly transferred to NUTS3-level development agencies which facilitates the decentralisation of Programme management and decision-making. During the programming of the next CP, one of the regional actors (Pannon EGTC) was given the chance to coordinate the process, which is also in favour of enhancing the feeling of ownership by bringing the programming procedure closer to the local level. Beside these favourable novelties, the local needs and interests could be more efficiently channelled by the enhancement of the advisory and supportive function of NGOs within the MC and by the involvement of smaller potential beneficiaries (such as small municipalities).

F_1.3. Influence factors of the implementation

Many external and internal factors affected the implementation of the Cooperation Programme, out of which the COVID-19 pandemic stands out. The pandemic and its social and economic consequences fundamentally hindered both the beneficiaries and the Programme Bodies' smooth and efficient cooperation during the last 3 years. The changes in the border regime between the two countries, such as global phenomena as the lockdowns, the restrictions on personal interactions, as well as the general price increase negatively impacted the atmosphere of cross-border cooperation in general and the HUHR project activities in particular. All these factors led to delays and some content-related changes in the projects, which were realised between 2020 and 2022 (the projects of the HUHR/1501 and HUHR/1601 were not affected). Thanks to the proactive and quick interventions of the programme management bodies and the exemplary cooperation with the beneficiaries, the COVID-19 pandemic did not cause significant damages in the performance of the Programme.

The language barrier is also a crucial factor that has hindered the Programme's implementation. The lack of knowledge of the national language in the neighbouring country and the relatively weak knowledge of English (especially in the case of the Hungarian partners) have made it more difficult to build up cooperation along the border. Only the westernmost and easternmost areas are exceptions where the bilingual ethnic minorities played a key role in mitigating the language barrier.

Regarding the internal factors, the administrative and financial rules and procedures, the development of the new INTERREG+ system and the introduction of the B Light Scheme can be mentioned, but none of them caused significant difficulties during the implementation.

F_2. Effectiveness

F_2.1. Analysis of the fulfilment of regional needs

Each project of the Programme was assessed in terms of the number of connections to the identified regional needs the Programme aimed to address. The most properly addressed development needs in terms of the number of direct and indirect connections of the projects to the contribution to the regional needs are as follows: The first three items demonstrably stand out and the remaining three have similar, more modest support in terms of number of related projects:

- Strengthening mutual knowledge on both sides of the border;
- Capacity building;
- Supporting the cooperation of SMEs;
- Developing tourism infrastructure, network and products;
- Supporting jointly developed educational and training services;
- Boosting product and service development of SMEs.

Based on the amount of **ERDF allocation to projects that have direct connection to the respective challenges**, developing tourism infrastructure, networks and products (44.5% of the total ERDF amount) stand out, which partly finetunes the results.

The most impacted sub-areas **according to survey results** are:

- SMEs' inability to raise funds;
- low number of cross-border corporate and business contacts;
- infrastructure for heritage tourism, tourism infrastructure in general;
- permeability of the border in terms of development of tourism;
- restoring and protecting natural heritage;
- environmental awareness-raising;
- state of infrastructure and modern educational methods in schools;
- number and quality of interinstitutional connections;
- jointly developed and jointly implemented education and training services;
- number of actors involved in the cooperation;
- framework of cooperation and management system between institutions.

The main changes achieved in the eligible programme area in terms of meeting the needs and challenges of the border region are as follows.

With regard to SME development, the main changes include:

- product development in partnership with SMEs from both countries;
- new and deepened, already existing business-to-business cooperation initiatives, intensification of business relations. Initiation of several joint events where enterprises could cooperate and get connected with each other and the wider business environment.

With regard to tourism development including accessibility, the main changes are as follows:

- improved wine tourism with regard to infrastructure, networks and product development;
- extension and development of bicycle routes across and on both sides of the border, development of cross-border infrastructure for cycling;
- technical preparation of a missing Mura bridge between Murakeresztúr and Kotoriba.

With regard to the clearance of minefields ('de-mining'), the main changes include:

- the Hungarian territories could be regarded as mine-free. The positive effect of the still recent Schengen enlargement could be enjoyed along longer border sections.

With regard to ecological topics, the main changes include:

- creation of joint databases, surveys and monitoring activities;
- restoration and conservation of protected areas;
- water-related cooperation has been improved in the field of flood alarm and forecasting system;
- contribution to raising the level of knowledge and education of the general public about the importance of preserving natural values.

With regard to educational topics, the main changes include:

- jointly developed curricula and trainings;
- increased number of cross-border and inter-institutional cooperation with the involvement of primary and secondary schools;
- upgraded educational facilities and technical equipment.

With regard to institutional cooperation, the main changes include:

- contribution to the mutual learning of each other's cultural values, extension of the mutual knowledge on cultural heritage of the two nations;
- contribution to the further strengthening of the institutional and community ties of Croatian ethnic groups across the border;
- improving the level of mutual understanding and acceptance, demonstrating positive social experiences through the organisation of sport events;
- people-to-people relations have been initiated and extended with the involvement of NGOs, civic organisations, local municipalities in the field of inter-municipal cooperation, cultural and sports life;
- capacity building for EGTCs; supported organisational development and partnership building;
- enhanced institutional capacities and joint better harmonised sectoral planning in relation to tourism management and development, especially in ecotourism and wine tourism;
- capacity building in the field of nature conservation and water management, encouraged information exchange and knowledge transfer.

Furthermore, the (at least partly) **uncovered needs** that could be tackled eventually under a future Interreg programme should also be listed.

- increasing the number of SMEs (low number of SMEs);
- increasing the level of cross-border innovation potential;
- supporting new business services for tourists (there is a lack of new, business-driven services in the border region);
- water tourism development in the light of the accession to Schengen;
- increase cross-border accessibility;
- attention to joint management and administration with regard to ecological topics;
- energy-related developments, energy efficiency, renewable energy and circular economy.

F_2.2. Analysis of the partnerships

In relation to the number of project partners, PA3 is known for the smallest (2.83 partners), while component '2.2.1 Ecological diversity' under PA2 is known for the largest average size of partnerships (4.17 partners), while the programme average is 3.16 partners per project. Unlike in the 2007-2013 programming period, there are significantly (2.5 times) more LBs from Croatia than from Hungary, who (only the Croatian LBs themselves) absorbed 68% of the total EU contribution of all LBs. In the last years Croatian applicants have tended to initiate project partnerships, and have had problems with finding proper partners from the Hungarian side. This general imbalance between the two sides derives partly from the different regional development policies, competences and financial possibilities of the regional and local municipalities and their organisations, which represent the majority of the beneficiaries in the two countries. On the Hungarian side especially the regional level (vármegye, NUTS3) suffers from limited competences and resources. In Croatia the same territorial level is much more competent and active in creating partnerships; the regional development agencies are relatively rich in resources and are responsible for coordinating planning and development activities of their respective counties (županija).

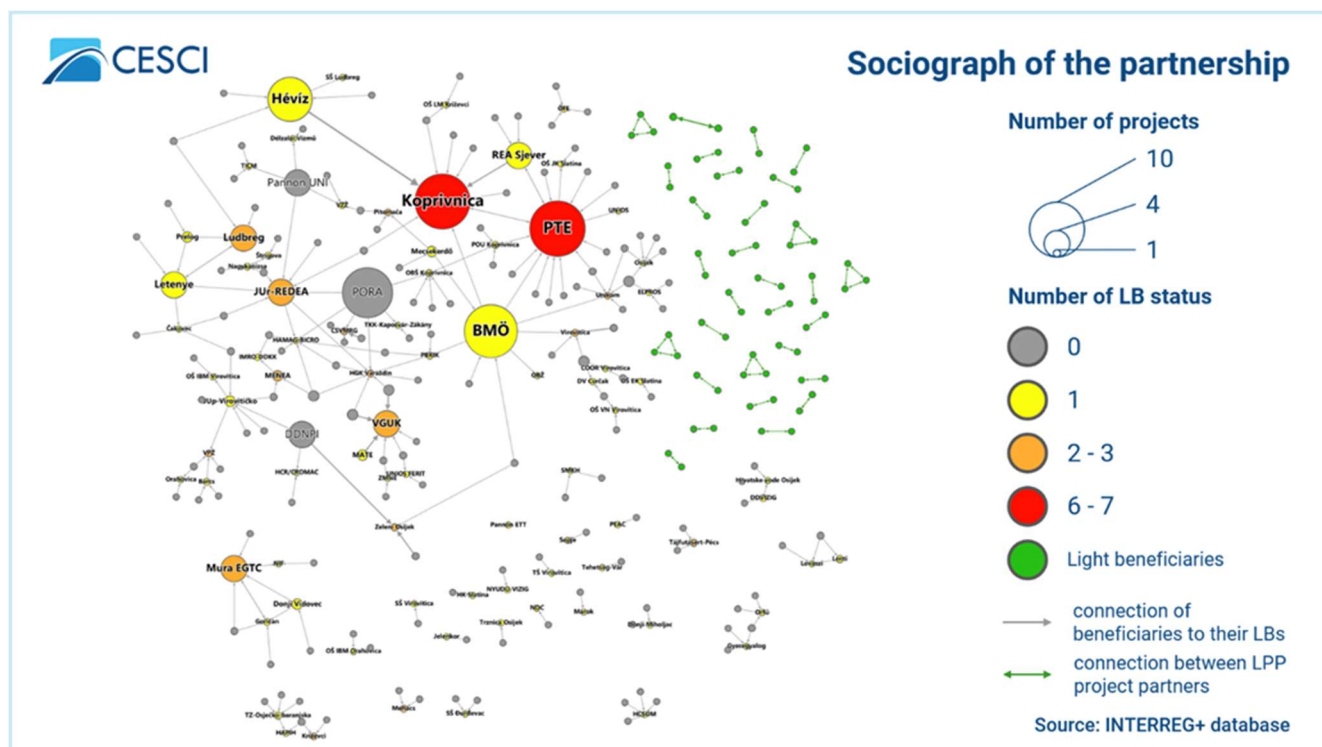
Focusing on the specificities of the different beneficiaries, the **local governments** are over-represented, accounting for 18.3% of the all beneficiaries and 34.9% of ERDF allocation, followed by **public bodies**. Among local governments, more Croatian settlements stand out, such as Koprivnica by far, or Križevci. Local governments also have a strong cross-border network around Letenye, Ludbreg and Prelog. It is a particular success that both **EGTCs** of the programme area have joined the programme and have undertaken the implementation of strategic projects. **NGOs** have a limited role at programme level, but their attendance is more tangible in PA3, especially in people-to-people projects. The involvement of such stakeholders is crucial, as they can contribute to the extension of cooperation networks to areas and partners that are more difficult to address via a CBC programme. In addition, they are able to efficiently increase the visibility of the CP and its results all over the border region.

On both sides, **universities** of Osijek and Pécs in particular have a great role in formulating partnerships, but these partnerships cover mostly the area of education and innovation solely. Among **educational** types of beneficiaries, the other, non-university type of institutions have weaker roles, and the intensity of cooperation tends to be looser.

Development agencies had an important role in widening the partnership networks by the involvement of **SMEs** within the framework of PA1. Their light projects created mostly bilateral small SME partnerships.

In general, the partnership network is characterised by a strong isolation of partners on PA level. The most extensive cross-PA connections have been created between PA2 and PA3 beneficiaries, but the rest of the connections are relatively weak. The B Light Scheme functions as a separate network within the overall partnership system. All these are in line with the conclusion of the survey, that beneficiaries' main reason for selecting their project partners was a common mission or goal according to the thematic scope of the addressed Specific Objectives.

Figure 9: Sociograph of the partnerships (all PAs)



The territorial structure of partnership has a similar fragmented pattern, as the beneficiaries have tended to search partners only in their closer vicinity. It resulted in close and time-tested collaborations and links that concentrate on a specific section of the border, which enhances the cross-border character of the Programme. These kinds of links have emerged between the beneficiaries of Osijek and Pécs, Virovitica and Kaposvár or Varaždin and Zalaegerszeg.

F_2.3. Analysis of the impacted target groups

The CP's selection of target groups was logical, the overlapping of selected target groups between PAs were manageable and understandable, and each PA and SO had a clear and reasonable number and circle of groups. The target groups were also well-defined in terms of the regional needs and expected results of the Programme.

The main target groups of the Programme based on the number of times the projects listed them (in the application phase) are the members of the general public by far, followed by children and youth, all sorts of partners (project partners, including SMEs), sectoral stakeholders and experts. PA1 targeted mostly SMEs and the general public, while PA2 addressed mainly tourists, the general public, children and youth. PA3 focused on the general public, and sectoral stakeholders, civil and economic organisations in the frames of the largest number of projects. PA4 projects intended to target children and youth, teachers and the general public in an outstanding way. Many of the aforementioned target groups were addressed by numerous projects despite the fact that they were not listed among the target groups in the CP: children and youth in PA2, sectoral stakeholders and civil organisations in PA3, and the general public in PA4.

On Programme-level marginalised groups of people, educational institutions, and academics, researchers, tourism service providers can be mentioned as less addressed groups of stakeholders. Further stakeholders identified by the CP, where the projects, however, gave lower priority to them, although they had been regarded as important groups: economic actors in relation to PA1, local farmers and owners of Natura 2000 sites in relation to PA2, public authorities in relation to PA3, educational institutions¹³ in relation to PA4.

In general, the identified target groups of the projects during the preparatory phase are mostly in line with those defined by the CP. However, according to the experiences, when it comes to implementation much less attention has been paid to targeting the predefined groups of the project applications.

The effectiveness of reaching the target groups was typically rated as a strong medium by the beneficiaries who responded to the survey. Some groups (media, municipalities, general public, young people) were reached more successfully, while others (public service providers, economic operators, sectoral stakeholders) were much more difficult to address.

¹³ Although several education institutions were successfully involved in the Programme, their number was low for other (external) reasons (e.g. different educational systems and autonomy of schools).

F_2.4. Communication of the Programme and the projects

F_2.4.1. Programme-level communication

According to the results of the survey and the interviews, the Programme-level communication improved compared to the previous programming period. Considering the applied tools, online and digital communication means have gained more relevance. The webpage proved to be outstandingly useful and fulfilled its goal of informing the (potential) beneficiaries, however there is still room for improvement in terms of user-friendliness. Social media became an efficient tool in terms of the same target groups, as well as supporting awareness raising among the general public. Facebook became much more relevant than during the previous programming period, it was able to replace both the newsletters and the printed materials. Given the revolutionary change in social media outlets in the digital world, even more intense and innovative communication could be possible via this platform in particular. Nevertheless, it would require more professional support, especially to more efficiently reach the general public and make the results and impacts of the programme more visible. Currently, this is hindered by the lack of human capacities at the JS (with the head of JS managing the website and the social media profiles, with no external commissioned expert dedicated to this task either).

Information disseminating events are also an important tool in raising awareness among (potential) beneficiaries. At the same time, border areas with weak permeability and accessibility, low capital, missing interests of certain stakeholders towards the CP would require more dedicated and focused partner search forums, information days, in-site workshops, to mention a few.

F_2.4.2. Project-level communication

Although the project-level communication has been improved compared to the previous programming period, some of the project partners still tend to look at communication as a less important obligatory item in a complex project. The majority of beneficiaries have striven to comply with the mandatory communication criteria, but only few of them have tried to develop creative and innovative methods to renew the usual communication tools. It is a favourable fact that bilingual and trilingual communication dominated during the projects' implementation, as in more than 80% of the cases, the used communication tools relayed the messages at least in two languages. According to those who filled out the survey, the most efficient communication tools were the events, press conference, promotional materials, website and the social media platforms.

Going beyond the mandatory measures, it is also important to note that different components of the Programme may require distinctly different communication and visibility efforts and budget. For instance, in case of tourism-related or market-oriented developments of SMEs, addressing the specific target groups of a certain project is crucial in terms of the durability of the results. Thus, the Programme Bodies should put emphasis on supporting these beneficiaries to be able to implement effective communication measures. There are best practices which show that elaborating a communication strategy and the appointment of a person dedicated to communication at project-level are useful measures to improve project-level communication in general.

F_3. Impact

F_3.1. Analysis of the result indicators

Measuring the fulfilment of result indicators has generated multiple challenges during the programming period that were caused by several different factors. The following strategic problems have arisen:

1. In some cases, even if the indicators are relevant, there are no suitable data sources for measuring the achievements. The method of online surveying has proved to be inappropriate as the procedure of data collection was time-consuming and complicated. As the received number of responses was limited, the reliability of the outcome is uncertain. (Concerned indicators: *SO 3.1 Entities participating in cross-border networks and co-operation* and *SO 4.1 Educational institutions participating in cross-border forms of cooperation or providing cross-border content*) The use of official statistical databases (National Bureaus of Statistics and territorially competent authorities) worked better, but data harmonisation issues arose in two cases because of the differences in the year of data collection on the two sides of the border. (Concerned indicators: *SO 1.1 GVA per capita of industry and services sectors*, *SO 2.2 Habitats with excellent conservation status*.)
2. The programme area has been affected by a wide range of factors, including the CP. Some of the indicators concentrate on rather general trends, but based on the official statistical data it is not possible to filter the externalities and measure the Programme's achievements. The increase in the number of guest nights or the change of GVA per capita are too general indicators that are not suitable to indicate the Programme's proper results. (Concerned indicators: *SO 1.1 GVA per capita of industry and services sectors*, *SO 2.1 Number of guest nights in Zone B* and *SO 2.2 Habitats with excellent conservation status*)
3. Some of the measured issues need to have a wider timeframe, as the actual results cannot be shown immediately after the closure of the projects. Conserving habitats and increasing the number of guest nights are such long-term processes. (Concerned indicators: *SO 2.1 Number of guest nights in Zone B* and *SO 2.2 Habitats with excellent conservation status*)

Beside the strategic problems, implementation issues have also occurred. Even if the indicator is appropriate, methodology problems may have arisen in the reporting.

1. The lack of exact descriptions of the methodology applied during the calculation of the baseline values (for the CP) led to the misinterpretation of the indicators at later stages. As a result, when calculating the different baseline and achieved values for the evaluation during the programming period, different values have been registered even for the same years. This difficulty concerns most of the indicators (except the survey-based indicators, where the former data cannot be newly calculated). (Concerned indicators: *SO 1.1 GVA per capita of industry and services sectors*, *SO 2.1 Number of guest nights in Zone B* and *SO 2.2 Habitats with excellent conservation status*)
2. The most conspicuous mistake concerns the valuation of habitats, as the definition is contradictory. The conservation status of habitats is not recorded in the case of 'Special Bird

Protection Areas', only in case of 'Special Protection Areas', while the bird species are taken into consideration only in the 'Special Bird Protection Areas'.

(Concerned indicator: *SO 2.2 Habitats with excellent conservation status*)

Despite these hindrances, most of the target values are achieved and in case of those not achieved, 90% of their goals are accomplished. However, the comparability of the achieved and baseline values – due to the methodology and data source problems – is questionable.

F_3.2. Mapping of the territorial coverage

Regarding the territorial distribution of project activities, the least covered areas are those situated further away from the border, especially some Croatian regions with no joint border sections with the Hungarian regions. The Programme can be seen from this standpoint as a real cross-border programme that supported activities and interventions targeting the border areas based on geographical proximity.

In general, the bigger the settlement the higher is the number of localised project activities, but there are exceptions around Letenye and Goričan, as well as along the border area between Barcs and Donji Miholjac. Here, smaller settlements also have been impacted by project activities of high density. On settlement level Pécs, Osijek and some other major settlements (such as Koprivnica, Virovitica, Zalaegerszeg or Čakovec) stand out in general. Reasons for the high density of project activities in the aforementioned areas and settlements include, among others, that these cities are real regional centres, the separating role of the border is weaker, there are ethnic minorities playing a bridging role, and economic relations date back tens of years from earlier historical times compared to areas with lower such impacts.

Considering the east-west axis, the territorial distribution is uneven especially with regard to the huge gap between the middle border section and the easternmost and westernmost territories. The Programme has had the greatest impact in the Osječko-baranjska, Međimurska and Varaždinska regions from Croatia and Baranya from Hungary. At the same time, despite the efforts made by the Programme Bodies, the number of project locations has remained low in relation to Somogy vármegye in particular. Focusing on the border zone, low concentration of activities and ERDF contribution can be found between Csurgó and Barcs. The aforementioned gap is due also to the geographic feature of the middle section of the border zone: it can be attributed to the weak permeability of the border deriving from the limited number of border crossings and the separating role of the river Drava, to the weaker overall economic performance and the lack of strong long-term socio-economic bilateral connections. As the neighbouring borderlands on the Croatian side represent similar development levels and characteristics, the complementarity and the attractiveness of the other side of the border is relatively weak.

There is a need for a more balanced distribution, and PA3-like soft, people-to-people projects could be useful in contributing to this process. Smaller projects with smaller budgets could encourage stakeholders to be involved in the Programme reaching a better coverage of larger areas.

All in all, further improvement of the programmes' territorial coverage would be beneficial in relation to 1. mitigating the strong urban-rural divide 2. narrowing the "central gap" on the map of the programme area, 3. contributing to the better involvement of the areas located not directly along the border.

F_3.3. Durability of the projects

Assessing the sustainability of the projects' results and outputs is difficult, because of two main reasons. Firstly, some of the projects are still on-going, while some others have just finished. Secondly, the Programme's actual monitoring system does not provide any information on the measures to be provided by the beneficiaries. Thus, evaluators must rely on the results of the survey and the interviews, to which the involvement of all beneficiaries was not possible (altogether 84 respondents filled in the online survey). Furthermore, in the case of soft activities, sustainability is hard to interpret. For example, the outputs can be cross-border events or documents generated during the project lifetime, which end with the completion of the project, and no continuation is required or monitored.

Regarding the history and future of the partnership, two factors which basically affect the durability of the developments, a positive tendency toward the creation of stronger and higher level cooperation can be observed, although the establishment of cross-border institutions and services is still not common.

Based on the responses to the survey, in general, beneficiaries tend to stick to some well-known, general solutions often used in the project application forms, when planning institutional and financial sustainability. Tailor-made solutions meeting the exact needs of the particular developments are poorly applied, which negatively affects the Programme's impact on the border region. SME projects may compensate for this to some extent, as they were required to implement market-ready, financially viable products and services. At the same time, the assessment of meeting this criterion by the SME projects will be possible only 2-3 years later.

F_3.4. The Programme's borderscape impact

Considering the aggregated impacts of the CP on the borderscape, social connectivity has been impacted the most out of the factors identified (see these factors in [Table 27](#)). A strong positive effect of the Programme was detected in relation to the number of citizens participating in cross-border activities and projects, and the number of joint cultural events (based on the performers' nationality). The role of the CP is strongly positive regarding the activities and types of projects including environmental education, sports competitions and events, as well as cultural programmes (e.g. Šokci events, folk music and dance events). The CP impacted the mutual learning of each other's cultural values, folk customs, and language. Increased awareness of cultural programmes and events organised within the programme area is a clear impact of the CP. Furthermore, the role of the Programme was strong in relation to events involving students for short-term commuting, event organisation for the youth, carrying out extracurricular programmes mostly for primary and secondary school students.

Moderate positive effects of the Programme can be detected in relation to the cross-border structures of the region, the Mura and Pannon EGTCs. The CP contributed to their capacity-building and partnership development, further institutionalisation, an increase in the turnover, the number of employees and number of projects implemented by them (including *CBJointStrategy* and *MuKoBridge*¹⁴).

¹⁴ MuKoBridge: HUHR/1902/2.1.4/0002, Preparation for constructing Mura Bridge and connecting road infrastructure facilities at Murakeresztúr (HU) and Kotoriba (CRO).

Flood protection should also be underlined where the CP moderately contributed to efficient and real-time cooperation with a developed alarm and forecast system. The CP impacted the scope of cross-border mobility and motivations of border crossings by supporting school and youth exchanges, interinstitutional connection among educational institutions (such as universities and the partnership building covering the quadruple helix), cultural exchanges, development of certain destinations and routes regarding heritage tourism. The mediascapes of the neighbouring countries were affected positively by the projects' communication activities broadening the scope of mutual understanding.

On the other hand, no real impacts can be detected in terms of the number of registered residents originating from the other side of the border, furthermore the impact is very limited in relation to frequency and aims of cross-border service practices, and increasing the number of territorial cooperation organisations and governance entities and their members (apart from *CBJointStrategy*, *MR-EGTC Heritage*¹⁵ and *Riverside*¹⁶ projects contributing to some relevant impacts regarding Mura and Pannon EGTCs, and Transboundary Biosphere Reserve Mura-Drava-Danube).

F_3.5. Synergies with relevant programmes and strategies

The synergies between the HUHR projects and the territorially relevant policies and strategies are the most apparent and direct in the case of the thematic fields of tourism and culture, education, competitiveness of enterprises and knowledge society, and institutional capacity and cooperation. Owing to the differing structure and aims of the analysed EUSDR and the EU2020 Strategy, synergies with the Programme also differ. HUHR is more in line with the aims of the EUSDR especially if one considers the ERDF contribution of HUHR projects with direct positive effects on the two strategies. In the case of EUSDR, nearly 88% of the allocated ERDF amount to HUHR projects directly contributed to the goals of the EUSDR. The synergies are very concentrated on a small number of relevant topics, while the rest of the aims enjoy medium-level or even low support. Strong synergies can be detected between the EUSDR and the Programme in relation to Priority Areas of 'Culture and Tourism', 'Competitiveness of enterprises' and 'Biodiversity, landscapes and the quality of air and soil'. At the same time, projects under half of the HUHR components were not able to have any direct impact on the EU2020 goals. Synergies can be considered relatively strong in relation to the EU2020 headline targets 'Education' and 'R&D' regarding ERDF contribution to EU2020.

On component level, outstanding components that were able to highly contribute to both higher level strategies are '4.1.2 Co-operation in the preschool, primary, secondary and adult education' and '1.1.1 B Light Scheme'. Considering only the EUSDR, further highly-relevant components are '2.1.2 Tourism attractions', '2.1.1 Bicycle paths', '2.1.3 Thematic routes and tourism products' and '2.2.1 Restoring the ecological diversity in the border area'.

¹⁵ MR-EGTC Heritage: HUHR/1901/3.1.2/0049, Gastronomical Heritage in the Mura Region EGTC.

¹⁶ Riverside: HUHR/1901/2.2.1/0122, Development and Protection of the Transboundary Biosphere Reserve Mura-Drava-Danube.

Considering the topics with low levels of synergy, in general, only few projects addressed and limited ERDF contribution was allocated to mobility, renewable energy and energy efficiency, GHG emissions, environmental risks and security.

F_3.6. Horizontal principles

The interviews and the survey show that the projects have contributed to the horizontal principles, but in some cases the way in which they have done it is somewhat forced and easy to criticise. The project partners have tried to comply with the horizontal principles, but most of them consider them as unavoidable burdens. Exceptions are those projects whose thematic scope explicitly targets the issues covered by the principles.

The Programme determined horizontal indicators¹⁷ in order to enhance the feasibility and measurability of the principles, which is definitely a beneficial approach. At the same time, the specificity and relevance of some indicators are questionable.

1. The use of renewable energy does not show strong correlation with either the horizontal principle or the objectives of the CP.
2. The indicator measuring gender equality provides too broad framework to interpret the principle and to show the real results. Therefore, this principle is the hardest to build coherently in a project.

Due to this broad framework and lack of separate horizontal indicator, some of the project partners did not implement real and effective activities to promote and enforce gender equality. In most cases, equal access to events and activities is the only commitment of the partners and active engagement with this issue is rare (gender balance, existence of Gender Equality Plan, promotion of gender equality).

In contrast, the indicators related to non-discrimination and sustainable development are easier to insert into the projects' main development targets.

Nevertheless, project partners are increasingly addressing horizontal principles in a more effective and forward-looking way, often organising specific events within their projects that concentrate on the inclusion of disadvantaged people, nature conservation or sustainable use of available resources. Presumably, as the experience of beneficiaries grows, this positive trend will continue in the next programme period.

¹⁷ H01 Number of Beneficiaries using renewable energy resources in the project
H02 Number of locations where renewable energy resources are introduced by the project
H03 Number of awareness rising events (workshops, trainings, educational programmes) targeting or promoting sustainable development, environmental education and natural assets
H04 Number of awareness rising events (workshops, training courses, educational programmes) targeting or promoting cultural values in the border region
H05 Number of project activities/events involving marginalized communities (minorities, Roma people, disadvantaged people, refugees, and/or people with disabilities)
H06 Number of project activities/events in connection with equal opportunities and gender equality.

F_3.7. Factors influencing the Programme's impact

The impact of the territorially and thematically relevant national and mainstream programmes expectedly far exceeds that of the Programme, because of the limited budgetary frame of the latter one. With the exception of Somogy vármegye, the territorial distribution of EU contributions offered by mainstream national programmes in the border region was unfavourable within the programme area. The mainstream programmes impacted the thematic field of HUHR's PA2 (covering TO-06 Environment protection & energy efficiency) the most, especially on the Croatian side. At the same time, the HUHR Programme has the most outstanding role in TO-11 Efficient Public Administration, as 9% of the total EU contribution allocated to this thematic field by any programme has come from the HUHR CP.

However, in general, this Programme can only be considered as a supplementary funding source in the border region, both in terms of territorial and thematic contribution, it is the only one focusing on cross-border issues in the particular border region. For reaching their objectives, beneficiaries see the HUHR Programme as a highly efficient financial source (63% of the respondents) based on the results of the survey. Thus, its significance does not necessarily lie in solving mainstream difficulties, but, in accordance with its mission, in strengthening cross-border relations and in supporting developments that require special cross-border cooperation. According to the survey, beneficiaries had the chance to express their opinion about the main achievements of the Programme: the majority of the respondents mentioned trust-building and mutual knowledge as the most important added values of the Programme.

Focusing on cross-border (INTERREG V-A) programmes, it is worth considering the influence and impact of the Interreg IPA CBC Croatia-Bosnia-Herzegovina-Montenegro programme (22% of territorial overlap), the Interreg IPA CBC Croatia – Serbia (27%) as they share significant territories of their programme areas with the HUHR. The central part of the HUHR area, especially on the Hungarian side, is not eligible for other CBC programme contributions (namely Somogy and Baranya vármegye, Koprivničko-križevačka and Virovitičko-podravská županija) therefore their special needs and potential could be tapped upon solely from the HUHR. Speaking of the thematic influence of the relevant CBC programmes, PA2-related intervention fields got significant EU contribution, while PA4 fields were not supported by any other CBC programme. Thematically the Interreg Austria-Hungary and Interreg Slovenia-Croatia programmes support the HUHR priorities the most, but the territorial overlap of the programmes with the HUHR are moderate.

Last, but not least, the EU integration described by the accession of Croatia to the European Union (2013) and to the Schengen Area (2023) has impacted and will positively impact on the programme area in many ways (such as enhanced cross-border mobility). The effects of the EU enlargement have been already experienced during the implementation of the Programme (e.g. easier labour and student mobility, new markets for the SMEs, heavier competition, direct access to ERDF funding), while the Schengen accession will have its full effects only in the years to come. Thus, beneficiaries expect that it will be more efficient to cooperate in the field of tourism, mobility, environmental issues, governance, among others, because of the free movement of people, goods and services. Knowledge transfer and better communication could gain further impetus and relevance in the frames of a strengthening EU and cross-border integration. As a result of the increase in cross-border interactions, it is expected that legal, administrative and mobility types of obstacles to cooperation will arise.

F_4. Efficiency

F_4.1. Cost-efficiency of the projects

PA2 projects (EUR 855,952) and beneficiaries (EUR 262,409) have absorbed the largest amount of ERDF allocation on average. Components related to bicycle paths (average ERDF per project: EUR 1,142,548; average ERDF per beneficiary: EUR 380,849), tourism attractions (EUR 1,093,050; EUR 329,977) and pilot and strategic projects (EUR 1,876,840; EUR 625,613) stood out from the rest. Based on the indicator values and the ERDF support allocated to the projects, the implementation of the projects related to land rehabilitation (indicator 2.1 - SO2), increasing the number of visitors (indicator 2.1 - SO3) or education and training programmes (indicator 2.2 - SO3) turned out to be more cost-efficient, as they have achieved greater results for the given financial frame than the CP had previously expected. In contrast, the expected cost-efficiency has not been guaranteed regarding the refurbished educational premises (indicator 4.1 - SO3) and certified tourism facilities and services (indicator 2.1 - SO4).

Regarding the B Light Scheme, fewer SMEs were involved as it was planned before, but the allocated amount of ERDF was also smaller, therefore the cost-efficiency was not compromised. The share of ERDF allocation to the management of the scheme does not exceed 20% which seems to be optimal. At the same time, the contribution of the ESPF to the scheme's implementation is significantly lower than it was expected, thus the cost-efficiency of its services is not provided. Furthermore, the involvement of SMEs induced favourable progress, as the entrepreneurial, market-based approach tends to have a positive impact on the light projects' cost-efficiency, in general.

The other 3 strategic projects seemed to be cost-efficient enough, since less ERDF was used compared to the level of their contribution to the indicators.

The aspect of cost-efficiency has been constantly observed by the Programme Bodies (especially the JS and the FLC) at all stages of the project implementation, which seems to be essential.

F_4.2. Cost-efficiency of the programme management

Regarding the cost-efficiency of the Programme management, under PA5 the planned EU contribution was fully contracted and the implementation of Technical Assistance (TA) projects is going well. No significant problem has occurred, but reallocation was carried out among the TA projects (mainly because the procurement of the new INTERREG+ system was delegated to the JS from the MA). As the reporting is ongoing, it is difficult to determine the exact amount of remaining funds.

The evaluation of the Programme management's cost-efficiency was based on two indicators: staff cost/budget ratio (indicating the labour intensity of the Programme implementation) and administrative cost ratio (indicating the unit cost of one project's administration). The total planned staff costs for the whole programming period are more than EUR 4.3 million: that accounts for 5.93% of the whole CP budget and 66.07% of the TA budget. The current Programme's administrative cost ratios (planned value: EUR 44,235.93; actual value: EUR 28,835.27) are ahead of the previous period (EUR 23,545.49), as a lower number of projects was implemented in 2014-2020, but a new innovative tool has been introduced that required more time and new skills of the management bodies.

F_4.3. Applied mechanisms and tools

F_4.3.1. Main findings regarding the B Light Scheme

The B Light Scheme as a new, innovative tool of the CP was designed in an appropriate manner, with several special features according to the needs of the sensitive target group (SMEs). As the following table shows, in theory the scheme should be able to handle all the identified challenges, but in practice both the SMEs and the management bodies faced many difficulties.

Table 5: Challenges facing the scheme¹⁸

Challenge	CP's response	Experiences of the implementation
Addressing the new target group	The locally embedded heavy beneficiaries were in charge of targeting and involving the SMEs from their NUT3 regions.	The heavy beneficiaries were able to efficiently involve those SMEs which had already been in their networks. Except for some good examples, other enterprises operating in the border region tended to be left out of the scheme. This could negatively impact the quality of the projects, since the assessors needed to select from a narrower range of ideas than in an optimal case.
Risk of beneficiaries ceasing to exist without a legal successor	The CP imposed specific conditions toward the eligible SMEs in order to decrease the risk.	There was only one case where any problem occurred in this term. Furthermore, respondents of the interview mentioned that the COVID-19 pandemic and its consequences hit the SMEs hard, and in some cases the ERDF support kept the enterprise alive.
Cooperation criteria and lead partner principle	From the 'heavy' ¹⁹ beneficiaries HAMAG-BICRO took the lead beneficiary's role in each light project and was responsible for coordinating and monitoring the joint work of the SME partnership.	No problem has occurred in terms of the cooperation criteria and the lead partner principle. According to the on-line survey, light beneficiaries found it moderately risky (4.06 points out of the 10) to work in a cross-border partnership.
Obligatory pre-financing by SMEs	No pre-financing was provided to SMEs; however, the ERDF co-financing rate was calculated in a way to attract SMEs (75% that is higher than in national OPs).	No pre-financing was provided, which was especially problematic in light of the significantly delayed reimbursements and the external factors (COVID-19, inflation).

¹⁸ Meaning of the colour coding:

- green: challenge fully addressed;
- yellow: challenge partly addressed;
- red: challenge not addressed at all.

¹⁹ Beneficiaries of the B Light Scheme project with strategic relevance, who were responsible for the management of the scheme (i.e. the LB and 3+4 regional SME development organisations).

Challenge	CP's response	Experiences of the implementation
Multi-lingual environment	The HAMAG-BICRO as lead beneficiary and the experts of the EPSF were responsible for bridging the language gaps.	The HAMAG-BICRO has no Hungarian speaking staff member, while within the ESPF such expert was employed only in the first phase of the implementation. In light of these, English-speaking colleagues at the SMEs could make the cooperation smoother. In practice, only some of the enterprises could provide this, while the others needed to contract external project managers from their own budget to bridge the language gap.
Complicated administrative procedures	The main task of the heavy beneficiaries, as well as the ESPF was to offer project management services and assist the SMEs meeting the administrative needs.	<p>However, respondents of the online survey found the administrative procedures moderately complicated, and many criticisms were also formulated both in the survey and during the interviews. Respondents highlight the heavy documentation requirements, the rigid financial framework and the lack of information and support from the heavy beneficiaries' and from the ESPF's side.</p> <p>The division of competencies and tasks between the HAMAG-BICRO and the other heavy Bs, as well as the role of the ESPF experts were not designed and documented appropriately. In addition, the system of the administrative assistance options was not communicated clearly toward the SMEs.</p> <p>This led to the fact that SMEs needed to handle their difficulties in an ad-hoc manner, which meant losing their light status in the scheme to some extent. At the same time, the reasonability and the cost-efficiency of the ERDF allocation to the actors responsible for supporting the SMEs (especially the ESPF) became questionable.</p>

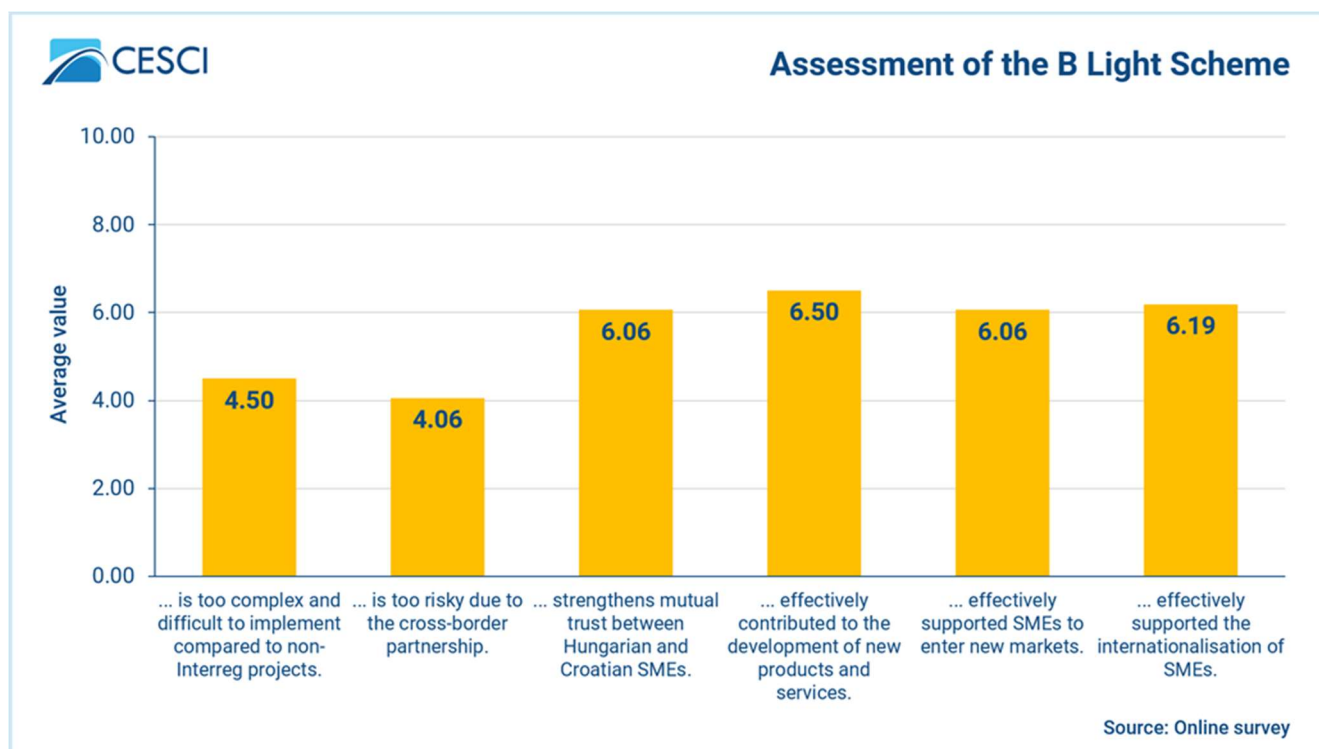
Challenge	CP's response	Experiences of the implementation
<p>Lengthy administrative procedures for actors operating in rapidly changing markets</p>	<p>A two-round application and selection procedure was piloted in order to burden the detailed administration with only those SMEs having a project idea mature enough to be eligible for funding. No special procedures, tailored to the SMEs' needs were designed for the implementation phase. It was expected that the intervention of the LB (HAMAG-BICRO) would make the procedures smooth and time-efficient.</p>	<p>During the first 3 calls for proposals, the two-round procedure turned out to be so lengthy that it risked the financial viability of the project ideas in the rapidly changing market conditions. This prolonged process might have deterred the SMEs from applying, therefore (if their business is really promising) they started their project without the Programme's support. Due to this unwanted effect, the less strong and sustainable businesses needed to use this new tool. Consequently, the procedure was re-set according to the traditional one-step approach for the last call for light projects.</p> <p>In the implementation phase, the reporting procedure was more time-consuming than expected. In some extreme cases, light partners needed to wait more than 1 year for the reimbursement of their expenditures. These delays could be reasoned by the asymmetries in the operation of the FLC bodies on the two sides of the border, as well as the lack of experience at the SMEs. It should be HAMAG-BICRO and the ESPF to assist the SMEs in avoiding administrative mistakes which hinders the validation of expenditures.</p> <p>The problem was further enhanced because of the information shortage at the SMEs. In several cases, enterprises were not informed adequately by the heavy Bs and were not familiar with the detailed procedures of the scheme (2-level control) and did not expect such delays in the financial progress, which led to difficulties in their cash-flow.</p>

Another difficulty, which arose during the implementation of the scheme, was induced by the wide and overlapping range of competencies of the county-level heavy beneficiaries. They were in charge of inviting the SMEs to the Programme and supporting them in the project generation. Then it was also their responsibility to assess the quality of the light project concepts and proposals, as well as to make the funding decision in the Selection Board. However, it was planned to clearly split the different competences between the departments or staff members of the beneficiaries in order to avoid a conflict of interest, in practice the transparency and objectivity of the selection process became questionable. In order to overcome this problem, the procedure was finetuned: on the one hand, heavy beneficiaries assessed the proposals coming from the neighbouring counties (instead of their own), and on the other hand the JS was involved in the quality assessment. However, even if these steps definitely meant a positive shift, there is still room for improvement in this field.

In order to overcome the difficulties experienced during the implementation of the B Light Scheme, the better involvement of the Joint Secretariat into the daily management was essential. This meant unexpected additional tasks to the JS, which obviously burdened their workload especially during the second half of the programming period, when the light projects' implementation was in progress.

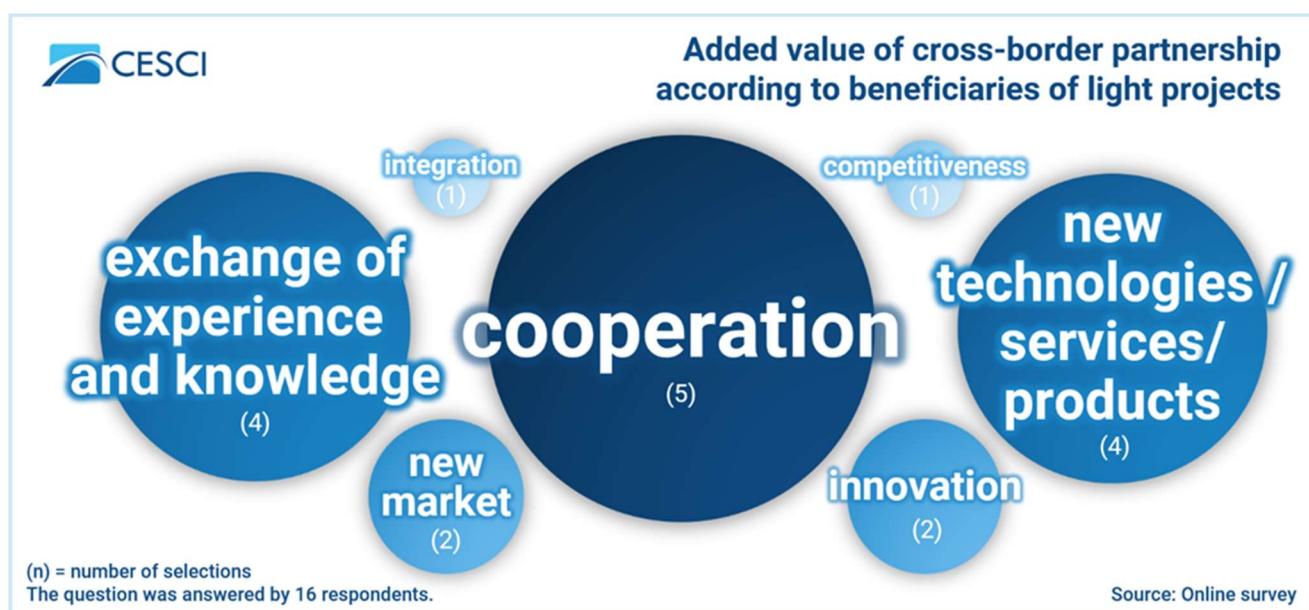
Regarding the bigger picture, in spite of all the imperfections of the tool, it can be regarded as a success. Thanks to the B Light Scheme, the CP managed to go beyond the approach of involving intermediary organisations (chambers of commerce, development agencies, etc.) to indirectly support the SME sector. In the majority of the cases, those cooperation initiatives resulted in different kinds of meetings, as well as studies and documents mainly for the drawers, and were not able to have any impact on the target group. Instead, the B Light Scheme, directly involving small and medium sized enterprises, contributed to the development of the business sphere of the border region according to both the respondents of the survey and the interviews, as well as the expert assessment of the evaluators. The results of the survey illustrate that the tool was able to achieve some improvement in terms of the development of new services and products, strengthening the mutual trust between the SMEs across the border, as well as assisting the SMEs' internationalisation and entry into new markets. As the Croatian-Hungarian border's permeability and cross-border integration level is weaker than where the B Light Scheme was developed (German-Dutch border area), the cross-border character of the light projects is also weaker.

Figure 10: Assessment of the B Light Scheme



The interviewees and the survey both pointed out that although the innovative character of the developments is not always detectable, the tool has an important added value: it was able to initiate cooperation between SMEs across the border, and achieve changes in the entrepreneurs' mind. Before the programming period, SMEs tended to aim at reaching the Austrian and German markets, while building their business relations in Hungary or Croatia was not on the table. As a result of the light projects, an opening towards the markets and actors of the other side of the border can be observed, which is a great step toward the sectors' integration across the border.

Figure 11: Added value of cross-border partnership according to the beneficiaries of the light projects



Last but not least, evaluators expect the entrepreneurs, following the market logic, will be able to ensure better sustainability and financial viability of the developments financed by the CP, hereby enhancing the impact of the Programme on the border region.

F_4.3.2. Main findings regarding the strategic projects

Strategic projects of the programming period were heterogeneous in terms of their financial volume and their thematic scope. The *De-mine HUHR II*²⁰ and *B Light Scheme* projects were planned and partly designed during the programming phase and were included in the CP, while the preparation of the other two strategic projects was initiated in an ad-hoc manner, without the publication of either open or restricted calls for proposals.

Table 6: Strategic projects of the programming period

PA	Project acronym	Project ID	Planned ERDF allocation
PA1	B Light Scheme	HUHR/1602/1.1.1/0002	EUR 2,310,299
PA2	De-mine HUHR II	HUHR/1501/2.1.4/0001	EUR 2,999,990
PA2	MuKoBridge	HUHR/1902/2.1.4/0002	EUR 782,335
PA3	CBJointStrategy	HUHR/1902/3.1.1/0001	EUR 246,154

As a PA1-wide strategic project, in the frameworks of the *B Light Scheme* the operation and management of the newly introduced tool directly supporting SMEs were delegated to professional organisations.

The *De-mine HUHR II* focusing on the rehabilitation of the homeland war's physical consequences of the border region, and the *MuKoBridge* preparing the technical documentation of a new bridge over

²⁰ De-mine HU-HR II: HUHR/1501/2.1.4/0001, De-contamination of war-affected territories

the Mura River both fit into the thematic scope of PA2 and are contributing to converting the region's natural and cultural heritage assets to tourism attractions. In addition, both projects positively affect the permeability of the border, thus the internal cohesion of the border region.

Financed under PA3, the *CBJointStrategy* deals with the evaluation of the current, and programming of the next Cooperation Programme, both of which are crucial elements of financing cross-border developments. The project aims to contribute to the involvement of a regional actor, the Pannon EGTC, into the programme-related tasks, thus to increase the embeddedness of the EGTC into the regional institutional background and to enhance the feeling of ownership. At the same time, such tasks should be financed from the TA budget, instead of one thematic Priority Axis of the CP.

As a consequence, it can be stated that the strategic importance of the supported projects is mostly obvious from the viewpoint of the border regions' integration, however, there is a room for further improvement concerning the transparency of the preparatory mechanisms.

1.5 Overview on the application of the 1st phase recommendations

Table 7: Overview of the application of the 1st phase recommendations

Recommendations	Short explanation	Management of the problem	Status
Designing of the next programme			
Strategic frames of programming			
R_1.1 Clearer and unambiguous rules and timely delivered regulation are necessary from EU level	Next regulations should be drafted earlier facilitating more accurate programming and the launching of the programmes in due time.		The recommendation targeted the EU level decision-making procedures. Unfortunately, the problems have even been further aggravated during the adoption of the new Cohesion Policy package and the approval of the CBC programmes.
R_1.2 The State Aid rules in INTERREG programmes should not be applied	The application of State Aid rules means a huge administrative burden; however, the quantity and financial value of the cases would not justify this. It would ease the involvement of the entrepreneurs in cross-border cooperation enhancing economic cohesion.		The recommendation targeted the EU level decision making procedures. The State Aid rules are still applied in the ETC programmes.
Structural factors of programming			
R_1.3 Involve the selected beneficiaries in the designing of the next Programme	They have real-life experiences on the difficulties, obstacles and practices of cross-border project implementation. This way, also the level of ownership of the Programme can be improved and the partnership principle can better be fulfilled.		Adopted. Within the <i>CBJointStrategy</i> the next Programme has been designed with the cooperation of a regional actor (Pannon EGTC), which made efforts to involve the relevant regional and local stakeholders into the designing of the new Programme.

Recommendations	Short explanation	Management of the problem	Status
R_1.4 Avoid delays in implementing the electronic application system	The realisation of the Programme would be much more advanced if the electronic application system would have been ready earlier.		Partly adopted. The IMIS 2014-2020 has been replaced by the new monitoring system (INTERREG+), the application module of INTERREG+ will be available in the 2021-2027 programming period.
R_1.5 Consider the application of continuously open calls for proposals	It makes the peak periods more balanced at management level since the MC can decide on the currently arrived projects with the perspective of further opportunities later on: the applicants can be requested to submit them again with a better quality. In addition, the solution enables the JS to plan its activities in a more balanced, more designable way.		Not adopted. Although there was intention on the Programme authorities' side and an attempt was made to publish continuously open calls for proposals, the Monitoring Committee did not approve the proposal.
Programme priorities and tools			
R_1.6 Improve the permeability of the border through cross-border infrastructural development	The construction of 2 new border crossings (not necessarily bridges but e.g. ferries) will give the perspective of a more integrated borderland and can intensify cross-border relations.	Beside the potential construction projects, the CP should encourage the political level to be more committed to the further opening of the border.	Partly adopted, but in the new Programme (2021-2027) three strategic projects will handle this issue. ²¹ In the currently evaluated Programme, the strategic project of <i>MuKoBridge</i> aimed to prepare the construction of a new Mura Bridge and the interconnection of road infrastructure facilities at Murakeresztúr (HU) and Kotoriba (HR).

²¹ In the CP of the next programming period three new border-crossing points and access roads are included as strategic projects. These plans are the following ones:

- Preparing and building the missing road link between Sárok and Kneževo
- Preparing and building the missing road link between Zákány and Gotalovo
- Preparing the project documentation for the bridge between Kotoriba and Murakeresztúr

Recommendations	Short explanation	Management of the problem	Status
R_1.7 Improve the social cohesion of the borderland by enhancing bilingualism	One of the main obstacles to stronger cohesion and more developed cross-border cooperation is the language barrier between the two neighbouring nations.	<p>The initiatives can be classified in different group of activities, e.g.:</p> <ul style="list-style-type: none"> • initiatives targeting everyday citizens (cultural and school exchanges, summer schools, gastronomic events, organisation of CB competitions for young artists with CB topics, etc.) • initiatives targeting experts (publication of bilingual books, organisation of translators' competitions, implementation of language and translator trainings, enhancement of the CB linkages of the language schools, etc.) • programme level initiatives (compilation of a trilingual vocabulary for applicants, creation of a virtual academy of interpreters, etc.) 	<p>Not adopted, but the following Programme (2021-2027) could address the problem in the future by supporting projects to design and deliver language courses.</p> <p>The knowledge of the neighbouring national language is missing, except for areas inhabited by ethnic minorities.</p>
R_1.8 Apply small (people-to-people) project fund	<p>Small projects create the possibility for many local citizens of getting experiences on the neighbours.</p> <p>These projects do not require serious financial efforts either from the programme or from the beneficiaries while they can have direct positive impact on many stakeholders.</p>		Not adopted. ²²
R_1.9 Improve the cross-border character of the projects	According to the main conclusions of the analysis, the cross-border character of the programme is relatively weak.	1. The Regional Tourism Product Plan is a good practice worth following.	Not adopted.

²² In the CP of the next programming period the people-to-people actions will be available under ISO1.

Recommendations	Short explanation	Management of the problem	Status
	From this perspective, the CP has a pedagogical mission: through its instruments and calls for proposals it has the opportunity to educate the applicants and encourage them to start developing cross-border ties.	<ol style="list-style-type: none"> 2. The JS can issue a guide on how the cross-border character of a project can be ensured. 3. The calls for proposals themselves can contain some requirements going beyond the four criteria of joint projects. 4. The factors of the quality assessment can be changed in a way that the beneficiaries are encouraged to exceed their conventional methods. 	
Programme management			
Communication			
R_2.1 Keep and enhance the good practices of communication	<p>The respondents of the online questionnaire assessed rather positively the availability and the user-friendliness of the information; and the opening of the three Contact Points are evaluated very well by the stakeholders.</p> <p>The translations of the news are not up-to-date and taking the weak language skills of the beneficiaries into consideration.</p>		<p>Adopted.</p> <p>Based on the survey, the respondents are satisfied with the Programme-level communication.</p>
R_2.2 Improve the beneficiaries' communication capacities	<p>The general public and media have no deep knowledge on the achievements or even the existence of the CP.</p> <p>Bare the ones who actually carry out the majority of measured communication activities: their capacities should be reinforced to carry out better communication with the media and the press, as well as to use more adequate and effective communication tools.</p>	<p>It is recommended to organise communication trainings with the involvement of communication experts. The trainings should not focus on theoretical but practical issues.</p>	<p>Partly adopted.</p> <p>The JS helped to improve the projects' communication, but only on an ad-hoc basis, based on specific requests by the beneficiaries.</p>

Recommendations	Short explanation	Management of the problem	Status
R_2.3 Improve communication with the beneficiaries on the procedures in order to create a more fit-for-purpose model	With a view to improve the quality of programme implementation, the beneficiaries' feedback should be gathered and registered in a systematic way. At the moment, this field of communication is not handled yet. (For instance, the current system does not make it possible to hire municipality staff; similarly, staff cost rules cannot be applied for the case of school teachers, which decreases the attractiveness of the PA4 calls for educational institutions, etc.)	Gathering recommendations via online questionnaire could also be applied by the management bodies in order to fine-tune the procedures.	Adopted. The communication between the JS and the beneficiaries is good, the JS deals with the challenges reported by the beneficiaries.
R_2.4 Enhance the representation of the programme at local level	There were some regions without selected projects. In these regions, the JS and the Contact Points should strengthen their communication activities in order to attract more applicants.	It might be useful to increase the number of Contact Points even through partly outsourced services (by involving regional development agencies).	Not adopted, but it will be managed in the next programming period. Out of the 3 Contact Points the Osijek office has been closed, but the involvement of territorial agencies into the B Light Scheme partly compensated for this deficiency in case of the SMEs.
R_2.5 Promote the best practice examples	Due to the poor visibility of the most successful (i.e. successfully completed) cross-border projects, transferring knowledge to the wide public is difficult.	Delivery of a regular publication (e.g. guides, fact sheets, compilation of best practices), with explanations in both languages; more field trips and local presence; and project fairs can be applied.	Partly adopted. The Programme addressed the promotion of achievements by organising 'Best Practice Conference of the Interreg V-A Hungary-Croatia Cooperation Programme 2014-2020' in Zalakaros and by presenting the best practice projects at the "Art of Cooperation" conference organised by the Széchenyi Programme Office (SZPO) in 17-18 th October 2023.

Recommendations	Short explanation	Management of the problem	Status
Management procedures			
R_2.6 Follow and analyse the implementation of the B Light Scheme with special attention	Although it was a good decision to commission an experienced professional institution with the management of the call for proposals; the application of the B Light Scheme presents serious risks.	The JS and the two national authorities should follow the processes since application of cross-border aspects in business cooperation is a completely new factor in the Programme.	Adopted. The JS has undertaken a more significant role in the monitoring of the scheme's implementation than it had been planned previously.
R_2.7 Create and apply unambiguous eligibility rules	Some applicants complained that their partners who had been identified as eligible during the preparation of the project proved to be ineligible during the formal and eligibility assessment.	The JS should compile a comprehensive list of eligible applicants based on the statistical codes of entities.	Adopted. Neither the beneficiaries, nor the Programme Bodies reported such deficiencies.
R_2.8 Enhance the role of the MC in the selection procedure	Some MC members mentioned that their role in the selection procedure is rather symbolic since they read the evaluations as taken-as-granted without getting deeper knowledge on the applications.	In the INTERREG V-A Slovakia-Hungary cooperation programme, the MC members had the opportunity to meet the project owners of the territorial action plans for employment (TAPes) before selecting the winner projects. They got an overview on the integrated projects, they had the opportunity to put on questions, to ask clarifications, to give recommendations.	Not adopted. The MC does not have enough capacity to get involved deeply into every project.
R_2.9 Diversify the quality assessment procedures	According to the current system, quality assessment is carried out partly by external experts, partly by JS staff members. Even if the involvement of the staff members in the assessment is a good initiative, this solution may cause difficulties since they are not skilled in so many diverse fields represented by the project proposals	The quality assessment procedure is worth transforming into a three-level system: <ul style="list-style-type: none"> • The JS should assess the projects from the point of view of their cross-border character. • It is worth involving the counties in the assessment procedure: their representatives could survey the territorial relevance and strategic adequacy of the project proposals. 	Not adopted. The quality assessment of each application was carried out by 2 experts, one being a JS member and the other an external expert, using the same 100-point quality grid.

Recommendations	Short explanation	Management of the problem	Status
		<ul style="list-style-type: none"> The professional/sectoral quality of the projects should be assessed by external experts. 	
R_2.10 Simplify further the control mechanisms and make them more user-friendly	<ul style="list-style-type: none"> According to Croatian stakeholders, the requirement of submitting a certification of compliance in the case of services is useless and it cannot justify the delivery of the service in reality. The same documents have to be uploaded twice during the monitoring process: at the FLC phase and at the partnership reporting phase, too (what seems to be a shortage of the IMIS); The requirement of taking a justifying picture on catering is useless: anyone can take a picture on any catering event, the attendance sheet should be enough. 		<p>Partly adapted.</p> <p>The electronic submission of documents through the better functioning INTERREG+ is ensured, there is still room for further improvement (e.g. the list of mandatory supporting documents has not changed).</p> <p>In the 2021-2027 programming period, EU-level simplified cost options established by the delegated act referred to in Article 94(4) of CPR will be used.</p>
R_2.11 Broaden the scope of simplified cost options	<p>Some simplifications could not reach the desired effects (e.g. the simplified staff cost option (flat rate) is rarely applied, real cost is more favourable among the beneficiaries. The exploitation of these simplified solutions is expected to be more general if their scope is broadened further.</p>		<p>Partly adopted.</p> <p>Although the simplified cost options were hardly used at the beginning of the Programme, they became more and more accepted.</p> <p>In the 2021-2027 programming period, EU-level simplified cost options established by the delegated act referred to in Article 94(4) of CPR will be used.</p>
R_2.12 Make the IMIS more user-friendly	<p>Not only the system itself has been launched with serious delay but also the quality of the services is often insufficient:</p>		<p>Adopted.</p> <p>A new monitoring system was developed (INTERREG+). Its modules had been introduced step by step, the experiences have already been positive.</p>

Recommendations	Short explanation	Management of the problem	Status
	<ul style="list-style-type: none"> • the internal rules of the programme are modified in order to harmonise them with IMIS instead of modifying IMIS according to the programme rules; • the LB cannot see the declaration of validations of other beneficiaries via IMIS, they have to request them from the JS; • the annexes of the Hungarian partners are uploaded with Hungarian titles (according to the rules) which are not understandable for the Croatian (lead) partners; • during the monitoring phase, the reports and their background documents have to be uploaded twice (the system should consider the once uploaded documents); • the system is not user-friendly in terms of data generation (every piece of information has to be compiled one by one) 		
R_2.13 Follow-up the level of contribution to EU2020 targets	<p>It is hard to estimate the Programme's contribution to the EU2020 targets, as the impact of the Programme and other programmes, as well as external factors, affect the programme area together. Due to the thematic concentration principle, the programmes cannot contribute to each of the EU2020 indicators.</p>	Using a matrix by which the Programme Bodies can assess the relevant achievements of the Programme.	Not adopted.
R_2.14 Follow-up the level of contribution to EUSDR	<p>It is hard to estimate the Programme's contribution to the EUSDR (macro-regional strategy), as the impact of the Programme and other programmes, as well as external factors, affect the programme area together.</p>	Using a matrix by which the Programme Bodies can assess the relevant achievements of the Programme.	Not adopted.

Recommendations	Short explanation	Management of the problem	Status
Project implementation			
R_3.1 Encourage the beneficiaries to design their contribution to horizontal principles more seriously	Horizontal principles are mainly handled as a must that has to be tackled in a rather superficial way (as some interviewees pointed out, and based on the experiences gained during the analysis)	<ul style="list-style-type: none"> • The applicants should be asked to describe in detail, how they intend to overcome the obstacles. • The JS should publish a guidance on horizontal principles elaborated together with an NGO or an expert involved. 	Partly adopted. Not all principles fit coherently into the project themes. However, an increasing number of partners addressed these principles in an effective and forward-looking way.
R_3.2 Enhance the sustainability of cross-border partnerships and project results	In parallel with the weak cross-border and strong ad-hoc character of the projects, the sustainability of the project results and the partnerships is also quite weak. Projects should have longer perspectives both in terms of results and partnerships.	The assessment criteria should include factors by which these longer perspectives can be awarded (e.g. the prehistory of the partnership; future joint plans; tools, activities ensuring sustainability, etc.).	Not adopted.

1.6 Recommendations

Summary table of recommendations

Table 8: Summary of recommendations

Recommendations		Related main findings	Related chapters
R_1 Programme priorities	R_1.1 Keep improving the physical permeability of the border	F_2.1 Analysis of the fulfilment of regional needs F_3.2 Mapping of the territorial coverage F_4.3 Applied mechanisms and tools	2.2.1 Analysis of the fulfilment of regional needs 2.3.2 Mapping of the territorial coverage 2.5.2 Strategic projects
	R_1.2 Monitor the legal and administrative permeability of the border	F_3.7 Factors influencing the Programme's impact	2.3.6 Factors influencing the Programme's impact
	R_1.3 Improve the cross-border character of the projects	F_2.2 Analysis of the partnerships F_3.3 Durability of the projects F_3.4 The Programme's borderscape impact F_4.3 Applied mechanisms and tools	2.2.5 Analysis of the partnerships 2.2.4 Durability of the projects 2.3.5 The Programme's borderscape impact 2.5 Applied mechanisms and tools
	R_1.4 Enhance the quality of cross-border partnerships	F_2.2 Analysis of the partnerships F_3.2 Mapping of the territorial coverage F_3.3 Durability of the projects F_3.4 The Programme's borderscape impact	2.2.5 Analysis of the partnerships 2.3.2 Mapping of the territorial coverage 2.2.4 Durability of the projects 2.3.5 The Programme's borderscape impact
R_2 Tools and mechanisms	R_2.1 Enhance the transparency of the mechanisms for selecting projects with strategic importance	F_4.3 Applied mechanisms and tools	2.5.2 Strategic projects
	R_2.2 Apply small (people-to-people) project fund	F_1.2 Programme management F_2.2 Analysis of the partnerships F_3.2 Mapping of the territorial coverage	2.1.2.6 Assessment of ownership 2.2.5 Analysis of the partnerships 2.3.2 Mapping of the territorial coverage
	R_2.3 Reconsider the innovative character of the light projects	F_2.1 Analysis of the fulfilment of regional needs F_4.3 Applied mechanisms and tools	2.2.1 Analysis of the fulfilment of regional needs 2.5.1 B Light Scheme

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Recommendations		Related main findings	Related chapters
	<i>R_2.4 Finetune the management structure of the B Light Scheme</i>	<i>F_4.3 Applied mechanisms and tools</i>	<i>2.5.1 B Light Scheme</i>
	<i>R_2.5 Provide efficient and effective administrative support to SMEs</i>	<i>F_4.3 Applied mechanisms and tools</i>	<i>2.5.1 B Light Scheme</i>
	<i>R_2.6 Make the B Light procedures less time-consuming</i>	<i>F_1.2 Programme management F_4.3 Applied mechanisms and tools</i>	<i>2.1.2.4 Internal assessment of the assistance provided by the Programme Bodies 2.5.1 B Light Scheme</i>
	<i>R_2.7 Monitor the results of the B Light Scheme</i>	<i>F_3.3 Durability of the projects F_4.3 Applied mechanisms and tools</i>	<i>2.2.4 Durability of the projects 2.5.1 B Light Scheme</i>
<i>R_3 Programme implementation</i>	<i>R_3.1 Select and define indicators more carefully</i>	<i>F_1.1 Quantification of the performance F_3.1 Analysis of the result indicators F_3.6 Horizontal principles</i>	<i>2.1.1 Quantification of the performance 2.3.1 Analysis of the result indicators 2.3.4 Horizontal principles</i>
	<i>R_3.2 Enhance the representation of the Programme at local level</i>	<i>F_1.2 Programme management F_2.4 Communication of the Programme and the projects F_3.2 Mapping of the territorial coverage</i>	<i>2.1.2 Programme management 2.2.3.1 Programme-level communication 2.3.2 Mapping of the territorial coverage</i>
	<i>R_3.3 Provide networking opportunities to applicants</i>	<i>F_2.2 Analysis of the partnerships F_2.4 Communication of the Programme and the projects F_3.2 Mapping of the territorial coverage</i>	<i>2.2.5 Analysis of the partnerships 2.2.3.1 Programme-level communication 2.3.2 Mapping of the territorial coverage</i>
	<i>R_3.4 Enhance the Programme's communication</i>	<i>F_2.4 Communication of the Programme and the projects</i>	<i>2.2.3.1 Programme-level communication</i>
<i>R_4 Programme procedures and simplification</i>	<i>R_4.1 Finetune the quality assessment procedure</i>	<i>F_1.2 Programme management</i>	<i>2.1.2 Programme management</i>
	<i>R_4.2 Enhance the harmonisation of the FLC bodies' operation on the two sides</i>	<i>F_1.2 Programme management F_1.3 Influence factors of the implementation F_4.3 Applied mechanisms and tools</i>	<i>2.1.2.4 Internal assessment of the assistance provided by the Programme Bodies 2.1.3 Influence factors of the implementation 2.5.1 B Light Scheme</i>

Effectiveness, efficiency and impact evaluation
of the INTERREG V-A Hungary-Croatia Cooperation Programme

Recommendations		Related main findings	Related chapters
	<i>R_4.3 Keep and further develop the INTERREG+ system</i>	<i>F_1.2 Programme management F_1.3 Influence factors of the implementation</i>	<i>2.1.2.3 Results of the simplification 2.1.3 Influence factors of the implementation</i>
	<i>R_4.4 Enhance the use of simplified cost options</i>	<i>F_1.2 Programme management</i>	<i>2.1.2.3 Results of the simplification</i>
<i>R_5 Project implementation</i>	<i>R_5.1 Improve the beneficiaries' communication capacities</i>	<i>F_2.4 Communication of the Programme and the projects</i>	<i>2.2.3.2 Project-level communication</i>
	<i>R_5.2 Encourage beneficiaries to better meet the horizontal principles</i>	<i>F_3.6 Horizontal principles</i>	<i>2.3.4 Horizontal principles</i>

R_1 Programme priorities

R_1.1 Keep improving the physical permeability of the border

The preparation of the technical plans for a new Mura bridge and the decontamination and environmental rehabilitation of war-affected territories along the border (within the framework of strategic projects) are two of the greatest results of the current programming period. Nevertheless, the (355 km long) border itself has the second weakest permeability among the EU internal borders (following the Romanian-Bulgarian one). The average distance between road border crossing points is more than 50 km (between Barcs / Terezino Polje and Drávaszabolcs / Donji Miholjac the distance is approximately 1,5 times more than the average).

Despite the limited financial framework of the next Programme(s), it is recommended to keep supporting the development of new border-crossing points in order to strengthen cross-border relations and the integration of the border region. By supporting even soft, preparatory activities in this field, the Programme could provide the political commitment that is indispensable for cross-border investments.

R_1.2 Monitor the legal and administrative permeability of the border

Croatia's integration process into the European Union has deepened during the programming period, which opened many opportunities and new challenges for the new Member State. In 2023, Croatia became part of the Schengen area that enhanced cross-border mobility, which will expectedly be further intensified during the next few years. According to the experience from more integrated border regions in other parts of the European Union, the more intensive the cooperation is, the more legal and administrative obstacles, hindering the everyday life of the residents, tend to turn up. The solution for this problem is, of course, not to constrain such forms of cooperation but to make further efforts to remove these obstacles in the most efficient way possible.

In the next programming period, it is proposed to provide opportunities to implement projects which monitor such barriers and elaborate potential solutions to overcome them.

R_1.3 Improve the cross-border character of the projects

The assessment shows that the cross-border character of the programme is relatively weak: a positive tendency has been detected, but the establishment of cross-border institutions and services is still not common in the border area. The Programme should make greater efforts to educate the applicants and encourage them to deepen their understanding of the criterion of cross-border added value.

To this end, the relevant part of the quality assessment should be modified: higher score to, and/or special weighting of, the cross-border criteria, and/or the introduction of a particular threshold below which the proposals are rejected should be introduced.

In parallel, the clear promotion of these criteria among the potential applicants would be crucial through the publication and presentation of guidelines and best practices online, as well as at the regular programme events.

R_1.4 Enhance the quality of cross-border partnerships

Despite some positive changes (see the *2.2.4 Durability of the projects*), the share of ad-hoc partnerships is still high. Consequently, it would be well advised to enhance the longer-term cooperation of cross-border partnerships.

In order for this, the assessment criteria should include factors by which longer perspectives can be awarded, e.g. the prehistory of the partnership (its length, previous joint projects, events, activities implemented together); future joint plans (regarding the concrete project results and further development of the project; cooperation in other projects, initiatives). A positive change in this field would contribute to enhancing the cross-border relevance and sustainability of the joint developments, as well as strengthen the currently missing integrated approach of the Programme.

R_2 Tools and mechanisms

R_2.1 Enhance the transparency of the mechanisms for selecting projects with strategic importance

It became obvious that the so called strategic and pilot projects represent developments of strategic importance for the programme area. At the same time, the planning and selection procedure of these projects were not homogenous.

It is proposed to put more emphasis on the preparation of strategic projects even in the programming phase with the involvement of the key local and regional actors from the border region. In addition, it would be also beneficial to design a specific and simplified application and selection procedure for these operations. In this manner, the ownership and acceptance of the projects, as well as their compatibility with the Cooperation Programme could be ensured in a transparent way.

R_2.2 Apply small (people-to-people) project fund

Although the Programme dedicated a specific component to people-to-people actions, it was not completely successful in involving smaller beneficiaries: many local municipalities from rural areas, small NGOs and civic associations tended to stay away from project application and implementation. In addition, complete subregions of the programme area remained untapped by the developments.

In order to overcome these challenges, it would be beneficial to set-up a small project fund offering smaller-scale financial support with simplified administrative procedures. A new scheme could attract newcomers to join the Programme, and also result in many local events, actions and initiatives for

residents under the Programme's title. Thus, it would also have a positive impact on the social interconnectivity and mutual trust across the border, at the same time the feeling of ownership and the visibility of the Programme would increase.

R_2.3 Reconsider the innovative character of the light projects

According to the experiences, the SMEs of the border region have not been mature and financially stable enough to focus on innovative developments. At the same time, the market integration and business relations across the border are still relatively weak, but show a positive tendency thanks to the EU integration of Croatia and the implementation of the B Light Scheme.

It is proposed to continue to support the enhancement of cross-border interactions and networking of SMEs, where the innovative character of the developments should be rather an advantage than a must. Within the framework of the CBC projects, the SMEs of the border region could be prepared for wider, international cooperation initiatives potentially funded by European Programmes dedicated to innovativeness and/or competitiveness.

R_2.4 Finetune the management structure of the B Light Scheme

By the involvement of the heavy beneficiaries (of the *B Light Scheme* strategic project) into the different stages of the implementation, the objectivity and transparency of the procedures has been violated. The NUTS3-level development agencies played an important role in the evaluation and selection of light projects, but also in the involvement of the SMEs and their support during the project generation, which led to conflicts of interest. The problem was recognised during the implementation period therefore certain amendments were introduced:

1. the JS was involved in the quality assessment in order to balance the evaluation, and
2. the heavy beneficiaries became responsible for evaluating the neighbouring region's project proposals (instead of the ones from their own regions).

In the future, special attention should be paid to avoid similar cases. It is advised to completely separate the role of addressing SMEs and generating projects from those of the project evaluation and selection. However, this would expectedly mean to further complicate the scheme, it is inevitable to ensure objectivity.

R_2.5 Provide efficient and effective administrative support to SMEs

However, many actors (including the heavy beneficiaries and the External Project Support Facility) were involved in the B Light Scheme's implementation with the aim of supporting the SMEs in meeting the administrative requirements, the role and competencies of these actors were not defined in an exact way. As a consequence, the burdens have finally culminated on the side of SMEs, creating unexpected

challenges and uncertainties for the light partners. In order to manage the perceived hitches, a certain level of modification is suggested, along the following lines:

1. While preserving the current set-up of the system, the competencies of the different actors should be designed and documented in detail. In addition, properly informing the SMEs about the necessary details is essential. Among others, light partners should know when and how to contact the EPSF during the project cycle and how to report the support of the experts to the Programme (certificate of completion).
2. The other option would be to allow SMEs to directly subcontract external project managers covered from light projects' budget. In this case, the set-up of a pool of external experts by the Programme might be beneficial.

When finetuning the current supporting structure, it should be borne in mind to be able to ensure proper bilingual (Hungarian and Croatian) support to SMEs in order to bridge the existing language gap (SMEs tend to lack English-speaking staff members).

R_2.6 Make the B Light procedures less time-consuming

The selection of the light projects took place in a two-round procedure that turned out to be too lengthy (1-1.5 years), which risked the financial viability of the project ideas within the rapidly changing market conditions. Similar to the last light call for proposals of the current period, it is advised to apply a one-round selection model in order to shorten the waiting time of SMEs.

The validation process of expenditures was also more time-consuming than expected. On the one hand, SMEs, as new and inexperienced actors within the Interreg framework made mistakes during the implementation and reporting. Thus, the better administrative and management support of the light partners (see *R_2.5 Provide efficient and effective administrative support to SMEs*) and closer monitoring of their activities by the LB (HAMAG-BICRO) would mean a solution to this problem. On the other hand, the limitedly harmonised operation of the two FLC bodies also contributed to the long waiting times, which should be handled according to recommendation *R_4.2 Enhance the harmonisation of the FLC bodies' operation on the two sides*.

Last, but not least, the design of a B Light-specific reporting practice might also be beneficial to better meet the needs of the SMEs. For instance, the 4-month based reporting model could be replaced by a procedure focusing on the most important milestones of the light projects. The milestones should be linked to major project activities such as a significant procurement of equipment or a service. This model would expectedly lead to a less frequent, but more effective reporting practice, which would ease the burdens of both the light beneficiaries and the Programme Bodies.

R_2.7 Monitor the results of the B Light Scheme

At the moment, the monitoring of the maintenance of the light projects' results has not formed part of the Programme procedures. However, the marketability of the products and services developed by SMEs basically defines the sustainability of the light projects. It would be beneficial to design a

procedure for follow-up reporting by dedicating the task of monitoring to one of the competent bodies (e.g. the HAMAG-BICRO or the JS).

R_3 Programme implementation

R_3.1 Select and define indicators more carefully

The selection of indicators is a big challenge because of the imperfection of the European framework. It offers a set of indicators to the Interreg programmes, the relevancy of which is moderate from a cross-border point of view. This problem could be overcome by the definition of indicators reflecting the intensity of cross-border flows and integration (see examples in the [2.3.5 The Programme's borderscape impact](#)).

Furthermore, experience shows that it would be beneficial to select the data source of the selected indicators more carefully. Surveys proved to be time-consuming and complicated, and, in addition, the received data over the programming period is not comparable. Applying the databases of the statistical bureaus or the territorially relevant authorities, and data gathering and monitoring by the Programme via the online monitoring system seem to be significantly more reliable methods.

Last but not least, the more exact definition of the indicators (including their territorial and sectoral scope, timeframe, etc.) is advised in order to provide the continuity and comparability of the data to be gathered at different stages of the programme implementation, including the ex-post evaluation.

R_3.2 Enhance the representation of the Programme at local level

Although the Contact Point in Osijek had worked well, it went out of service in 2020. At the same time, the assessment of territorial coverage of the CP showed, there were some regions (Bjelovarsko-bilogorska, Požeško-slavonska and Virovitičko-podravska županija) with only a very low number of (soft) projects. In order to be able to better address these regions and to attract more possible applicants, the Programme Bodies should strengthen their representation and (targeted) promotional activities.

It would be beneficial to increase the number of Contact Points by considering the aforementioned territorial aspects, even by the means of partly outsourced services (e.g. by involving regional development agencies or county-level governments). It can ensure the presence of the Programme at numerous local events and make the Programme more accessible for the local actors in their own language.

R_3.3 Provide networking opportunities to applicants

The involvement of new applicants, including smaller institutions or further organisations from the less-covered areas of the Programme, or SMEs (from outside the regional development agencies' network), could be enhanced by the organisation of in-person events with the opportunity to get to know each other and build partnerships. These events may be held together with the regular information days,

before the actual call for proposals, however the venue of these events should be carefully selected. In addition, the popularisation of these meeting opportunities is also crucial in order to address newcomers.

Last but not least an on-line partner search forum to be operated on the CPs website might be also practical.

R_3.4 Enhance the Programme's communication

In order to reach a stronger impact on addressing potential new applicants of the Programme (smaller stakeholders from the less covered regions), and increase the visibility of the Programme's result among the wider public, capacity-building of the JS is recommended. The involvement of a full-time internal or external communication manager, having the proper skills and experience to design targeted regular and online (social media) campaigns, would be beneficial.

R_4 Programme procedures and simplification

R_4.1 Finetune the quality assessment procedure

According to the current system, quality assessment is carried out partly by external experts, partly by JS staff members. The involvement of the programme managers in the assessment is already a good initiative, but it is recommended to further finetune the procedure by applying a three-level model (similarly to the Hungary - Slovakia Programme). According to this:

1. the JS should focus on assessing the feasibility and cross-border character of the project proposals;
2. the professional quality of the proposals should be evaluated by external sectoral experts having a great insight into the topics addressed by the particular calls;
3. the representatives of the counties (who also delegate members to the Monitoring Committee) should concentrate on the territorial relevance and adequacy of the proposals on a strategic level.

Such redesign of the quality assessment procedure would contribute to the fact that all three aspects of the projects are evaluated by the most relevant actors. At the same time, the better involvement of the regional level stakeholders into the programme implementation and decision-making would be ensured.

R_4.2 Enhance the harmonisation of the FLC bodies' operation on the two sides

The assessment of the programme procedure revealed serious asymmetries in the operation of the two FLC bodies (project controllers dedicated to project parts and regular contact with the beneficiaries in Hungary, while less proactive and ad-hoc approach in Croatia), which - besides the beneficiaries' mistakes - led to long waiting times (1-1.5 years in extreme cases) on the project partners' side. The

delay in the validation of expenses and the reimbursement often caused liquidity problems, especially in the case of smaller or SME beneficiaries.

In order to shorten the duration of the first level control procedure, it would be advised to enhance the cooperation of the FLC bodies and the JS by organising regular meetings for exchanging experiences, discussing the actual challenges and harmonising the schedule and approach of project control. In addition, it would be also beneficial to compensate the missing human capacities at the authorities.

R_4.3 Keep and further develop the INTERREG+ system

According to the interviews and the survey, all the actors of the Programme implementation are mostly satisfied with the newly developed INTERREG+ online monitoring tool. It is recommended to fine-tune the operating functions of the system based on the stakeholders' feedback, as well as to develop the application module for the implementation of the next CP.

R_4.4 Enhance the use of simplified cost options

According to the positive experiences of the Programme Bodies and the beneficiaries who used this opportunity, the SCOs are good instruments to reduce the administrative burdens of both parties. Even though the application of the optional flat-rate for planning and reporting the staff cost has been extended from one CfP to another (see *Figure 29*), there is still room for improvement.

In order to boost the acceptance and application of SCOs, the Programme Bodies should encourage the beneficiaries to use the optional flat-rate option by presenting the good practices and experiences within the framework of the public events and the personal consultations. In addition, it is also recommended to the Programme Bodies to consider the application of simplified cost options to further budget lines concerning travel and accommodation or communication activities, based on the best practices of other Interreg programmes (presented by the INTERACT on many platforms).

R_5 Project implementation

R_5.1 Improve the beneficiaries' communication capacities

The assessment pointed out that whilst the majority of the beneficiaries perform well in meeting the mandatory communication requirements, many of them regard communication activities as forced requirements. In addition, they tend to lack appropriate skills and capacities to realise effective measures and campaigns. At the same time, many potential fields of intervention (tourism, product and service development) to be funded by the CP require tailor-made, well-targeted communication activities in order to reach the relevant target groups which would be crucial to provide lasting results.

It is recommended to encourage the applicants to plan and implement such communication and visibility measures by providing professional guidelines at programme level and by ensuring a financial framework to involve (if necessary) proper external expertise at project level.

R_5.2 Encourage beneficiaries to better meet the horizontal principles

In order to improve the enforcement of horizontal principles, training courses and information programmes should be organised in the subject. These events might dissolve the currently prevailing approach, and facilitate the better adaptation and embeddedness of these principles.

To remedy this, the awareness and knowledge of the project partners about the application of the horizontal principles should be increased, which could be guaranteed by the organisation of dedicated events or the publication of specific manuals on the subject.

It is also advised to continue to apply horizontal indicators in the future Programmes in order to make the principles more tangible for the beneficiaries and support the evaluation of CP.

2 IN-DEPTH EVALUATION

2.1 Performance

2.1.1 Quantification of the performance

This chapter aims to introduce the performance of the Programme, including aspects such as number of calls and applications, status of project implementation, duration of projects, financial and financial progress, as well as the value analysis of the output indicators. Primarily, the analysis is based on quantified data that originate from the INTERREG+, CP documents (AIRs, CfPs) or from the Programme Bodies, including the HAMAG-BICRO; but the results of interviews were also taken into consideration.

During the whole programming period, 5 project selection rounds were introduced at programme level out of which only 2 were open calls for proposals. The projects with strategic relevance (*De-mine HU-HR II, B Light Scheme, MuKoBridge, CBJointStrategy*) were set-up in a closed and more restricted way. In addition, within HUHR/1602 which concerns only the PA1 – beside the strategic project (also titled as the heavy project of B Light Scheme) – 4 open calls of light projects, targeting SMEs were published during the 7 years.

Table 9: Overview of the calls²³

Call ID	PA	Call type	Project type	Open period	Planned ERDF allocation to the projects (EUR)
HUHR/1501	PA2	-	strategic	-	-
HUHR/1601	PA2, PA3, PA4	Open call	normal	29/02/2016– 31/05/2016	26,528,785.00
HUHR/1602	PA1	-	strategic		7,650,000.00
		Call for Light Concepts, Call for Light Project Proposals	light		
HUHR/1901	PA2, PA3, PA4	Open call	normal	31/01/2019– 3/05/2019	20,837,783.00
HUHR/1902	PA2, PA3	-	strategic and pilot	-	-

²³ The open calls do not include the management project of B Light Scheme and the following three strategic projects: De-mine HU-HR II, MuKoBridge, CBJointStrategy.

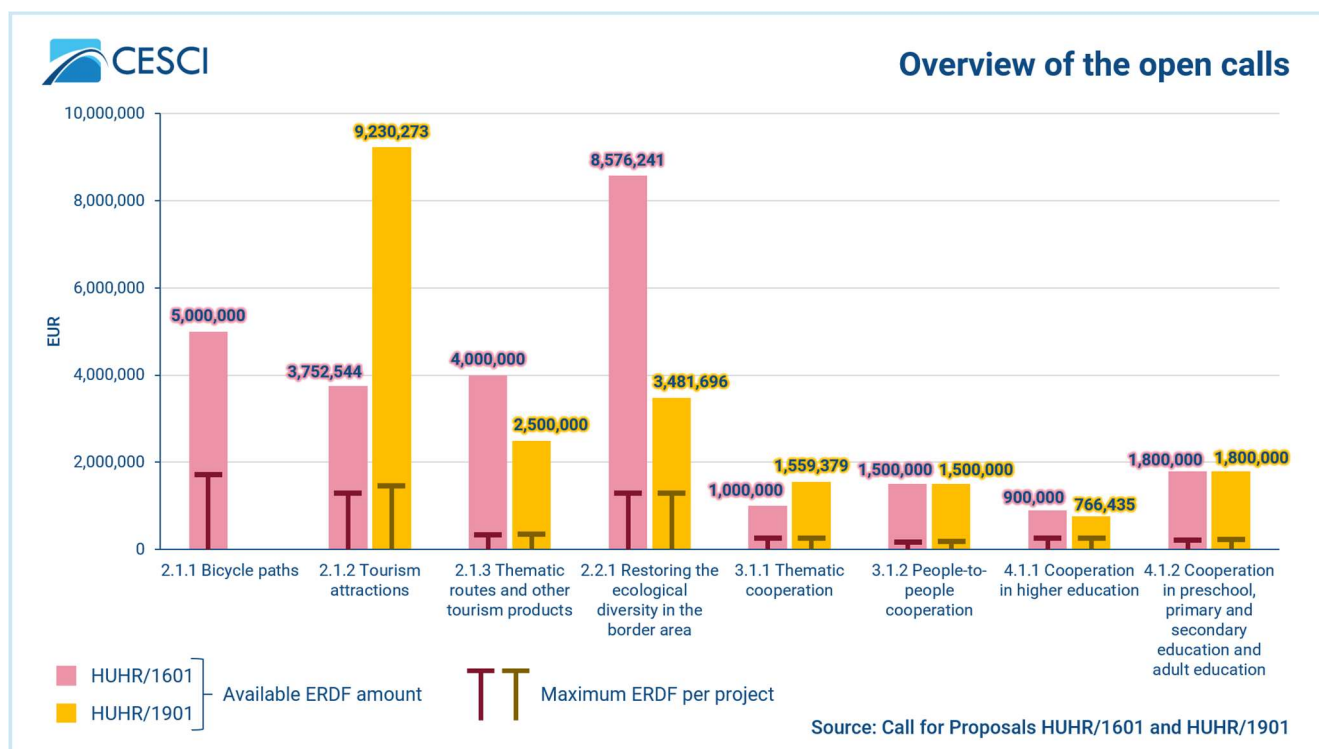
The open period of normal open calls was concentrated on the spring of 2016 (HUHR/1601) and on the 3 months between January and May in 2019 (HUHR/1901).

The thematic focus of the open calls is introduced in *Figure 12*. Excluding PA1, all PAs were covered by both calls. The first open call aimed to convert the region's natural and cultural assets to tourism attractions (SO2.1) by building bicycle paths (component 2.1.1), creating tourism attractions (component 2.1.2), thematic routes and other tourism products (component 2.1.3) and to restore the ecological diversity in the border area (SO2.2). In addition, it targeted to involve more social and institutional actors in cross-border cooperation (SO3.1) by thematic cooperation (component 3.1.1) and people-to-people cooperation (component 3.1.2); as well as it also strove to improve the role of educational institutions to increase the specific local knowledge-base in the region (SO4.1) by enhancement of cooperation in higher education (component 4.1.1) and in preschool, primary, secondary and adult education (component 4.1.2). The second open call was in strong correlation with the previous one, apart from that the improvement of bicycle infrastructure could not be supported within this call.

The available ERDF allocation under the open calls was mostly balanced (more than EUR 20 million), the difference between HUHR/1601 and HUHR/1901 was less than EUR 6 million, in favour of the former one. Regarding the open calls, the greatest amount of EU contribution was allocated to the improvement of tourism attractions (nearly EUR 13 million) and restoration of the border area's ecological diversity (EUR 12 million), while the smallest support was provided for the enhancement of cooperation in higher education (EUR 1.6 million) and thematic cooperation (EUR 2.5 million).

According to the calls for proposals, the determined minimum amount of ERDF per project was mostly around EUR 85,000 and 127,500, but a people-to-people project could work with EUR 42,500 EU contribution. The allowed highest financial support per project was EUR 1.7 million which could be used for construction of bicycle paths, but the projects aimed at improving tourism attractions or restoring ecological diversity could also utilise EUR 1.275 million.

Figure 12: Overview of the open calls



The PA1 was dedicated to implement the so called B Light Scheme, the management of which was delegated to expert organisations within the framework of a strategic project. Then the selection of the light projects was carried out within the framework of 4 open calls for proposals, through a two-round procedure. Firstly the light concepts were gathered by the Call for Light Concepts, after that the more detailed light project proposals were submitted in (Call for Light Project Proposals²⁴.) According to *Table 10*, the two-step selection procedure of LPP projects was carried out during the first three calls, while – owing to the remaining money and the tight timeframe – a 4th call was published with a one-step assessment model.

The planned ERDF under the light projects' calls fluctuated between EUR 2 and 3 million. The largest budget was owned by the second call (EUR 3.05 million), while the smallest subsidy amount (EUR 2.05 million) was published during the third call.

Regarding the maximum project size, the defined total budget frame was EUR 180,000 under the first three calls (the ERDF counterpart of which was EUR 135,000) and EUR 160,000 (ERDF: EUR 120,000) in the last call. Applicants were allowed to exceed the aforementioned ceilings, but in this case all costs above the threshold would have been added as own contribution of the applicant. Due to the expected complications, none of the applicants used this option.

²⁴ Further information about the strategic and light projects can be found in the chapter *2.5 Applied mechanisms and tools*.

Table 10: Overview of the light projects' calls

Call	Open period	Planned ERDF allocation (EUR)	Maximum ERDF co-financing per light beneficiary (EUR) ²⁵	Maximum project size (EUR)
1 st Call for Light Concept	9/06/2017– 15/09/2017	2,550,000.00	30,000 – 135,000	40,000 – 180,000
1 st Call for Light Project Proposals	26/10/2018– 14/12/2018			
2 nd Call for Light Concepts	17/04/2018 – 18/06/2018	3,050,000.00	30,000 – 135,000	40,000 – 180,000
2 nd Call for Light Project Proposals	14/01/2019– 15/03/2019			
3 rd Call for Light Concepts	19/03/2019 – 20/05/2019	2,050,000.00	30,000 – 135,000	40,000 – 180,000
3 rd Call for Light Project Proposals	28/10/2019 – 20/12/2019			
4 th Call for Light Project Proposals	16/11/2020 – 22/01/2021	2,657,227.01	30,000 – 120,000	40,000 – 160,000

Concerning the open calls (disregarding the strategic projects and B Light Scheme's heavy project), altogether 537 applications were received out of which 369 were normal project proposals and 168 light project concepts. A very high interest was shown towards the first open call (HUHR/1601), since the number of applications exceeded 200. In terms of light project concepts, the most popular light calls were the first and third ones with 53 and 37 concepts. However, the administrative burden under the fourth light call was significantly higher than in the previous light calls (due to the one-step procedure), the number of received proposals was 45.

26% of the total number of applications were contracted and started its implementation (107 normal and 31 light projects), which means a 29% selection rate for the normal projects and 18% for the light projects.

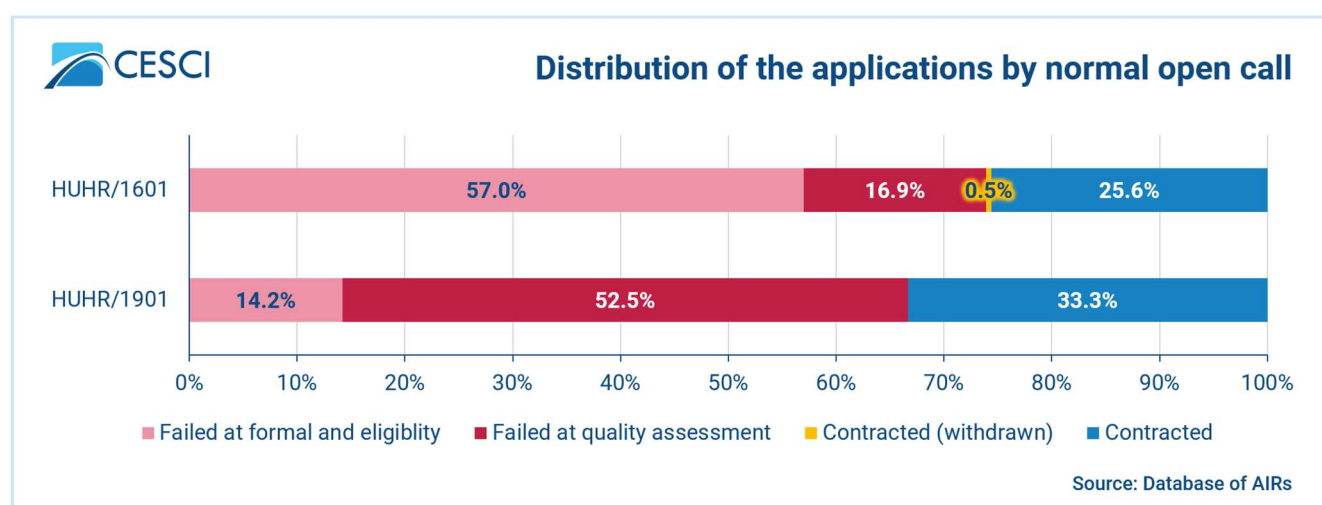
During the selection procedures, the applications could be failed at different stages. Since the process of selection was made in different ways, the evaluation of normal projects and light projects cannot be handled together. Regarding the normal projects (see *Figure 13*), the first step was the formal and eligibility assessment²⁶ of the received applications which was carried out by the JS. Based on the database of the JS, more than half of the applications under HUHR/1601 were rejected (57%; 118 applications), while under the second open call the number of concerned applications was only 23 (14%). At this stage of the selection procedure, missing documents could be complemented only in the

²⁵ Maximum 75% of the total eligible expenditure can be co-financed from the B Light Scheme, the rest shall be ensured by the light beneficiaries' own sources.

²⁶ Under HUHR/1901 a simplified formal and eligibility assessment was used in order to speed up the selection procedure.

first open call (with no possibility of second round completion). The administrative check was followed by the quality assessment that was provided by the JS and external experts. Altogether 33% of all applications (120 applications) did not meet the expectations. The ratio of the unsuccessful projects (at this stage of selection procedure) was the highest under the second call (52%; 85 applications) and more modest under the first (17%; 35 applications). In case of technical adequacy, the applicants had the opportunity to clarification, but only one time during the quality assessment process. Owing to the average of the two scores given by the two quality assessors, a list of project proposals was created that was the basis for the decision of the MC. Overall 108 projects (29% of the applications) were selected and contracted out of which one was withdrawn during the implementation phase.

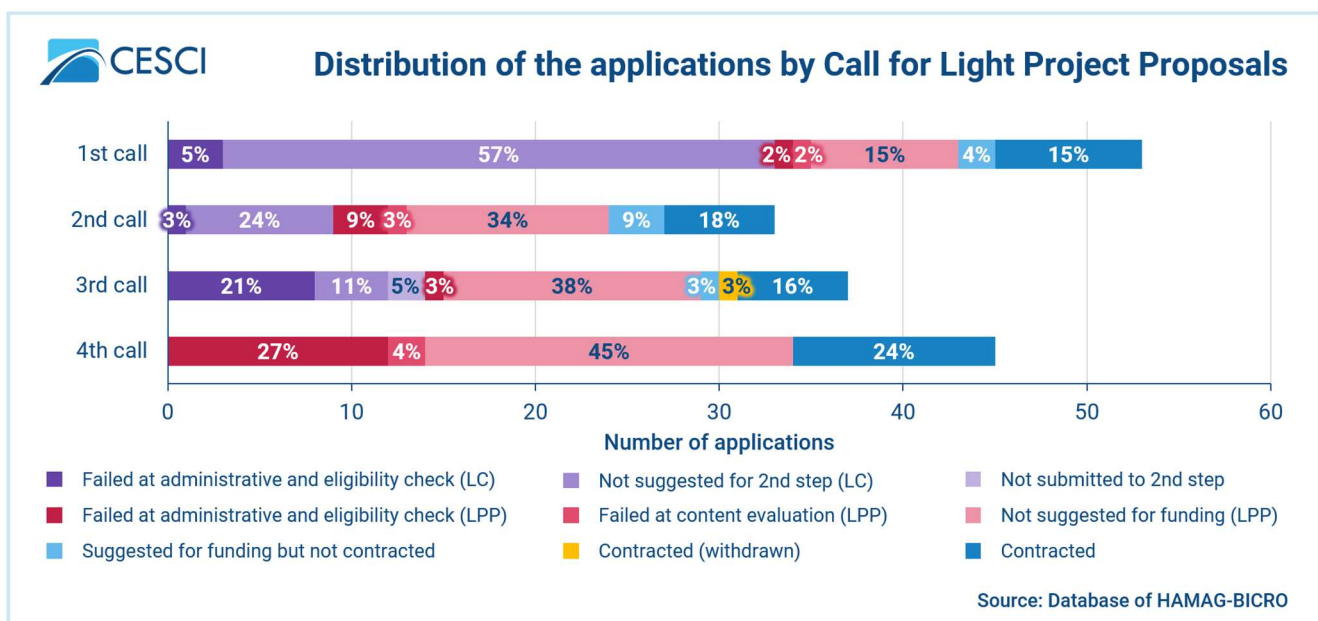
Figure 13: Distribution of the applications by normal open call



The selection process of B Light project application (see [Figure 14](#)) consisted of two steps, where a similar selection methodology was applied. Firstly, an administrative and eligibility check took place, that was followed by a content evaluation on the basis of which the so called Selection Board made the decision. Altogether 54 light concepts were not approved in the first selection step, which accounted for 32% of the total concepts²⁷. The highest rejection rate was measured under the 1st call: 63% of the concepts were rejected. In the second step, the approved light concepts were invited to elaborate a detailed project proposal, that was not submitted by 2 light proposals (1% of the concepts). During the second selections phase, the previously used selection methodology was repeated. 17 light project proposals were failed at the administrative and eligibility check and further 4 at the content evaluation. Altogether 38 light project proposals were suggested for funding (23%), but 6 were not contracted (4%), 1 terminated the contracting procedure (1%) and 31 became projects (18%).

²⁷ Note that in the 4th light call (4th Call for Light Project Proposals) the first selection step (light concepts submission) was skipped, therefore zero concepts belonged to this call and the number of unawarded light project proposals was significantly higher than in the case of the previous calls.

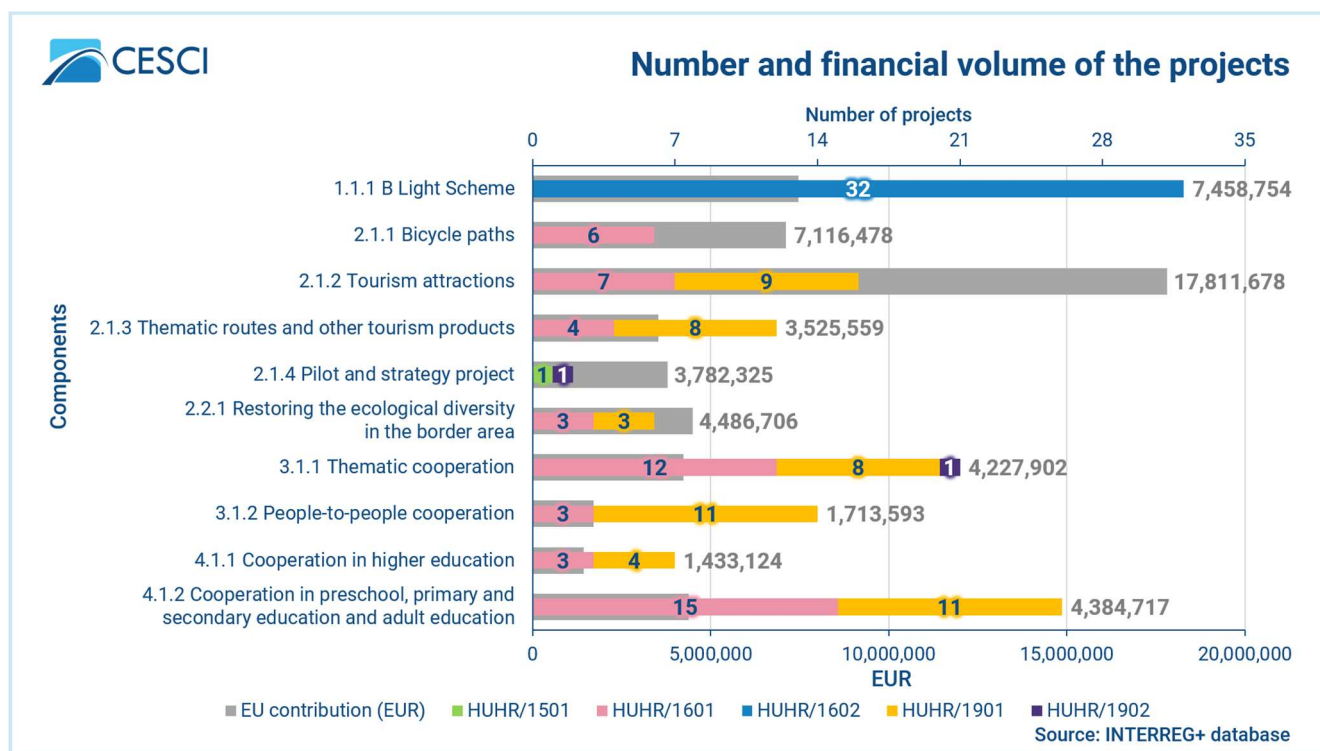
Figure 14: Distribution of the applications by Call for Light Project Proposal



All in all, 142 projects²⁸ have been implemented during the programming period that were distributed almost proportionally between the PAs: 30% under PA2, 25% under PA3 and 23-23% under PA1 and PA4. On component level, the largest number of projects belonged to the SME development (23%; 31 light and 1 heavy projects), but the interest was also remarkably high in such components as preschool, primary and secondary education and adult education cooperation (18%; 26 projects) and thematic cooperation (15%; 21 projects) as the *Figure 15* indicates.

²⁸ Management project and LPPs are also included.

Figure 15: Number of projects by component²⁹



The largest amount of ERDF was allocated to developing tourism attractions (EUR 17.8 million), while the SME and bicycle paths development also absorbed more than EUR 7-7 million. The smallest amount (less than EUR 2 million) was allocated to the people-to-people projects and the higher education cooperation.

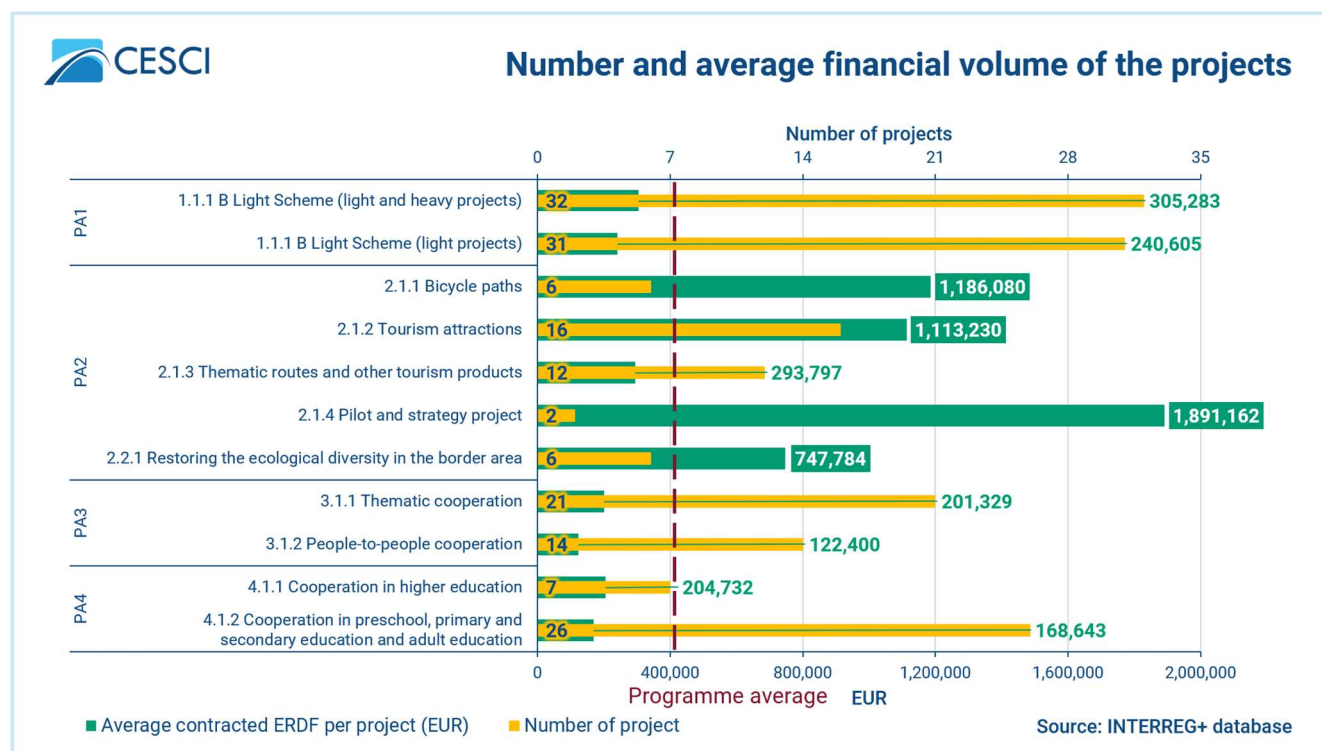
According to *Figure 16*, the average ERDF allocation per project was more than EUR 410,000. Only 4 components' average value exceeded this level: pilot and strategy project (EUR 1.9 million), bicycle paths (EUR 1.18 million), tourism attractions (EUR 1.1 million) and restoring ecological diversity (nearly EUR 748,000). Owing to the structure and profile of small-scale people-to-people projects, the lowest average EU contribution per project belonged to this component (less than EUR 125,000).

Beside the two strategic projects of *De-mine HU-HR II* and *B Light Scheme* (more than EUR 2 million ERDF per project), 15 normal projects contracted alone more than EUR 1 million EU contribution. Out

²⁹ The heavy project of B Light Scheme (responsible for management) is included in the table.

of these, the largest amount of ERDF was received by *EV13 Gap*³⁰ (EUR 1.6 million), *EAGLE*³¹ (EUR 1.5 million) and *Cycle in a network 2.0*³² (EUR 1.4 million).

Figure 16: Number and average financial volume of the projects³³



Regarding the overall financial allocation at programme level, the CP provided EUR 57.1 million ERDF support for this programming period. Since the open calls did not contain the three strategic projects (*De-mine HU-HR II*, *MuKoBridge*, *CBJointStrategy*) and the heavy project of the B Light Scheme, the total value of open CfPs (EUR 55 million) fell short of by EUR 2 million compared to the CP. Within the open calls, the normal ones accounted for 48% (HUHR/1601) and 38% (HUHR/1901) of the aggregated value, while the rest (LPP's financial frame) could be divided into 3 (+1 repeated) Calls for Light Project Proposals³⁴.

³⁰ EV13 Gap: HUHR/1601/2.1.1/0006, Filling the gap - completion of the cross-border section of EuroVelo 13 between Drávatamási and Virovitica (Component: 2.1.1 Bicycle paths; Topic: developing the cyclotouristic EV13 route and upgrading the network of cyclo infrastructure)

³¹ EAGLE: HUHR/1901/2.1.2/0109, Enhancing the Adventure Generating Local Environment Pitomača-Pecs (Component: 2.1.2 Tourism attractions; Topic: boosting the touristic attractiveness of the Bilogora and Mecsek area by developing existing natural and cultural assets, developing visitor centres)

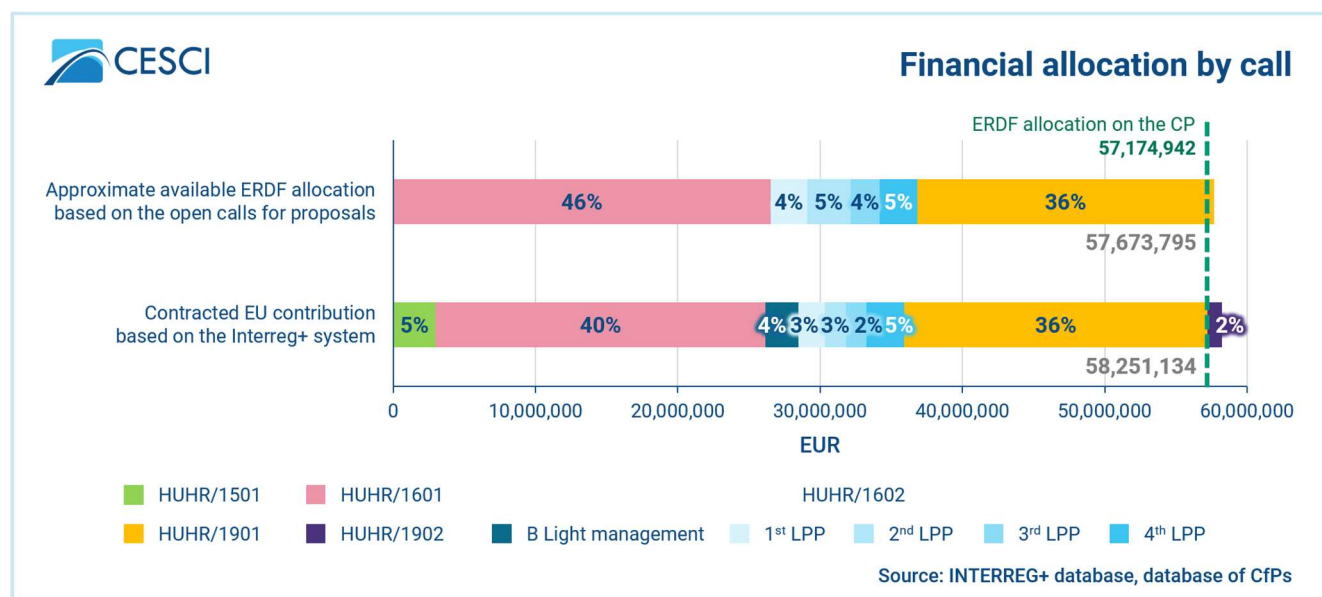
³² Cycle in a network 2.0: HUHR/1601/2.1.1/0001, Improved cycling connections of South-Zala and Međimurje across space and time (Component: 2.1.1 Bicycle paths; Topic: creating innovative cross-border cycling services and new bike lanes)

³³ The component of pilot and strategy project incorporates only the MuKoBridge and De-mine HU-HR II.

³⁴ The detailed amount of allocation per calls can be found on [Figure 12](#) and [Table 10](#).

The total amount of contracted EU allocation (which contained the strategic projects as well) was more than EUR 58 million which exceeds the CP allocation by EUR 1,07 million. As the *Figure 17* shows, under HUHR/1601 the contracted ERDF allocation was EUR 3.3 million less than it was planned by the call, while in the case of HUHR/1901, the surplus was detected on the contracted side (by EUR 460,250). Regarding the *B Light Scheme*, the increase of contracted amount was due to the involvement of heavy project into the calculation, which was selected in a restricted call.

Figure 17: Financial allocation



Apart from light projects, maximum 85% of the total eligible budget of the projects could be financed from EU contribution and the rest from state and own contribution. Regarding the open calls, the state contribution in Croatia within the Programme was not available, thus the Croatian beneficiaries (both private and public entities) had to ensure 15% of the total project budget from their own sources, while all Hungarian beneficiaries were eligible for receiving state contribution (with 100% advance payment) according to the concerned regulation³⁵. If the Hungarian beneficiary was not considered as a budgetary organisation or public body of the Hungarian state³⁶ (these beneficiaries were exempted from paying own contribution), the received state contribution could be maximum 10% while minimum 5% of the total project cost needed to be ensured from own contribution.

In practice, 85% of the normal projects' eligible expenditure were covered as EU contribution, while 6% were financed by national and 9% by own sources. Regarding the total expenditure of strategic projects, the rate of EU contribution was 90%³⁷, while the rest 10% were divided equally between the state and beneficiaries.

³⁵ Regarding the national co-financing in Hungary see Government Decree No. 126/2016 of 7 June 2016 about the implementation of cross-border cooperation programmes of the European Regional Development Fund and the Instrument for Pre-accession Assistance in the 2014-2020 programming period.

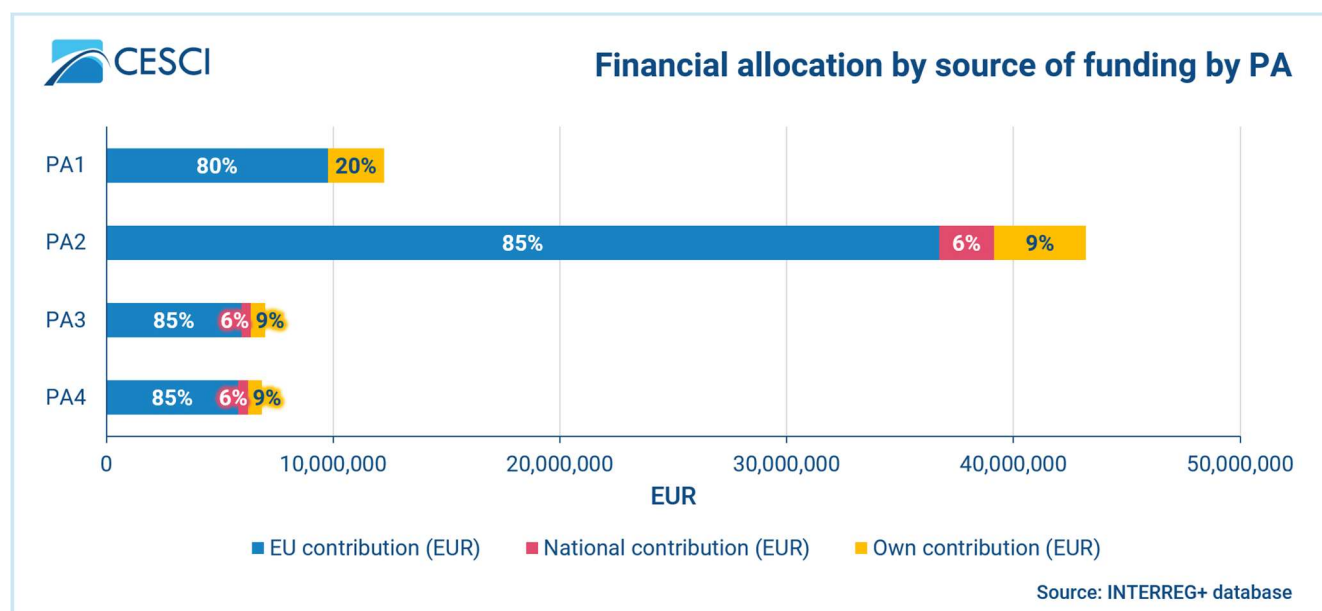
³⁶ Including those companies which are owned exclusively by the Hungarian state, directly or indirectly.

³⁷ The rate of EU contribution was 100% under the heavy project of B Light Scheme, but under the other strategic projects it was 85% similarly to normal projects.

In relation to light projects, the maximum EU co-financing rate was 75% for both Croatian and Hungarian light beneficiaries, and a minimum of 25% of the total eligible expenditure needed to be provided as own contribution of light partners. According to the Commission Regulation on de minimis aid³⁸, the maximum limit of EU contribution is 85%, but the Programme has stipulated less than this (only 75%), in order to increase the commitment of SMEs, but to be more favourable than national programmes (where the co-financing is around 55%). Furthermore, the light partners could not require advance payment of grants from the B Light Scheme.

On PA level (see *Figure 18*) the co-financing rate was alike under PA2, PA3 and PA4 (EU contribution 85%, state contribution 6%, own contribution 9%), while under PA1 – due to the financing rate of heavy project (100%) and light projects (75%) – 80% of the eligible expenditure were financed from EU support, while the rest 20% were paid by the beneficiaries.

Figure 18: Financial allocation by source of funding



The projects' maximum duration was determined by the open calls³⁹, however due to the unexpected external and internal factors (such as COVID-19 pandemic and the massive inflation) the projects could

³⁸ <https://eur-lex.europa.eu/eli/reg/2013/1407/oj>

³⁹ The timeframes pre-defined by the calls are given in the Annex (3.1 List of the projects

To ensure the clarity and readability of the evaluation, the abbreviations of the projects are used in the main text. At the very first mention of a project, a footnote helps the reader to identify the full name and ID code of the project. The complete list of projects is shown in the next table.

Table 38: List of the projects

Name of the Call for Proposals	Project ID	Project acronym	Project title
Strategic project (2015)	HUHR/1501/2.1.4/0001	De-mine HU-HR II	De-contamination of war-affected territories
1st Call for Proposals (2016)	HUHR/1601/2.1.1/0001	Cycle in a network 2.0	Cycle in a network 2.0 - Improved cycling connections of South-Zala and Međimurje across space and time
	HUHR/1601/2.1.1/0003	Bike&Boat	Cross-border cooperation in multimodal tourism
	HUHR/1601/2.1.1/0006	EV13 Gap	EV13 Gap: Filling the gap - completion of the cross-border section of EuroVelo 13 between Drávatamási and Virovitica
	HUHR/1601/2.1.1/0008	BYPATH	BicYcle PATH that connects Mailath castle and Siklos fortress
	HUHR/1601/2.1.1/0009	Happy Bike	Unlimited bicycle experience along the Mura and Drava rivers
	HUHR/1601/2.1.1/0011	Cyclo-Net	Extension of cross-border cyclotourism networks through development of capillary bicycle paths in Križevci and Zalakaros
	HUHR/1601/2.1.2/0004	Two Rivers one Goal	Sustainable water tourism along Mura and Drava River
	HUHR/1601/2.1.2/0006	Sokci	Converting the region's Sokci cultural heritage assets to tourism attractions
	HUHR/1601/2.1.2/0010	Attractour	Revitalisation of cultural heritage into tourism attractions in Međimurje and Letenye area
	HUHR/1601/2.1.2/0011	Preradović & Csokonai	Preradović & Csokonai - celebration of romantic poets of the cross-border area
	HUHR/1601/2.1.2/0013	HU-CRO Wine Stories II	Hungarian-Croatian Wine Stories II
	HUHR/1601/2.1.2/0014	Tourism 4 All	Common tourism development of natural and cultural assets of Suhopolje-Noskovačka Dubrava-Zselic Starry Park

	HUHR/1601/2.1.2/0016	Green Baranja / Baranya	Green Baranja / Baranya - greening the tourism through innovative products in joint nature and landscape heritage
	HUHR/1601/2.1.3/0008	Bee2Be	Cross-border touristic routes of honey & bees
	HUHR/1601/2.1.3/0010	DRAWA	Development of touristic navigation on Drava waterway between sections of 0+000 – 198+600 rkm
	HUHR/1601/2.1.3/0022	Eat Green	Sustainable table - Culinary traditions and innovations along Baranya Greenway
	HUHR/1601/2.1.3/0024	CultuREvive Tour	Sustainable development of eco - cultural tourism of Koprivničko-križevačka county, Međimurska county and Zala county
	HUHR/1601/2.2.1/0002	Oak protection	Protection of the English oak in the cross-border area
	HUHR/1601/2.2.1/0004	RED FAITH	Restoring Ecological Diversity of Forests with Airborne Imaging Technologies
	HUHR/1601/2.2.1/0016	Aljmaski rit&Boros Drava	Ecological revitalization of Boros-Dráva and Aljmaski rit branches to renew aquatic habitats, increase biodiversity and fishing tourism possibilities
	HUHR/1601/3.1.1/0003	CATCH	Co-operation between Public Administration in Cross-Border regions of Croatia and Hungary for Serving Citizens Better
	HUHR/1601/3.1.1/0004	EE SUN	Energy Efficient Sustainable Urban Neighborhood
	HUHR/1601/3.1.1/0012	EcoSmartCities	Ecological Smart and Sustainable Cities
	HUHR/1601/3.1.1/0014	ATDS II	Amusement Tourism Development Strategy II
	HUHR/1601/3.1.1/0015	EVcc	Electric vehicle competence and experience centre
	HUHR/1601/3.1.1/0016	RefurbCulture	Energy efficient refurbishment in cultural heritage buildings
	HUHR/1601/3.1.1/0018	AgriShort	Establishing short food supply chains and competitive agricultural sector in the cross-border region through institutional cooperation

	HUHR/1601/3.1.1/0023	Local products for the people	Thematic cooperation to make a joint method for more efficient use of local products
	HUHR/1601/3.1.1/0027	DESCO	Development of strategic cross - border cooperation between Letenye, Ludbreg and Prelog
	HUHR/1601/3.1.1/0030	SUECH	Sustainable energy use in CBC area of Croatia and Hungary
	HUHR/1601/3.1.1/0032	2Regions2Sustain	Cross-border Co-operation on Creating Sustainable Region and Source Efficient Society
	HUHR/1601/3.1.1/0033	RuRES	Renewable energy sources and energy efficiency in a function of rural development
	HUHR/1601/3.1.2/0002	Revive	REVIVE OLD WRESTLING STYLES THROUGH LONG -TERM AND SUSTAINABLE COOPERATION
	HUHR/1601/3.1.2/0004	CBC-ORIENT	Cross-border cooperation in Orienteering
	HUHR/1601/3.1.2/0013	SportOverBorders	Sport Cannot Stop at Borders
	HUHR/1601/4.1.1/0001	ISD Uni	Integrated Settlement Development Knowledge Centres in the HU-HR border zone
	HUHR/1601/4.1.1/0004	V-educa 2	Vocational education 2
	HUHR/1601/4.1.1/0009	ImproveMEd	Improved Medical Education in Basic Sciences for Better Medical Practicing
	HUHR/1601/4.1.2/0001	E.B.M.	Erasing Borders with Music
	HUHR/1601/4.1.2/0004	B.I.R.D.S.	Border Isn't Restriction for Developing Skills
	HUHR/1601/4.1.2/0005	4E4K	4 Elements 4 Kids from cross border co-operation and education adjusted for pre-school children
	HUHR/1601/4.1.2/0006	I-DARE	„Development of dual training and introduction of tertiary systems in the field of mechanical engineering and electrical engineering professions“
	HUHR/1601/4.1.2/0008	RE.M.I.S.E	Cross-border co-operation for the development of social and solidarity economy through the elaboration and implementation of a joint adult education training programme
	HUHR/1601/4.1.2/0011	RoboTech	Cross border development of robotics in primary schools

	HUHR/1601/4.1.2/0012	STILL	Sports, ICT and language competences in the service of conservation of craftsmanship and entrepreneurship tradition and competitiveness in the labor market of students from Slatina and Szigetvár
	HUHR/1601/4.1.2/0013	HU-HR Fruit Trees	The Forgotten Forest Fruit Trees
	HUHR/1601/4.1.2/0022	CHEC	Croatia-Hungary Educational Cooperation
	HUHR/1601/4.1.2/0029	JOLLIZ!	Joint Learning Legrad i Zákány
	HUHR/1601/4.1.2/0030	VEC Sharing	Cross-border Vocational Education Capacity Sharing
	HUHR/1601/4.1.2/0031	ECOTOP2	Life long learning programmes for increased growth capacity in ecotourism
	HUHR/1601/4.1.2/0032	DUO PACK	DUAL EDUCATION - Practical Approach to Concrete Knowledge
	HUHR/1601/4.1.2/0033	Phys-Me	Improving the educational system in Physics for general and vocational education in the Croatia-Hungary border region for secondary schools
	HUHR/1601/4.1.2/0035	EN-EFF	New concept training for energy efficiency
Strategic Project (2016)	HUHR/1602/1.1.1/0002	B Light Scheme	Fostering value added business cooperations between SMEs operating on different sides of the Hungary-Croatia
1st Call for Light Project Proposals (2018)	HUHR/1602/2018-LPP1-01	CTRouter	CTRouter (Computer Telephony Router)
	HUHR/1602/2018-LPP1-03	Furniture of Drava	Furniture of Drava
	HUHR/1602/2018-LPP1-07	Zinc anode	Design and development of new and more modern zinc anode
	HUHR/1602/2018-LPP1-09	Water cleaning	Development of a new water cleaning equipment
	HUHR/1602/2018-LPP1-10	METAL IS OUR PASSION	"METAL IS OUR PASSION - 'T' straight line"
	HUHR/1602/2018-LPP1-13	Herbas - Barcs Metál	Development of a mobile plug-and-play plant dryer for accessible and fast drying process (Herbas - Barcs Metál)

	HUHR/1602/2018-LPP1-14	Cost Effective Agricultural So	"A Cost Effective Agricultural Solution: Product Development of a Liquid Manure Tanker with a Multifunctional Chassis and a Connected Adaptor System
	HUHR/1602/2018-LPP1-17	LaMF	Production and new markets for laminated, prefinished multilayered floors (LaMF
2nd Call for Light Project Proposals (2019)	HUHR/1602/2019-LPP2-001	E-FAIRYTALE	E-FAIRYTALE - Joint development of an interactive application based on famous fairytale stories
	HUHR/1602/2019-LPP2-005	SMART ELITE TRAINING BOX	SMART ELITE TRAINING BOX INNOVATIVE NEW PRODUCT DEVELOPMENT AND DIVERSIFICATION FOR EUROPEAN MARKET EXPANSION
	HUHR/1602/2019-LPP2-006	DATA AND SOCIAL MEDIA ANALYTIC	INNOVATION BREAKTHROUGH WITH BIG DATA AND SOCIAL MEDIA ANALYTICS IN THE ENERGY SECTOR
	HUHR/1602/2019-LPP2-012	Tinker Labs	Tinker Labs - Scaling-up the Franchise Business Model for Launch in International Markets
	HUHR/1602/2019-LPP2-014	White acacia poles processing	Joint development of professional machinery for processing white acacia poles
	HUHR/1602/2019-LPP2_015	Common technology, common futu	Common technology, common future - development of a high capacity packaging machine
3rd Call for Light Project Proposals (2019)	HUHR/1602/2019-LPP3-001	Permeameter	Development of a universal high-pressure permeameter fitting to the SmartLab concept
	HUHR/1602/2019-LPP3-005	Ultrasonic System	Ultrasonic System for deterring wild animals
	HUHR/1602/2019-LPP3-008	SMART wastewater	SMART wastewater treatment plant
	HUHR/1602/2019-LPP3-009	DiaFoot	Diabetic footwear – best preventive to sensible diabetic feet
	HUHR/1602/2019-LPP3-020	TOUREX	TOUREX - Extension of the tourism market by family-run tourism service providers along the Drava and Mura (Tenkes csárda – Malo Selo)
	HUHR/1602/2019-LPP3-021	Digital signage	Digital signage with AI powered targeting and analytics software
	HUHR/1602/2021-LPP4-001	IDENTYUM NOW	IDENTYUM NOW

4th Call for Light Project Proposals (2021)	HUHR/1602/2021-LPP4-010	INO-WIN	Development and commercialization of innovative energy efficient windows and doors
	HUHR/1602/2021-LPP4-013	Storage of Future	Storage of Future – modular, smart cabinet
	HUHR/1602/2021-LPP4-018	WaSaDrinker	WaSaDrinker: Joint development of water-saving drinkers for animal farms
	HUHR/1602/2021-LPP4-024	Water meter remote monitoring	Water meter remote monitoring system
	HUHR/1602/2021-LPP4-030	ROBINIA	ROBINIA - Joint development of high quality outdoor Robinia pseudoacacia wood-based panels
	HUHR/1602/2021-LPP4-031	Voice-driven password manager	Voice-driven, cloud based password manager service with hardware activation
	HUHR/1602/2021-LPP4-032	ABRASIVE BELTS	Production of innovated high-class abrasive belts for using in wood, metal and automotive industry
	HUHR/1602/2021-LPP4-037	WEE CHEE	Smart line furniture - WEE CHEE SMART TABLE
	HUHR/1602/2021-LPP4-041	CRO-HUN Gloves	Cross-border cooperation in the creative industry through developing new high quality leather glove brand and innovative IT solutions for it's sales and marketing
	HUHR/1602/2021-LPP4-045	Condensation plant dryer	Development of a condensation dryer for quick and efficient drying of medicinal and aromatic plants
2nd Call for Proposals (2019)	HUHR/1901/2.1.2/0028	Two Rivers one Goal II	Sustainable water tourism along Mura and Drava River II
	HUHR/1901/2.1.2/0061	Hidden landscapes	Hidden landscapes – new wildlife and culture destinations in HU –HR cross – border area
	HUHR/1901/2.1.2/0074	AT@AT.CB	Active Tourism meets Advanced Technology in Cross-Border Area
	HUHR/1901/2.1.2/0096	reVITALize	Wine folklore as the historical identity of Podravina and Pomurje
	HUHR/1901/2.1.2/0107	CSA	CycleSeeing Attractour
	HUHR/1901/2.1.2/0109	EAGLE	Enhancing the Adventure Generating Local Environment Pitomača-Pecs

	HUHR/1901/2.1.2/0111	Aqua Adventures	Connecting and upgrading of water-based tourism offer on lakes by jointly developing new and innovative cross-border tourism product and enhancing the cross-border tourism destinations
	HUHR/1901/2.1.2/0120	VICINaD	Virtual re-connection of industrial nodes along the Drava between Hungary and Croatia
	HUHR/1901/2.1.2/0147	ENERGY TOUR	Traditional energy industry based joint tourism development on the Hungarian and Croatian side of the tri-border area
	HUHR/1901/2.1.3/0051	HITRoute	Cross-border Historical Theme Route of Noble families
	HUHR/1901/2.1.3/0054	Cross-border wine routes 2	From wine routes to joint HUHR tourism brand – creating the recognizable crossborder wine region image
	HUHR/1901/2.1.3/0062	RoutesToRoots	Rural routes of common heritage
	HUHR/1901/2.1.3/0085	Handshake	Handshake of Traditions - Common Heritage Tourism Development of Marok and Novi Bezdán
	HUHR/1901/2.1.3/0095	WINE TOUR ACROSS BORDERS	WINE TOUR ACROSS BORDERS - UNIQUE WINE TOURISM DESTINATION
	HUHR/1901/2.1.3/0138	Via Saint Martin	Supporting the promotion and development of transnational pilgrimage routes linked to sustainable and cultural tourism
	HUHR/1901/2.1.3/0148	Drava events II	Events of the both side of the Drava River
	HUHR/1901/2.1.3/0153	VUCEDOL	Vucedol Culture – Touristic valorisation of common prehistoric heritage
	HUHR/1901/2.2.1/0117	Eco Bridge	Restoration of ecological diversity in the border area of Međimurje and Zala County
	HUHR/1901/2.2.1/0122	Riverside	Development and Protection of the Transboundary Biosphere Reserve Mura-Drava-Danube
	HUHR/1901/2.2.1/0128	MonMur	Monitoring of surface and underground water in Međimurje and Zala county
	HUHR/1901/3.1.1/0001	ForMURA	Upgrade and development of flood alarm and forecast model of MURA

	HUHR/1901/3.1.1/0019	CO-EMEP	Improvement of cooperation for better energy management and reduction of energy poverty in HU-HR cross-border area
	HUHR/1901/3.1.1/0023	Bright Social Minds	Exchanging experiences and knowledge about social work in segregates of Hungary and Croatia
	HUHR/1901/3.1.1/0024	2RegionsZOOSustain	Fostering use of renewable energy sources and waste to energy concept through targeted actions and raising of environmental awareness
	HUHR/1901/3.1.1/0032	CABCOS3	Analysis of the long term efficiency of vaccinations against infectious diseases in the border regions of Croatia and Hungary
	HUHR/1901/3.1.1/0048	SEPlAM-CC	Raising capacity of cross-border public institutions in sustainable energy planning and management and climate change mitigation
	HUHR/1901/3.1.1/0078	Green AURA	Setting up cooperation of GREEN Communities with AUgmented Reality Assisted living labs
	HUHR/1901/3.1.1/0102	ADOBE	ACCESSIBLE TOURISM DESTINATIONS AND SERVICES IN BORDER AREAS
	HUHR/1901/3.1.2/0017	CulturCo	Preservation of Intangible Cultural Traditions by Connecting People in the Cross- Border Area
	HUHR/1901/3.1.2/0035	STTARS	The specific role of table tennis in HU-CRO cross border regional sport
	HUHR/1901/3.1.2/0040	CHOIR	Hungarian- Croatian choir workshop
	HUHR/1901/3.1.2/0043	CHP	Culture, heritage and profession – Establishing the professional replenishment of heritage preservation through cultural events
	HUHR/1901/3.1.2/0049	MR-EGTC Heritage	Gastronomical Heritage in the Mura Region EGTC
	HUHR/1901/3.1.2/0053	SHARE MUSIC	Sharing music and connecting people in the cross-border area
	HUHR/1901/3.1.2/0060	CBC-ORIENT II.	Cross-border cooperation in Orienteering II.
	HUHR/1901/3.1.2/0089	BeDrugFree	Talk freely - Connect courageously - Prevent effectively

	HUHR/1901/3.1.2/0092	BRIDGES BETWEEN COMMUNITIES	MINORITIES AS BRIDGES BETWEEN COMMUNITIES
	HUHR/1901/3.1.2/0131	PART	Promotion of Contemporary Art Across the Border
	HUHR/1901/3.1.2/0159	Cross-Cultural Tool-Kit	Jointly development of new, innovative joined structures and shared processes to ensure the continuity of co-operation in the field of Culture and Tourism in the cross-regions
	HUHR/1901/4.1.1/0008	EDUAGRI	Multilevel education system for agile agri-food chains
	HUHR/1901/4.1.1/0052	IC4HEDS	Intensive Courses for Higher Education Students
	HUHR/1901/4.1.1/0058	GASTROTOP	Comprehensive educational support of food-service providers facilitating demand on emerging special dietary restrictions consumer market
	HUHR/1901/4.1.1/0123	EQUI EDU	Equine Studies Education and Competence centre for development of equestrian tourism in the cross border region
	HUHR/1901/4.1.2/0006	ROBOTICO	ROBOTics in Interregional COoperation
	HUHR/1901/4.1.2/0011	2M2C	Music moves us – Culture connects us
	HUHR/1901/4.1.2/0015	HU-CRO EXPLORE AND LEARN	EXPLORE AND LEARN gastronomic tradition, sharing knowledge
	HUHR/1901/4.1.2/0031	TaMPeD	Joint elaboration and implementation of a primary school talent management and personality development program
	HUHR/1901/4.1.2/0034	EDU Roma	Education Development for Understanding Roma
	HUHR/1901/4.1.2/0038	CMS together II	Let's grow together with the culture, music and sports II
	HUHR/1901/4.1.2/0055	ECOoperation	Cross-border cooperation of secondary schools in developing common tools in practical training of natural sciences (water, soil, micro-climate)
	HUHR/1901/4.1.2/0068	RobotsConnecting	Robots Connecting High Schools in Cross-border Area
	HUHR/1901/4.1.2/0072	GiftedHUHR	Encouraging and developing gifted kids for more advanced cross border area
	HUHR/1901/4.1.2/0077	TEACH	Transcultural Education Alliance in Croatia and Hungary

not adhere to these expected values and requested prolongation. Nearly half of the projects (47.9%; 68 projects) had to modify the original duration averagely by 2 months (from 18 months to 20 months).

Focusing on the strategic projects, the average duration change was 10 months, but only 2 strategic projects (*CBJointStrategy* and *B Light Scheme*) requested modification (20-21 months prolongation). The greatest modification among normal calls was 12 months (*MR-EGTC Heritage*), while 8 months among light projects (*DiaFoot*⁴⁰, *TOUREX*⁴¹).

Taking into account the maximum duration previously set by the two normal open calls, only projects related to people-to-people activity and cooperation in preschool, primary, secondary and adult education were able to keep the original duration limit despite the prolongation⁴². Considering the light projects, only a quarter (8 light projects) of the 31 light projects stayed within the determined timeframe.

	HUHR/1901/4.1.2/0116	Knowledge Well	Cross border development of centers of excellence in primary schools
Strategic Projects (2019)	HUHR/1902/2.1.4/0002	MuKoBridge	Preparation for constructing Mura Bridge and connecting road infrastructure facilities at Murakeresztúr (HU) and Kotoriba (CRO)
	HUHR/1902/3.1.1/0001	CBJointStrategy	Supporting the development of the HU-HR border region by a common strategy jointly formulated by the various actors of the cross-border area

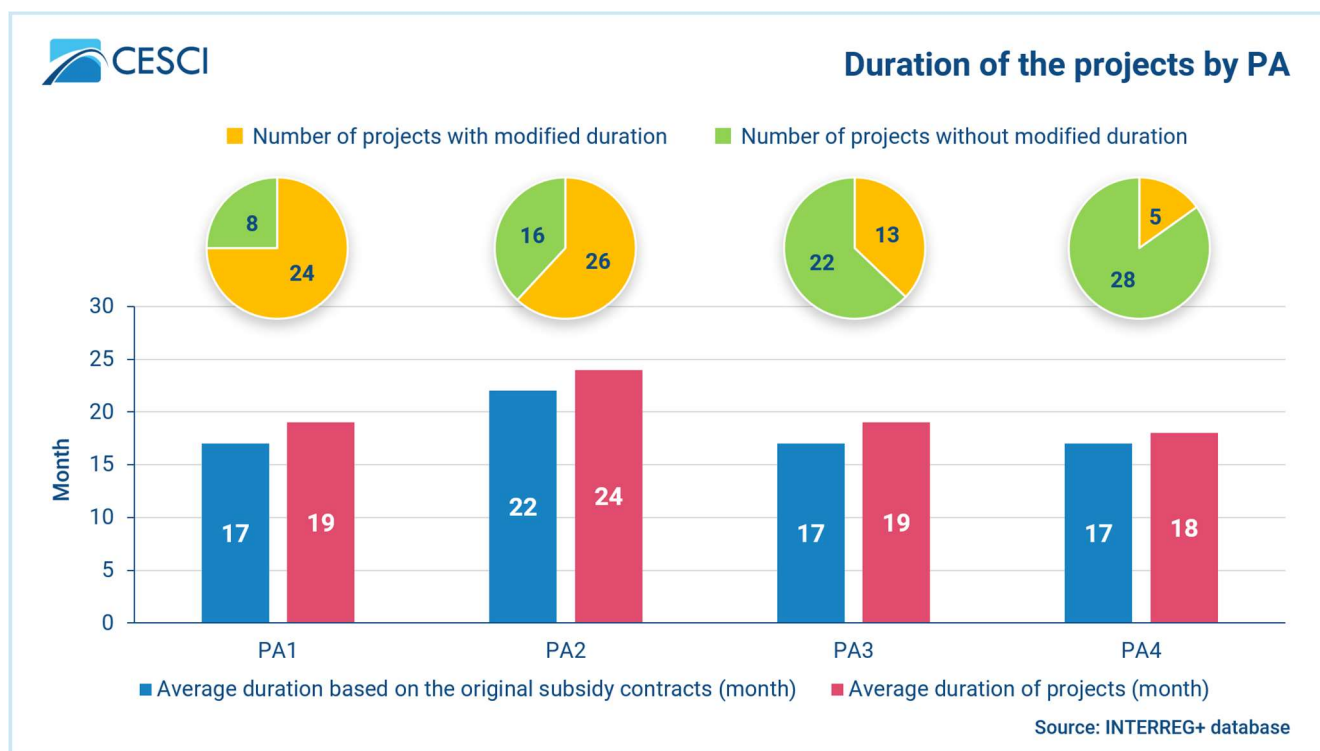
Performance).

⁴⁰ DiaFoot: HUHR/1602/2019-LPP3-009, Diabetic footwear – best preventive to sensible diabetic feet

⁴¹ TOUREX: HUHR/1602/2019-LPP3-020, Extension of the tourism market by family-run tourism service providers along the Drava and Mura (Tenkes csárda – Malo Selo)

⁴² Based on the average duration of projects by component.

Figure 19: Duration of the projects by PA

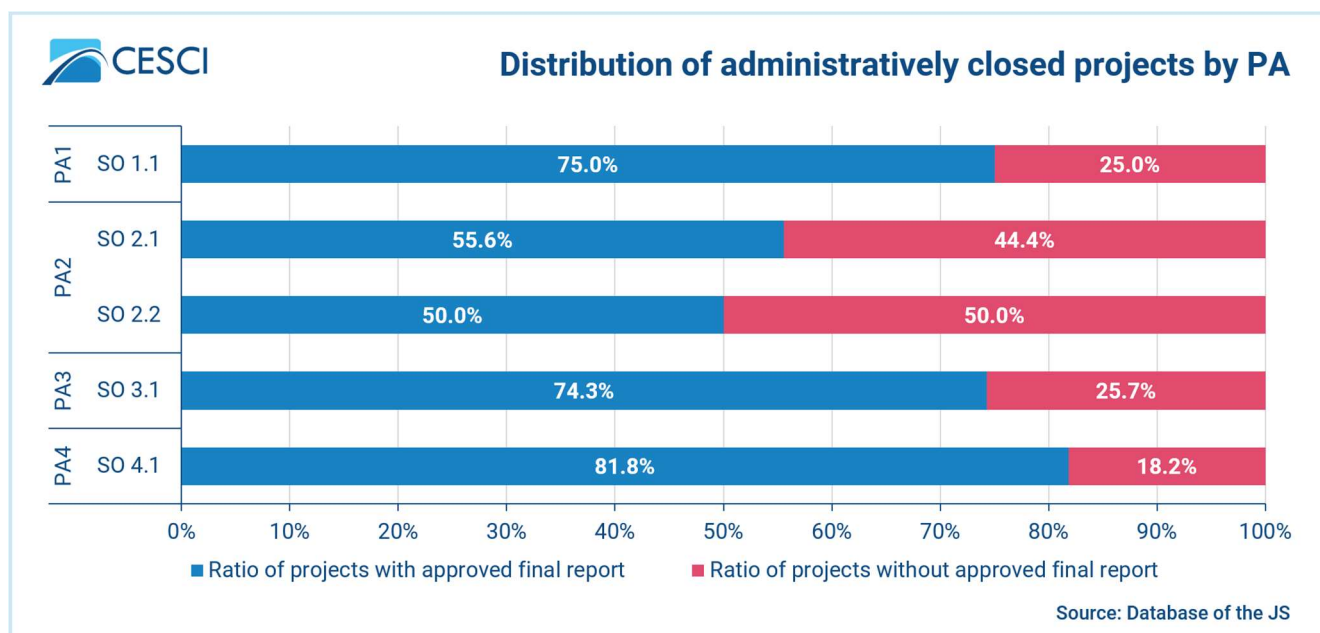


The scheduling of the projects can be divided into 3 main waves, determined by the year of the CfPs' publication. The earliest start date within the Programme belonged to the strategic project of *De-mine HU-HR II* that began the implementation in the summer of 2016, while in February 2017 the start of *B Light Scheme* (heavy project) also took place. Besides, the implementation of the first normal projects (HUHR/1601) started in May 2017. The implementation period of *De-mine HU-HR II* was closed in May 2018 and the projects of HUHR/1601 were completed by the end 2019. The third (which was also the biggest) wave, started to rise in September 2019, when the third strategic project (*CBJointStrategy*) has been launched. Although, the heavy project of *B Light Scheme* has been running since the beginning of 2017, the first light projects appeared only in May 2019, and owing to the 4 light calls, the last light project ended only in the end of October 2022. Meanwhile, the second open call (HUHR/1901) was published and the related normal projects have started the implementation in February 2020. Altogether 7 projects (5 normal and 2 strategic) have not been completed by the cut-off date (7th of February 2023), but all of them will be closed until the end of May 2023.

The administrative closure of projects reached an advanced level by the cut-off date, since 100 projects out of 142 (70%) had approved final report. The progress was especially high under PA4, but only 55% of PA2 related projects could finalise their administrative works (see *Figure 20*).

Taking into account the project type, only one strategic project had final report (25%), while the ratio of administratively closed projects was 70% within normal projects and 77% within light projects.

Figure 20: Distribution of administratively closed projects by PA



In line with the administrative progress, the validated amount of ERDF was nearly EUR 43.9 million at the cut-off date that is 75% of the contracted ERDF support. Altogether 21% of the EU allocation (EUR 12.1 million) have been not validated yet within the framework of the administratively on-going projects, where not all the costs have been reported and certified. The rest 4% (EUR 2.26 million) of the EU contribution, which were not spent and/or validated by project reports, represents the remaining money. This amount is expected to increase by the end of the programming period.

As *Figure 21* shows, the validation process in the case of the first three CfPs is advanced since the ratio of validated ERDF was above 80%, while under HUHR/1901 only half, under HUHR/1902 a quarter of the planned allocation has been certified so far. Considering the project type, light and strategic projects had the highest proportion of validated amounts (84% and 82%), while in the case of normal projects, only 73% of the EU contribution has been certified. The ratio of non-validated amounts was around 20% in terms of the normal (23%) and strategic projects (18%), however (owing to the successful completion of light projects' implementation period) it was only 7% for the light projects.

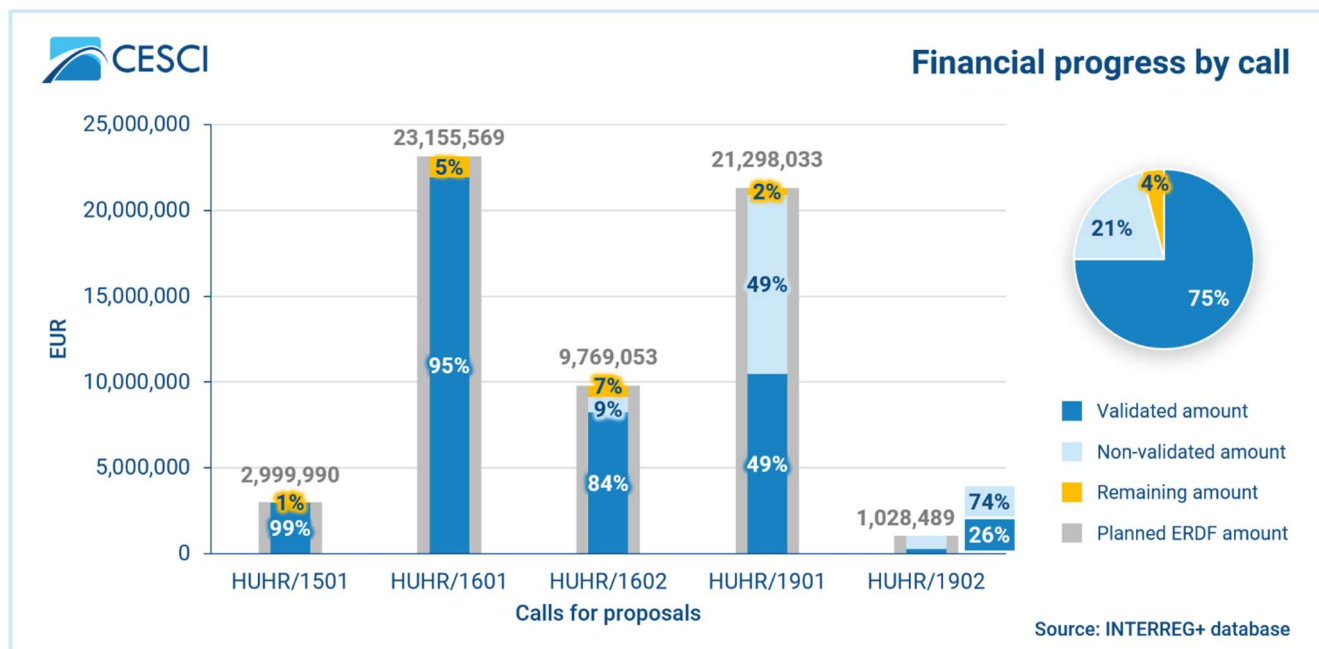
At project level, the amounts validated until the cut-off date were remarkably low under *Hidden landscapes*⁴³ (5%), *VUCEDOL*⁴⁴ (6%) and *MuKoBridge* (8%), while the currently largest ratio of remaining

⁴³ Hidden landscapes: HUHR/1901/2.1.2/0061, Hidden landscapes – new wildlife and culture destinations in HU –HR cross – border area

⁴⁴ VUCEDOL: HUHR/1901/2.1.3/0153, Vucedol Culture – Touristic valorisation of common prehistoric heritage

funds was observed under light projects: *ABRASIVE BELTS*⁴⁵ (44%), *Water cleaning*⁴⁶ (40%), *White acacia poles processing*⁴⁷ (37%).

Figure 21: Financial progress by call



The fulfilment of CP's financial indicators is strongly linked to the financial progress (see [Figure 8](#)). As the Programme is being implemented at the moment of the cut-off date, only approximate values can be used. The expected amount of ERDF represents the most accurate value, as the validated amount is taken into account for projects with final report, while the contracted amount is considered for projects that have not submitted final report yet. As a result, the remaining amounts can be partly filtered out and do not distort the value of the actual expenditure. Additionally, the figure also shows the validated amount.

According to the expected values, more than 90% of the financial indicators have been fulfilled, but the final targets have been achieved only by PA2 projects. As the implementation of the projects has not ended yet, certain change of the fulfilment is expected. All in all, the allocation for PA2 has been fully utilised, but for the other PAs the total allocation planned by CP will not be absorbed.

The CP determined 17 programme output indicators, but the projects could also select further indicators (e.g. general indicators, component specific indicators, project specific indicators etc.). As the extent of the evaluation is limited, only the most relevant indicators were assessed. In order to ensure the comprehensibility, 9 component specific indicators were selected by the JS and the evaluators to complement the programme indicators. The name, measurement unit and target values of the indicators were introduced in [Table 11](#).

⁴⁵ ABRASIVE BELTS: HUHR/1602/2021-LPP4-032, Production of innovated high-class abrasive belts for using in wood, metal and automotive industry

⁴⁶ Water cleaning: HUHR/1602/2018-LPP1-09, Development of a new water cleaning equipment

⁴⁷ White acacia poles processing: HUHR/1602/2019-LPP2-014, Joint development of professional machinery for processing white acacia poles

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Table 11: Output indicators and target values

Type	PA	ID	Name of indicator	Measurement unit	Indicative target value designed by the CP	Projects' target value
Programme indicator	PA1	1.1 – SO2	Number of enterprises receiving support	enterprises	80.00	80.00
		1.1 – SO3	Number of enterprises receiving grants	enterprises	80.00	80.00
		1.1 – SO4	Number of enterprises receiving non-financial support	enterprises	80.00	80.00
	PA2	2.1 – SO2	Total surface area of rehabilitated land	hectares	450.00	499.78
		2.1 – SO3	Increase in expected number of visits to supported sites of cultural and natural heritage and attractions	number	60,000.00	159,492.00
		2.1 – SO4	Number of tourism facilities / service providers being certified by an environmental sustainability scheme	number	40.00	31.00
		2.2 – SO2	Surface area of habitats supported to attain a better conservation status	hectares	5,400.00	3,145.37
		2.2 – SO3	Number of participants in joint education training schemes and awareness raising programmes	person	1,000.00	4,586.00
		2.2 – SO4	Number of joint international studies	number	10.00	30.00
		PA3	3.1 – SO2	Number of institutions participating in joint capacity building actions	number	33.00
	3.1 – SO3		Number of harmonised processes. shared initiatives. coordinated policies and projects developed jointly	number	66.00	88.00
	3.1 – SO4		Number of participants in joint capacity building actions and events	number	810.00	48,692.00
	PA4	4.1 – SO2	Training courses developed and delivered (formal and informal)	number	40.00	164.00
		4.1 – SO3	Number of educational premises refurbished	number	15.00	13.00
		4.1 – SO4	Number of educational premises upgraded with technical equipment	number	15.00	87.00

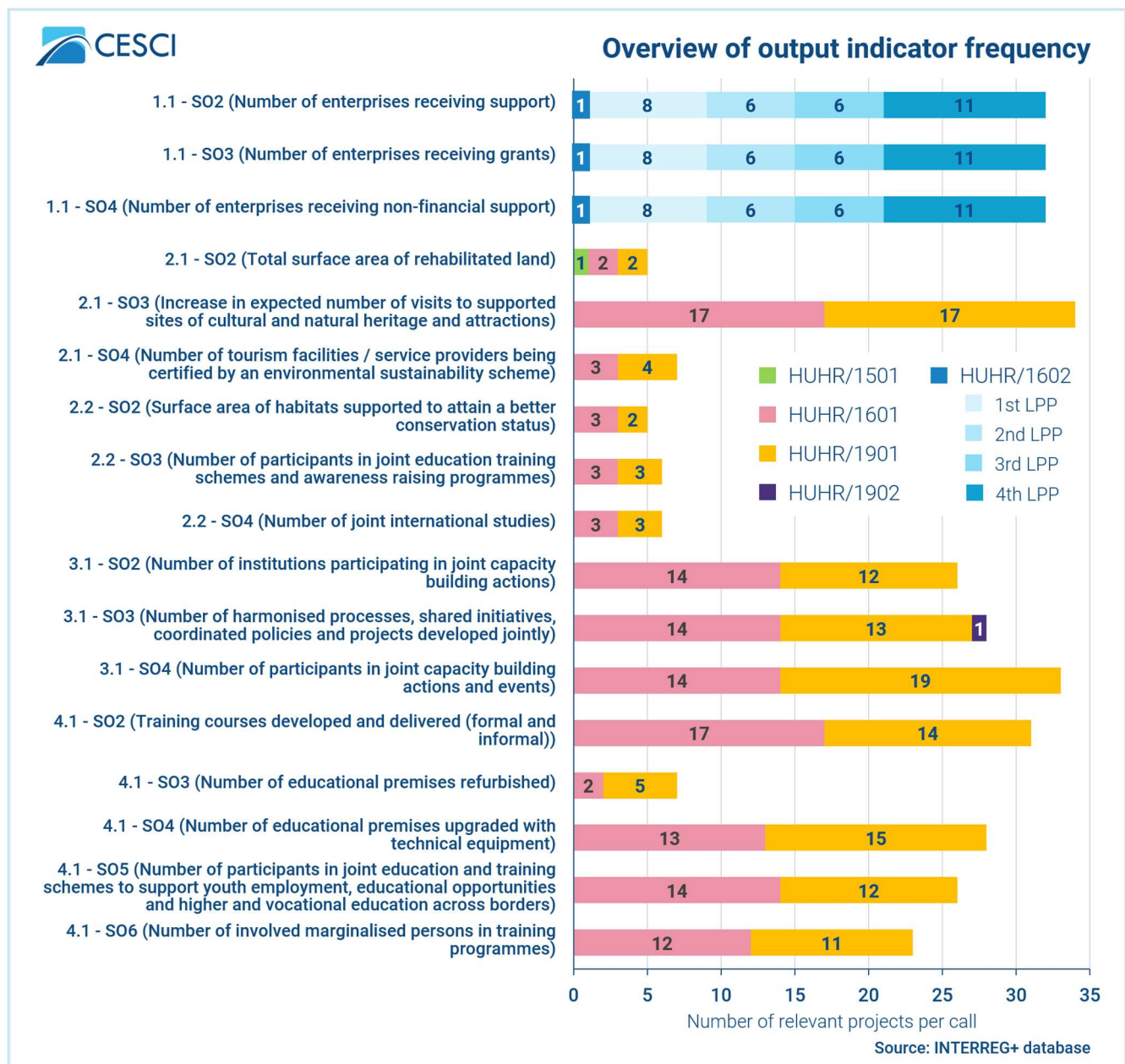
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Type	PA	ID	Name of indicator	Measurement unit	Indicative target value designed by the CP	Projects' target value
		4.1 – SO5	Number of participants in joint education and training schemes to support youth employment. educational opportunities and higher and vocational education across borders	number	860.00	3,193.00
		4.1 – SO6	Number of involved marginalised persons in training programmes	number	200.00	615.00
Component specific indicator	PA2	2.1 – C01	Length of bicycle path paved (and designated) newly	km	-	110.67
		2.1 – C02	Length of existing bicycle paths designated by signs	km	-	239.30
		2.1 – C07	Number of newly established/renovated tourist attractions. sites	number	-	98.00
		2.1 – C08	Number of thematic routes in the project	number	-	21.00
		2.1 – C09	Length of thematic routes newly established/developed by the project (e.g. bike. greenways. hiking paths. pilgrim. gastro. wine. equestrian etc.)	km	-	1,209.08
		2.1 – C12	Number of new/developed cultural events in the project	number	-	82.00
		2.1 – C13	Number of locations where new/developed cycling tourism services are to be established	number	-	48.00
		2.1 – C18	Number of trainings to promote environmental consciousness of visitors and/or local tourism service providers	number	-	69.00
	PA3	3.1 – C07	Number of capacity building training and educations for stakeholders delivering social services (e.g. education. sport. healthcare etc.)	number	-	75.00

The fulfilment of the indicators was ensured by different number of projects. The beneficiaries could choose as many indicators as relevant to their project, but it was obligatory to select from the offered options at least:

- 1 Programme-level result indicator⁴⁸
- 1 Programme-level output indicator
- 2 General indicators
- 1 Horizontal indicator⁴⁸
- 2 Component specific indicators
- 1 Project specific indicator

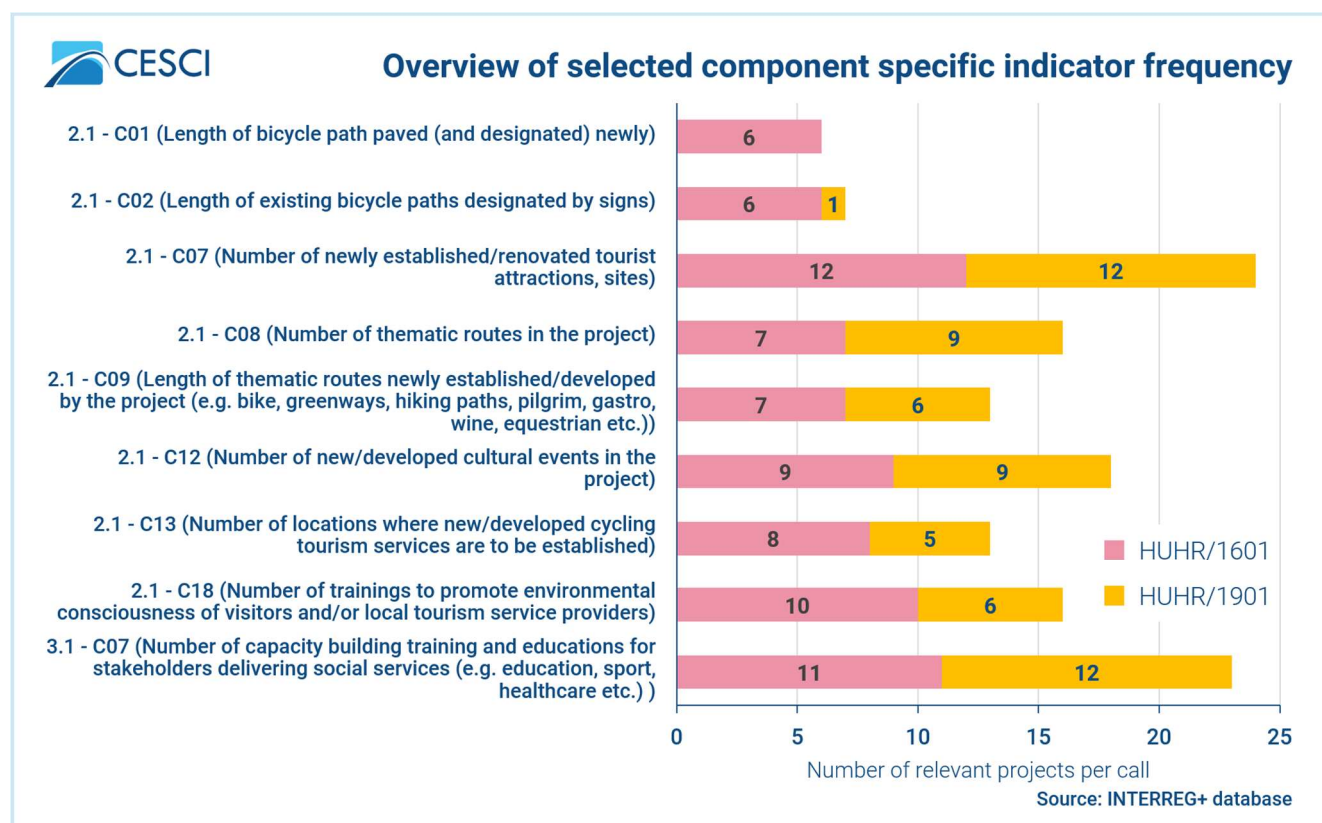
Figure 22: Number of relevant projects per programme indicator



⁴⁸ The result and horizontal indicators are not included in this chapter.

Most of the projects chose more than one programme indicators (see *Figure 22*), the average value was 3. Within PA1, all projects contributed to the fulfilment of the three relevant indicators. Regarding PA2, only projects dealing with the restoration of ecological diversity chose more than two indicators, at the same time under PA4, 17 projects selected more than 3 programme indicators. Out of these, 3 projects (*STILL*⁴⁹, *TaMPeD*⁵⁰, *CMS together II*⁵¹) facilitated the fulfilment of 5 programme indicators, that was the highest number of indicators per project within the Programme.

Figure 23: Number of relevant projects per component specific indicator



As most of the selected component specific indicators belonged to PA2, it would have caused a significant distortion between the PAs. In order to avoid similar discrepancy, the number of component specific indicators was assessed separately (see *Figure 23*). Those PA2 projects that selected at least one of such indicators, the average value per project was 3, but there were 4 projects (*Cycle in a network*

⁴⁹ STILL: HUHR/1601/4.1.2/0012, Sports, ICT and language competences in the service of conservation of craftsmanship and entrepreneurship tradition and competitiveness in the labor market of students from Slatina and Szigetvár

⁵⁰ TaMPeD: HUHR/1901/4.1.2/0031, Joint elaboration and implementation of a primary school talent management and personality development program

⁵¹ CMS together II: HUHR/1901/4.1.2/0038, Let's grow together with the culture, music and sports II

2.0, *Eat Green*⁵², *Two Rivers one Goal II*⁵³, *Cross-border wine routes 2*⁵⁴) which chose 6 component specific indicators at once.

The yearly progress of the projects' achievements is based on the Annual Implementation Reports (AIRs). The first achievements appeared in 2017 and 3 programme targets were immediately fulfilled, while in one year later another 3 indicators achieved their goals. 2018 was also a milestone year for 5 programme indicators, out of which only 2 (*3.1 – SO4 Number of participants in joint capacity building actions and events*, *4.1 – SO5 Number of participants in joint education and training schemes*⁵⁵) could fulfil the expectations⁵⁶.

In 2022, altogether 12 programme indicators (out of the 17) fulfilled the target values of the CP (In the beginning of 2024, the number of fulfilled programme indicators has increased to 14. Detailed values are represented in *Figure 91*). In the case of 4 indicators, the surplus of the achieved values was more than +500 percentage points. The overperformance was the most significant regarding *3.1 – SO4 Number of participants in joint capacity building actions and events* (+16,101 pp)⁵⁷ and *1.1 – SO4 Number of enterprises receiving non-financial support* (+634 pp). Taking into account the rest 5 programme indicators – those have not been fulfilled until 2022 – the achievement rate was around 84-94% (3 indicators), while less than 70% of the targets have been completed under *4.1 – SO3 Number of educational premises refurbished* and *2.1 – SO4 Number of tourism facilities/service providers*⁵⁸. Regarding the forecasted achievement provided by beneficiaries⁵⁹, these two programme indicators will not be able to achieve the CP's target until 2023.

Comparing the CP's target values with the target values designed by the projects, in 3 cases the target goals were the same, in 3 others the CP's targets were more ambitious, while in most cases (11 indicators) the projects set higher targets than the Programme.

⁵² *Eat Green*: HUHR/1601/2.1.3/0022, Sustainable table - Culinary traditions and innovations along Baranya Greenway

⁵³ *Two Rivers one Goal II*: HUHR/1901/2.1.2/0028, Sustainable water tourism along Mura and Drava River II

⁵⁴ *Cross-border wine routes 2*: HUHR/1901/2.1.3/0054, From wine routes to joint HUHR tourism brand – creating the recognizable cross-border wine region image

⁵⁵ *4.1 – SO5 Number of participants in joint education and training schemes to support youth employment, educational opportunities and higher and vocational education across borders*

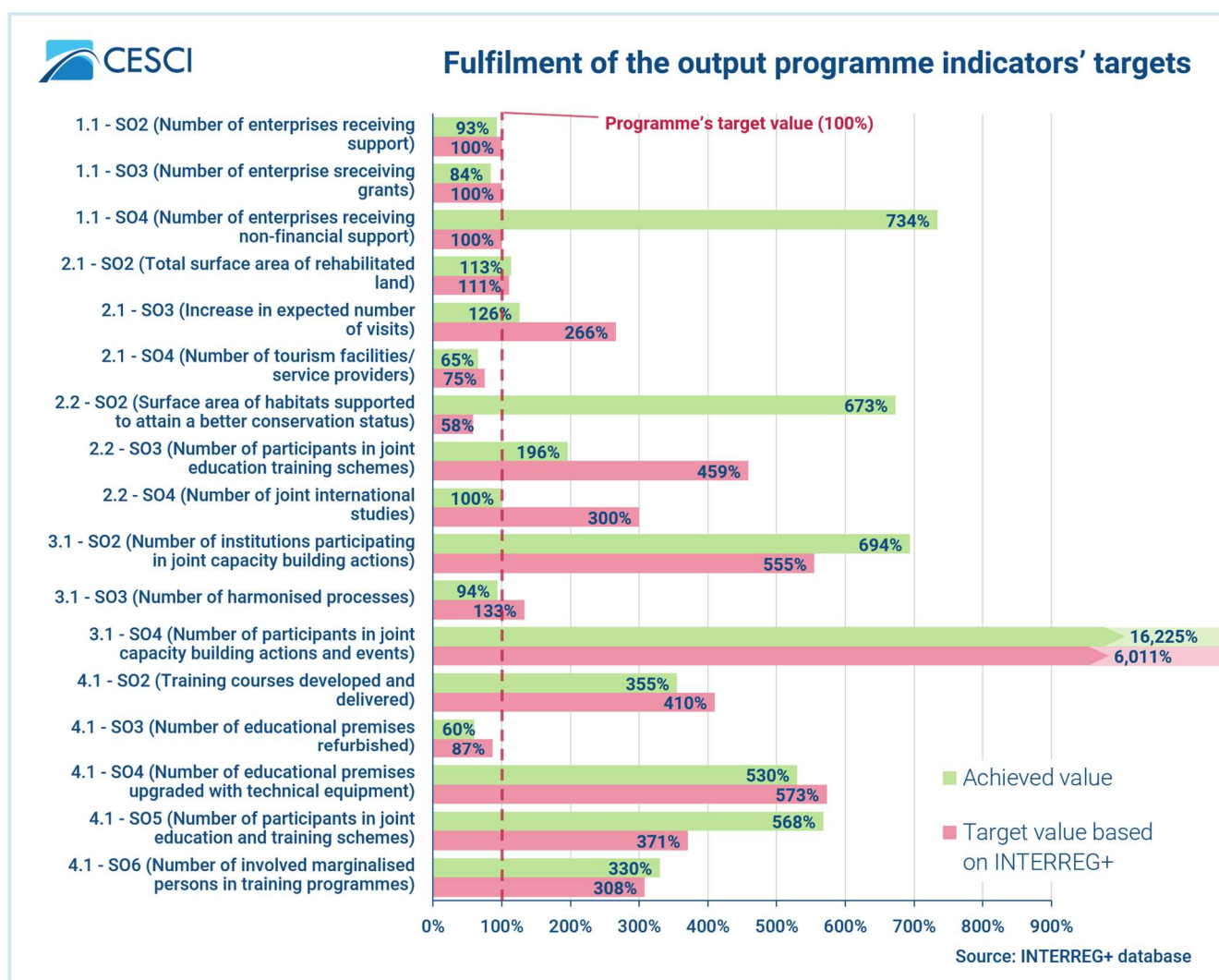
⁵⁶ The rest 3 were the *1.1 – SO3 Number of enterprises receiving grants*, *2.1 – SO3 Increase in expected number of visits to supported sites of cultural and natural heritage and attractions* and *2.2 – SO2 Surface area of habitats supported to attain a better conservation status*.

⁵⁷ The massive surplus was due to the project *BRIDGES BETWEEN COMMUNITIES* (HUHR/1901/3.1.2/0092). Within its framework, approximately 80,000 persons visited the Zsolnay Light Festival within 4 days, while the planned number was 5,100.

⁵⁸ *2.1 – SO4 Number of tourism facilities / service providers being certified by an environmental sustainability scheme*

⁵⁹ Information are from the Annual Implementation Reports 2022.

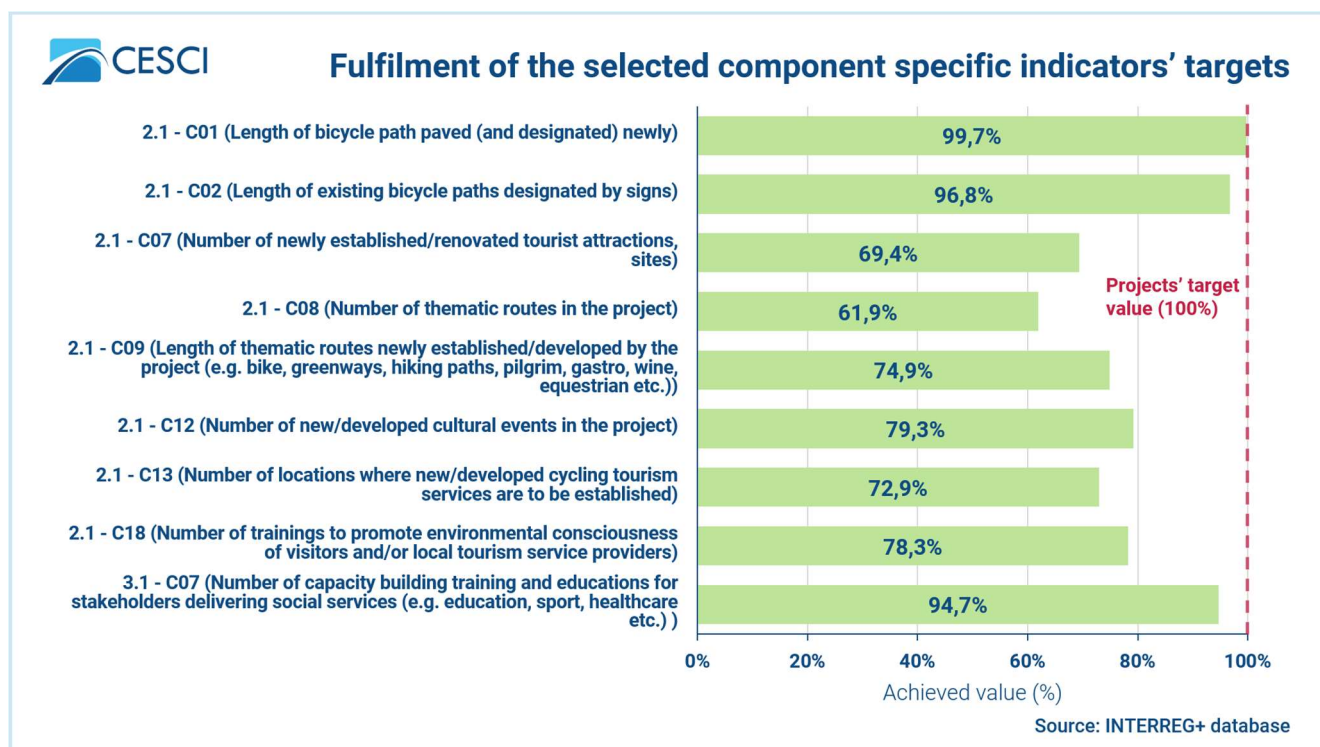
Figure 24: Fulfilment of the programme indicators' targets



Beside the 17 programme indicators, 9 component specific indicators were also assessed. Since only the INTERREG+ system provides information about these indicators, the comparing of the achievements with the values of the Programme is not possible. At the cut-off date, there were only three indicators (2.1 – C01 Length of bicycle path paved (and designated) newly, 2.1 – C02 Length of existing bicycle paths designated by signs, 3.1 – C07 Number of capacity building training and educations for stakeholders delivering social services⁶⁰) which almost achieved the target value (their fulfilment rates were more than 90%), but there were no projects where the aimed goal was achieved. Among all these, the lowest fulfilment rate (62%) belonged to 2.1 – C08 Number of thematic routes in the project.

⁶⁰ 3.1 - C07 Number of capacity building training and educations for stakeholders delivering social services (e.g. education, sport, healthcare etc.)

Figure 25: Fulfilment of the component specific indicators' targets



The fulfilment of the indicators has been evaluated along the S.M.A.R.T. criteria. Based on the European Commission's 'Better regulation' toolbox the following aspects were analysed:

- **Specific:** Indicators should be precise and concrete enough not to be open to varying interpretations by different people.
- **Measurable:** Indicators should define a desired future state in measurable terms, to allow verification of their achievement. Such objectives are either quantified or based on a combination of description and scoring scales.
- **Achievable:** Indicators should be set at a level which is ambitious and at the same time realistically achievable and properly justified.
- **Relevant:** Indicators should be directly linked to the problem and its root causes.
- **Time-Bound:** Indicators should be related to a fixed date or precise time period to allow an evaluation of their achievement.

In the *Table 12*, the fulfilment of the criteria was analysed and marked with the following colours:

- **A – Green:** the indicator is in line with the criteria;
- **B – Yellow:** the indicator is only partially in line with the criteria;
- **C – Red:** the indicator fails regarding the criteria.

Table 12: Analysis of output indicators according to the S.M.A.R.T. criteria

Type of indicator	PA	Indicator name	Specific	Measurable	Achievable	Relevant	Time-Bound
Programme indicator	PA1	1.1 – SO2 Number of enterprises receiving support	The indicator is specific.	The indicator is measurable.	The indicator does not achieve the target value.	The indicator is in line with the intervention logic of the PA, but the CB aspect is missing.	The indicator sets an appropriate deadline and timeframe for measuring results.
		1.1 – SO3 Number of enterprises receiving grants	The indicator is specific.	The indicator is measurable.	The indicator does not achieve the target value.	The indicator is in line with the intervention logic of the PA, but the CB aspect is missing.	The indicator sets an appropriate deadline and timeframe for measuring results.
		1.1 – SO4 Number of enterprises receiving non-financial support	The indicator is specific.	The indicator is measurable.	The achievability is ensured, but the target value is too moderate.	The indicator is in line with the intervention logic of the PA, but the CB aspect is missing.	The indicator sets an appropriate deadline and timeframe for measuring results.
	PA2	2.1 – SO2 Total surface area of rehabilitated land	The indicator is specific.	The indicator is measurable.	The indicator is absolutely achievable.	The indicator is in line with the intervention logic of the PA, but the CB aspect is missing.	The indicator sets an appropriate deadline and timeframe for measuring results.
		2.1 – SO3 Increase in expected number of visits to supported sites of cultural and natural heritage and attractions	The indicator is specific, but the interpretation and calculation require more attention from the beneficiaries' side.	The number of future (expected) visits is impossible to measure.	The indicator is achievable.	The indicator is in line with the intervention logic, but the CB aspect is missing.	No deadline and timeframe has been set for the commitments to be fulfilled.

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Type of indicator	PA	Indicator name	Specific	Measurable	Achievable	Relevant	Time-Bound
		2.1 – SO4 Number of tourism facilities / service providers being certified by an environmental sustainability scheme	The indicator is specific.	The indicator is measurable.	The indicator is too ambitious, and will not be fulfilled.	The indicator is in line with the intervention logic of the PA, but the CB aspect is missing.	The indicator sets an appropriate deadline and timeframe for measuring results.
		2.2 – SO2 Surface area of habitats supported to attain a better conservation status	The indicator is specific.	The indicator is measurable.	The achievability is ensured, but the target value is too moderate.	The indicator is in line with the intervention logic of the PA, but the CB aspect is missing.	The indicator sets an appropriate deadline and timeframe for measuring results.
		2.2 – SO3 Number of participants in joint education training schemes and awareness raising programmes	The indicator is specific.	The indicator is measurable.	The indicator is achievable, significant surplus is expected (moderate target value).	The indicator is in line with the intervention logic, but the CB aspect is weak.	The indicator sets an appropriate deadline and timeframe for measuring results.
		2.2 – SO4 Number of joint international studies	The indicator is specific.	The indicator is measurable.	The indicator is achievable, significant surplus is expected (moderate target value).	The indicator is in line with the intervention logic of the PA, but the CB aspect is weak.	The indicator sets an appropriate deadline and timeframe for measuring results.
	PA3	3.1 – SO2 Number of institutions participating in joint capacity building actions	The indicator is specific.	The indicator is measurable.	The indicator is absolutely achievable, since the target value is too moderate.	The indicator is in line with the intervention logic.	The indicator sets an appropriate deadline and timeframe for measuring results.

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Type of indicator	PA	Indicator name	Specific	Measurable	Achievable	Relevant	Time-Bound
		3.1 – SO3 Number of harmonised processes, shared initiatives, coordinated policies and projects developed jointly	The indicator is specific.	The indicator is measurable.	The indicator is achievable, surplus is expected (moderate target value).	The indicator is in line with the intervention logic.	The indicator sets an appropriate deadline and timeframe for measuring results.
		3.1 – SO4 Number of participants in joint capacity building actions and events	The indicator is specific.	The indicator is measurable.	The indicator is absolutely achievable, since the target value is too moderate.	The indicator is in line with the intervention logic, but the CB aspect is weak.	The indicator sets an appropriate deadline and timeframe for measuring results.
	PA4	4.1 – SO2 Training courses developed and delivered (formal and informal)	The indicator is specific.	The indicator is measurable.	The indicator is absolutely achievable, since the target value is too moderate.	The indicator is in line with the intervention logic, but the CB aspect is weak.	The indicator sets an appropriate deadline and timeframe for measuring results.
		4.1 – SO3 Number of educational premises refurbished	The indicator is specific.	The indicator is measurable.	The indicator is ambitious, but the total fulfilment of the target is not ensured.	The indicator is in line with the intervention logic, but the CB aspect is missing.	The indicator sets an appropriate deadline and timeframe for measuring results.
		4.1 – SO4 Number of educational premises upgraded with technical equipment	The indicator is specific.	The indicator is measurable.	The indicator is absolutely achievable, since the target value is too moderate.	The indicator is in line with the intervention logic, but the CB aspect is missing.	The indicator sets an appropriate deadline and timeframe for measuring results.

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Type of indicator	PA	Indicator name	Specific	Measurable	Achievable	Relevant	Time-Bound
		4.1 – SO5 Number of participants in joint education and training schemes to support youth employment, educational opportunities and higher and vocational education across borders	The indicator is specific.	The indicator is measurable.	The indicator is absolutely achievable, since the target value is too moderate.	The indicator is in line with the intervention logic, but the CB aspect is weak.	The indicator sets an appropriate deadline and timeframe for measuring results.
		4.1 – SO6 Number of involved marginalised persons in training programmes	The indicator is specific.	The indicator is measurable.	The indicator is absolutely achievable, since the target value is too moderate.	The indicator is in line with the intervention logic, but the CB aspect is missing.	The indicator sets an appropriate deadline and timeframe for measuring results.
Component specific indicator	PA2	2.1 – C01 Length of bicycle path paved (and designated) newly	The indicator is specific.	The indicator is measurable.	The indicator is achievable.	The indicator is in line with the intervention logic of the PA, but the CB aspect is weak.	The indicator sets an appropriate deadline and timeframe for measuring results.
		2.1 – C02 Length of existing bicycle paths designated by signs	The indicator is specific.	The indicator is measurable.	The indicator is almost achieved.	The indicator is in line with the intervention logic of the PA, but the CB aspect is missing.	The indicator sets an appropriate deadline and timeframe for measuring results.
		2.1 – C07 Number of newly established/renovated tourist attractions, sites	The indicator is specific.	The indicator is measurable.	The achievability of the indicator is questionable, but it is possible to approach the target based on the projects' target value.	The indicator is in line with the intervention logic of the PA, but the CB aspect is missing.	The indicator sets an appropriate deadline and timeframe for measuring results.

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Type of indicator	PA	Indicator name	Specific	Measurable	Achievable	Relevant	Time-Bound
		2.1 – C08 Number of thematic routes in the project	The indicator is specific.	The indicator is measurable.	The achievability of the indicator is questionable, but it is possible to approach the target based on the projects' target value.	The indicator is in line with the intervention logic, but the CB aspect is missing.	The indicator sets an appropriate deadline and timeframe for measuring results.
		2.1 – C09 Length of thematic routes newly established/developed by the project (e.g. bike, greenways, hiking paths, pilgrim, gastro, wine, equestrian etc.)	The indicator is specific.	The indicator is measurable.	The achievability of the indicator is not guaranteed.	The indicator is in line with the intervention logic, but the CB aspect is missing.	The indicator sets an appropriate deadline and timeframe for measuring results.
		2.1 – C12 Number of new/developed cultural events in the project	The indicator is specific.	The indicator is measurable.	The achievability of the indicator is questionable, but it is possible to approach the target based on the projects' target value.	The indicator is in line with the intervention logic of the PA, but the CB aspect is missing.	The indicator sets an appropriate deadline and timeframe for measuring results.
		2.1 – C13 Number of locations where new/developed cycling tourism services are to be established	The indicator is specific.	The indicator is measurable.	The achievability of the indicator is questionable, but it is possible to approach the target based on the projects' target value.	The indicator is in line with the intervention logic of the PA, but the CB aspect is missing.	The indicator sets an appropriate deadline and timeframe for measuring results.

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Type of indicator	PA	Indicator name	Specific	Measurable	Achievable	Relevant	Time-Bound
		2.1 – C18 Number of trainings to promote environmental consciousness of visitors and/or local tourism service providers	The indicator is specific.	The indicator is measurable.	The achievability of the indicator is questionable, but it is possible to approach the target based on the projects' target value.	The indicator is in line with the intervention logic of the PA, but the CB aspect is missing.	The indicator sets an appropriate deadline and timeframe for measuring results.
	PA3	3.1 – C07 Number of capacity building training and educations for stakeholders delivering social services (e.g. education, sport, healthcare etc.)	The indicator is specific.	The indicator is measurable.	The indicator is achievable.	The indicator is in line with the intervention logic of the PA, but the CB aspect is missing.	The indicator sets an appropriate deadline and timeframe for measuring results.

2.1.2 Programme management

2.1.2.1 Capacity and lead time assessment

The management structure of the Programme has not changed significantly since the elaboration of the 1st Phase Evaluation (related chapter: *5.3.1 Performance management*)⁶¹. The list of authorities and bodies taking part in the implementation of the CP and their role are presented in Annex (*3.3 Project management*).

*Table 13: List of MC members*⁶²

Type of membership	Croatian members	Hungarian members	EU members
Voting members	<ul style="list-style-type: none"> • Ministry of Regional Development and EU funds of the Republic of Croatia (National Authority) • Međimurska županija • Varaždinska županija • Koprivničko-križevačka županija • Bjelovarsko-bilogorska županija • Virovitičko-podravska županija • Požeško-slavonska županija • Osječko-baranjska županija • Vukovarsko-srijemska županija 	<ul style="list-style-type: none"> • Ministry of Foreign Affairs and Trade, Deputy State Secretariat for Regional and Cross-Border Economic Cooperation (Managing Authority) • Baranya vármegye • Somogy vármegye • Zala vármegye 	
Observers and members in advisory capacity	<ul style="list-style-type: none"> • Agency for Audit of European Union Programmes Implementation System • Ministry of Environmental Protection and Energy • Ministry of Economy and Sustainable Development • Ministry of Science and Education • Ministry of Tourism 	<ul style="list-style-type: none"> • Ministry of Innovation and Technology, Department for Road Development • Ministry of Finance • Ministry of Human Resources • Ministry of Agriculture • Hungarian State Treasury (Certifying Authority) 	<ul style="list-style-type: none"> • European Commission DG REGIO Unit D2-Interreg, Cross-Border Cooperation, Internal Borders

⁶¹ First Phase Evaluation of the INTERREG V-A Hungary-Croatia Cooperation Programme: https://budapest.cesci-net.eu/wp-content/uploads/publications/CESCI_2019_Evaluation-First-phase-HUHR_EN.pdf

⁶² List of Interreg V-A HUHR Cooperation Programme MC members, update February 2022: <http://www.huhr-cbc.com/uploads/editors/List%20of%20Interreg%20V-A%20HUHR%20MC%20members%20update%20Feb%202022.pdf>

Type of membership	Croatian members	Hungarian members	EU members
	<ul style="list-style-type: none"> Danube Region Strategy National Co-ordinator (Ministry of Foreign and European Affairs) 	<ul style="list-style-type: none"> Directorate General for Audit of European Funds (DGAEF) Danube Region Strategy National Co-ordinator (Ministry of Foreign Affairs and Trade) Széchenyi Programme Office Nonprofit Llc. (HU-HR JS) 	
NGO-s and other stakeholders	<ul style="list-style-type: none"> Croatian Chamber of Economy Association of Municipalities; Association of Cities ACT-Autonomous Centre 	<ul style="list-style-type: none"> General Directorate of Social Affairs and Child Protection Sub-Office in Zala vármegye Equal Treatment Authority Drava Federation 	

The aim of this chapter is to indicate the Programme Bodies' **available capacities**, professional experiences and skills, and provide insight into their development needs. The assessment presents the utilisation of these assets and gathers the missing elements. The compensation of the shortages and timing of the workload, as well as the cooperation level among the Programme Bodies are also revealed.

The Managing Authority operates in the Ministry of Foreign Affairs and Trade in Hungary, that has replaced the Hungarian Prime Minister's Office in 2018. There have been staff changes within the MA (due to maternity leave), but the number of managers has been consistently assured. In spite of this, the MA needs to operate with significant capacity shortages, that has become even severe in September 2022. The MA deals with all the Interreg programmes with the participation of Hungary at the same time, there are missing capacities in the horizontal, not-programme specific positions. As the ministries are not financially attractive compared to business sphere jobs, it is difficult to fill the vacant positions with experienced workforce.

The National Authority has been operated by the Ministry of Regional Development and EU Funds of the Republic of Croatia, that has the right capacities (3 staff members) to deal with tasks concerning the programme management.

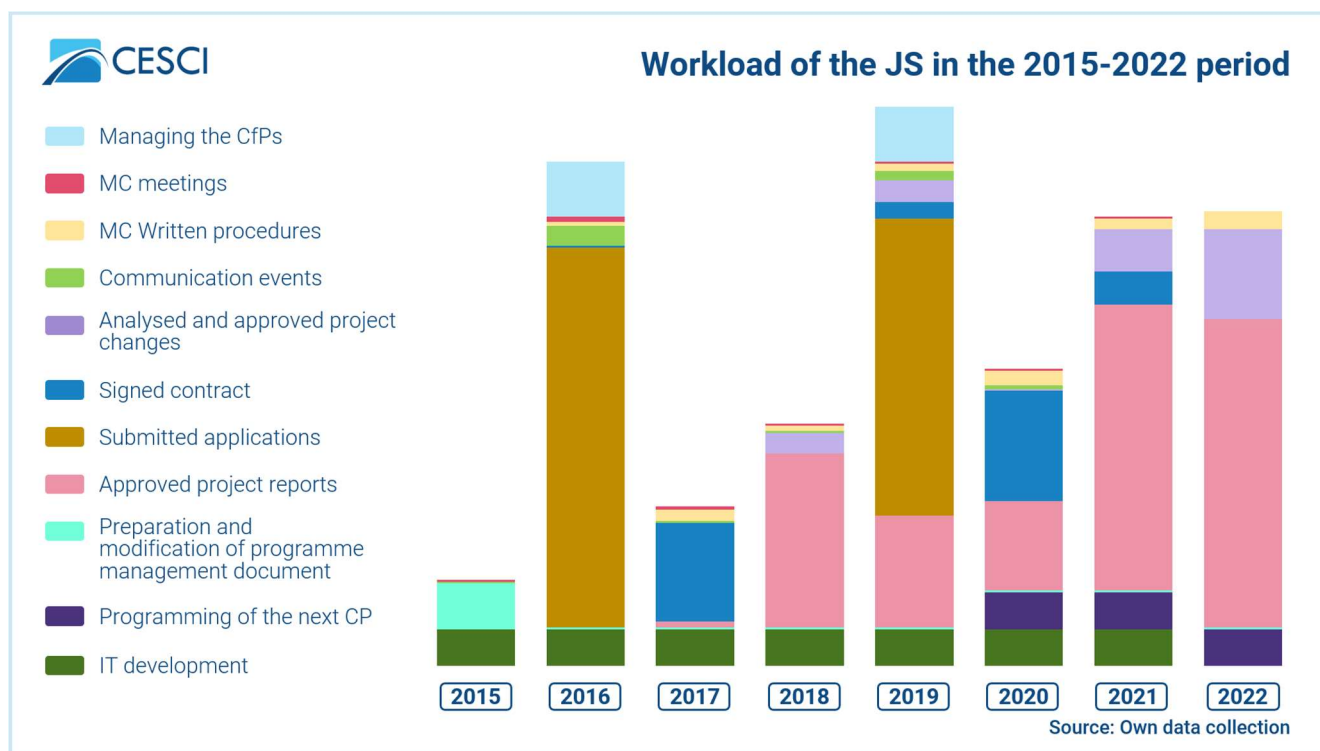
During the programme implementation the JS, hosted by the Széchenyi Programme Office Nonprofit Llc., engaged 9 full-time employments (FTE), that has decreased to 6 until the end of the programming period. Despite the lower staff number, they are still able to deliver the high quality of work. Beside the main office in Budapest, the JS operates another office in Pécs and two Contact Points in Croatia (Čakovec and Osijek), out of which the latter one is currently out of service. At least 2 new colleagues would be necessary, one for the Budapest office and one for Osijek. Regarding the necessary skills, the knowledge of Croatian would be crucial, as only two colleagues can communicate in this language (one works in Čakovec, the other one in Pécs).

In terms of the workload, the JS needed to face peak periods related to the calls for proposals (see *Figure 26*). In order to overcome this challenge, they initiated to have continuously open calls (in line with the good practice of the ATHU Programme), but the MC rejected this idea. In its absence, simultaneous receipt of applications overloaded the system and unbalanced the workload of JS. Meanwhile the assessment of the applications was the main task between 2016-2019, the reporting became the main priority after 2020, that were complemented by further actions such as managing the project changes (that caused unexpected additional burden). On the JS side, the preparation of call for proposals required significant amount of time and resource, that was coupled with reviewing documents and organising info days. Two peak periods can be defined (2016 and 2019), when the CfPs were published, the submission of applications took place and the communication events and IT development also ran at the same time. The JS was extremely burdened in 2019, when – beside the aforementioned activities (1 published CfP, 162 submitted applications, 5 communication events) – 61 project reports were approved, 12 project changes occurred and 9 contracts were signed.

The monitoring system was an almost constant task for the JS, as the fine-tuning of the IMIS, then the development and testing of the new system (INTERREG+), as well as the transition from the old system (IMIS) overarched the whole programming period. It was also necessary to start programming the next CP, that started in 2020. Furthermore, after the preparation and set-up of the B Light Scheme, as a completely new tool, the JS needed to continuously monitor its implementation process in order to be able to provide its sound and efficient management. It meant a significant and partly unexpected burden to the Secretariat.

The consequences of the COVID-19 pandemic hit the programme area after the closure of the projects of the first open call, therefore the implementation of these projects was not hampered. Although the number of monitoring visits decreased during the epidemic crises, efforts have been made to make up for this after the removal of strict restrictions.

Figure 26: Workload of the JS in the 2015-2022 period



The controlling procedure is ensured by the Széchenyi Programme Office in Hungary and the Ministry of Regional Development and EU Funds of the Republic of Croatia. In the beginning of the Programme, the Agency for Regional Development of the Republic of Croatia was designated for Croatian FLC, that has been replaced by the aforementioned ministry. According to the interviewees, this amendment did not cause major hitches, but the operational nature of the control was weakened. Regarding the number of staff, the Hungarian FLC engages 5.4 full-time employees, while its Croatian counterpart employs 6.15 FTEs. As the volume of work exceeded the capacity of the service, occasional delays took place that were intended to be handled by the employment of additional 4 persons (who were hired by the Croatian FLC on a fixed-term basis at the end of 2021 and at the beginning of 2022). The FLC bodies' workload was generally high with additional peak periods, which lead to some occasional delays even on the Croatian side.

According to the interviews, the **cooperation between the management bodies** is 'adequate', 'satisfactory' and 'sufficient' (mostly used terms during the interviews). The JS strive to build reliable and good relations with other bodies, that based on the existence of permanent, reliable and experienced staff members. As the team of the CA and AA is unchanged, the good interaction with them is ensured. Although personal changes have taken place in the MA, the communication with them is satisfactory and the relations with the NA is also adequate. The NA praised its cooperation with the JS, since in the project preparation phase the JS provided lot of advice and in the implementation phase the JS's problem-solving ability was really helpful.

The JS is well connected regarding the FLC bodies too, but the cooperation with the Croatian FLC is less tight as it was in the previous years (it can be derived from the fact that a ministry replaced the previously operating agency). The communication takes place mostly via electronic mail and at programme meetings. The cooperation among the two FLCs exists only at programme meetings where both control

bodies are present, but daily communication, regular meeting, mutual consultation or exchange of experience have not been established, however there would always be a topic to discuss according to the controllers.

The MC and the JS communicate mostly through written procedures, but personal contacts also work well. The remarkable professional experiences of the JS were highlighted by the MC members, since they always receive the required support and the information flow is guaranteed.

All in all, the cooperation within the Programme has been transparent, effective, supportive, mostly timely and fully correct.

2.1.2.2 Assessment of procedures of the project cycle

The Cooperation Programme is implemented through calls for proposals (CfP), subsequently, the selected beneficiaries implement their projects with the assistance of the Programme Bodies. In order to efficiently meet the Programme's expectations, the guiding principles (defined within the Programme) are included in the CfPs and have been taken into account in the selection of projects. This approach has ensured that the selected projects are relevant to the Programme's objective and have a high impact. The main steps and the responsible entities of this process within the Programme are listed below. The specific procedure of light projects is discussed in the *2.5 Applied mechanisms and tools* chapter.

- Partner search (potential beneficiaries)
- Call for Proposals published by the JS
- Development of the proposals (potential beneficiaries)
- Submission of the project proposals (potential lead beneficiary)
- Formal and eligibility assessment (JS)
- Quality assessment (JS and additional external experts)
 - Clarification (lead beneficiary)
 - Scoring of the project proposals (JS and additional external experts)
 - Assessment of the conformity with State aid rules
- Decision-making (MC)
- Contracting process (MA, JS, lead beneficiary and beneficiaries, HU FLC⁶³)
- Project implementation
 - Reporting via progress report in every 4 months and reimbursement of expenditures (lead beneficiary, beneficiaries)
 - Implementing publicity requirements (lead beneficiary, beneficiaries)
 - On-the spot checks (FLC)
 - Monitoring visits (JS)
 - Validating the expenditures (FLC)
- Presenting the results (lead beneficiary, beneficiaries, JS).

The detailed introduction of the project cycle is provided in the 1st Phase Evaluation, therefore the current chapter deals only with the modifications and deficiencies that have occurred since 2018. Certain

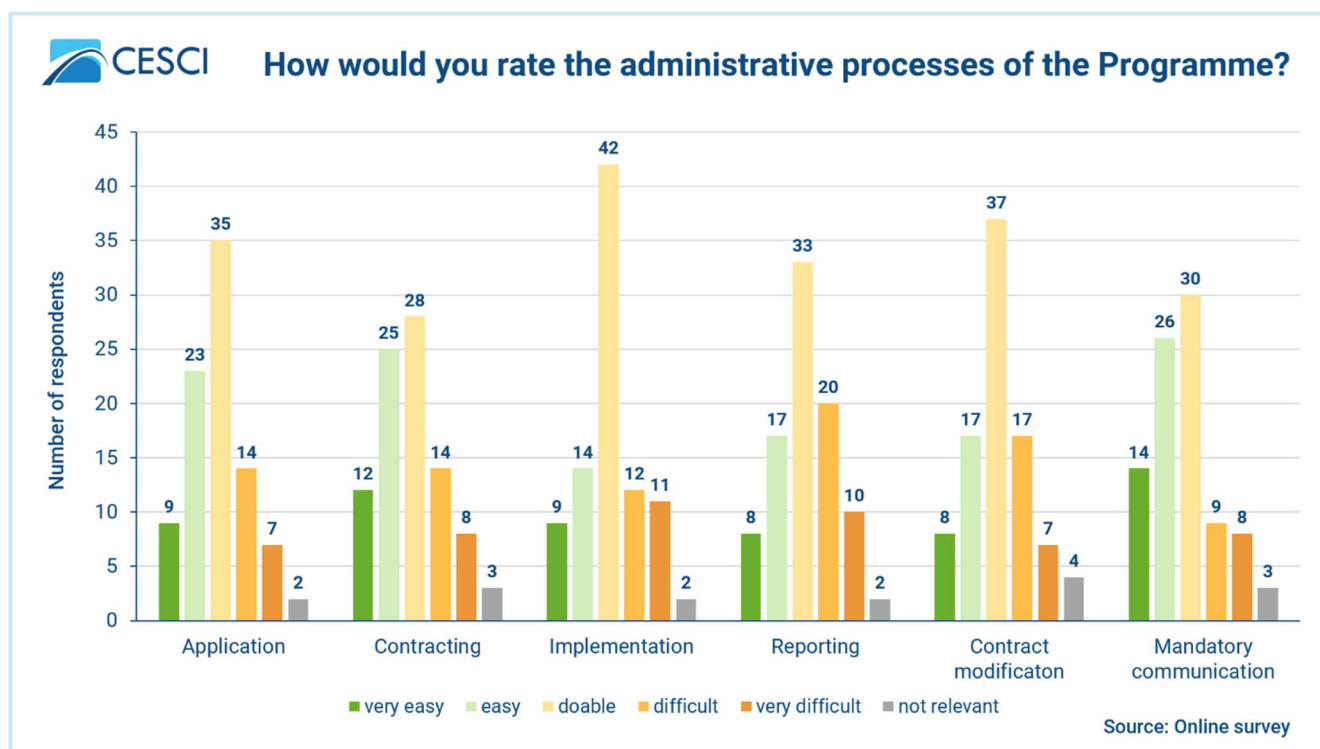
⁶³ Regarding the subsidy contract for the Hungarian state contribution.

amendments happened regarding the submission technicalities of the two open CfPs. Meanwhile under the 1st open CfP (HUHR/1601) the project proposals could be handed in personally by a delegated/accredited representative or sent by post or by courier service, under the 2nd open CfP (HUHR/1901) these ways of submission were not accepted (and were automatically rejected). Project proposals and the supporting documents needed to be submitted online, via the IMIS 2014-2020 electronic platform. Although the concept was great, the unexpected malfunction of the IMIS strongly hardened the submission process.

Although the criteria for evaluating project proposals have not changed, the selection process has undergone significant modification. In the case of HUHR/1601 the classic scheme of submission was followed: firstly, a complete formal and eligibility assessment took place with completion round, that was followed by quality assessment and ended by the decision of MC. As the formal and eligibility assessment required huge resources from the JS side, and the whole familiarisation of the project proposals was not essential at this stage of the selection, a simplified formal and eligibility assessment has been introduced under HUHR/1901. This simplified new method contained only 10 questions to identify the theme and relevance of the applications with no completion round for clarification. The next stage was the quality assessment that was carried out by 2 experts (one member of the JS and one external expert). In regard to the ownership of the Programme, both nationalities (Croatian and Hungarian) were represented among the quality assessors. The MC decisions have been made according to the ranking list created as a result of the quality assessment. Following the MC decision, the whole formal and eligibility assessment was carried out and incorporated into the contracting process. It implies the fact that during the assessment phase the missing and/or the not properly submitted documents have not been requested until the contracting; completions were only be asked from projects that had been selected by the MC. This new method was a major simplification not only for the JS, but also for the applicants, as the available resources were allocated to those project proposals that had a good chance of being implemented.

The COVID-19 pandemic has also caused change in the procedure of the programme implementation. The realisation of monitoring and on-site visits both by the JS and the FLCs was difficult, they were carried out online. After the abolition of restrictions, efforts have been made to make up for these missed visits, especially in case of those projects, where infrastructure developments or procurement of equipment have taken place. The new practice used during the pandemic could be maintained especially in case of the soft projects in the new period with optimised modalities according to the concerned stakeholders. The online programme meetings and trainings – that do not require personal presence – resulted significant simplification, less emissions and cost reduction, therefore this method will be used in the next Programme too.

Figure 27: The degree of difficulty of the administrative tasks of the different project periods according to the respondents of the online survey



Owing to the survey, profound insight is provided about the difficulty of administrative tasks of the different stages of the project cycle (see *Figure 27*). According to the respondents, most of the tasks was manageable, out of which the application, contracting and mandatory communication seemed to be the easiest to carry out. The greatest difficulties were experienced during the implementation and reporting (more than 10 votes per task), but certain level of difficulty was also experienced during the contract modification. Among others, some of the respondents criticised the short timeframe for submission of completion, the administrative difficulties (especially the bureaucratic rules of public procurement), the duplication of administration (resubmission of already submitted documentation) during the reporting procedure and the slow management of project changes.

In light of the interviews, some unsatisfied opinions were also expressed. The documentation required for project application is still regarded as too complicated, and the usage of the new monitoring system has not solved the process' difficulty. Submitting applications via IMIS was problematic, but the calculation of indicators was affected negatively by the old system as well. It is also due to the monitoring system that the slow transition between the IMIS and INTERREG+ led to difficulties during the publication of the second open Cfp. Last, but not least, the lack of partner search page hindered the application, and the transparency of the project proposals' evaluation was also criticised.

2.1.2.3 Results of the simplification

This chapter, similarly to the First Phase Evaluation, is analysing:

- how the recommendations on simplification of the previous programming period have been taken into account,

- the implementation rules of the current CP, including the scope of eligible expenditures, simplified cost options, procurement and state aid rules, reporting and e-application processes, from the perspective of administrative burdens.

Since evaluators do not intend to replicate the findings of the previous assessment, here the focus is on those aspects which have changed since 2019. The assumptions are based on the results of the interviews with the Programme Bodies and the beneficiaries, and of the online survey.

The following table lists the relevant recommendations and identifies the responses given by the current Programme by the time of the First and the Second Phase Evaluations. Regarding the colour coding, green means that the action is fully implemented, yellow shows that it is in progress or partially addressed, while the red coloured matters have not been addressed yet or are not expected to be tackled at all.

Table 14: List of the relevant recommendations and the identified responses

Recommendations	Response	
	1 st Phase Evaluation	2 nd Phase Evaluation
Electronic submission system	The IMIS as online application and reporting tool are going to be launched in line with the publication of the 2 nd Call for proposals. In addition, the projects selected in 2017 are performing their reporting activities already in the integrated electronic monitoring system.	To cope with the significant malfunctions of IMIS 2014-2020, a new IT system has been developed (INTERREG+). In 2020, the Programme has started using the INTERREG+ for project implementation and the data migration from IMIS 2014-2020 has also taken place.
Less/easier submission of supporting documents	The list of mandatory supporting documents is the same as it was in the last programming period. However, thanks to the IMIS, only scanned version must be uploaded, instead of sending hard copies.	The process of submitting supporting documents has not changed since the 1 st phase evaluation.
Simplified cost	<p>Beside the establishment of the IMIS, the application of simplified cost options also enhances the simpler and faster procedures:</p> <ul style="list-style-type: none"> lump sum for preparation costs, flat-rate opportunity in case of staff costs: 10% or 20% of direct costs other than staff cost, mandatory flat-rate in case of administrative costs: 15% of staff cost, lump sum for general (office) equipment. <p>There is no need for justifying documentation in either case.</p>	<p>No change.</p> <p>The usage of simplified cost option works well, the previously determined rates fit to the expectations.</p>

Recommendations	Response	
	1 st Phase Evaluation	2 nd Phase Evaluation
Simplified reporting conditions	With the integrated (reporting) system, the preparation of the project report for the LB is much easier and faster than in the previous programming period because basically all data are coming up from the validated beneficiary reports. The burden on the LB is much less in this respect. Also, novelty of this period is that beneficiary reports are to be submitted on both sides through the system. In the previous period the electronic beneficiary reporting was only available on the Hungarian side but in the current period it has been introduced in Croatia as well	A new monitoring system replaced the previously used IMIS 2014-2020, therefore the online submission of beneficiary reports has shifted to the platform of INTERREG+. The online reporting module of the new system was launched in August 2020, and it has been working well since then (simultaneous data input and flexible data storage).
Tailor-made application and selection procedures similarly to B Light Scheme and strategic projects	Within the B Light Scheme, the whole amount dedicated to PA1 is allocated to business support organisations as beneficiaries. They open call for proposals for SMEs in form of a two-step application procedure. Besides B Light Scheme, the introduction of so called strategic projects is also a new type of automatic selection procedure which should be taken into account in the Programme.	As the planned amount of allocation to the B Light Scheme was not utilised within the 1 st three LPP CfPs, a 4 th round needed to be organised with a simpler, one-step application procedure. In terms of the strategic project, no change was delivered during the programming period.
Involving SMEs	SMEs are eligible within the B Light Scheme	SMEs are eligible within the B Light Scheme. The new CP is going to keep this approach.
More technical assistance	The concerned management bodies provide guidelines and organise focused info days (B Light Scheme, FLC, LB) for supporting the project application and implementation. 3 JS Contact Points have been set up providing direct personal consultation for local stakeholders, potential applicants, and project beneficiaries.	The Programme Bodies provided the necessary support for the beneficiaries and ensured the Programme's smooth management. Out of 3 Contact Points, the Osijek office is currently out of service.

Until the 1st Phase Evaluation, the majority of the novelties has been introduced, and most of the challenges – had been detected in the previous programming period – were addressed. These simplification measures have significantly improved the Programme's management and reduced most of the administrative burdens of beneficiaries. Apart from this great advance there are still room for further amendments.

INTERREG+

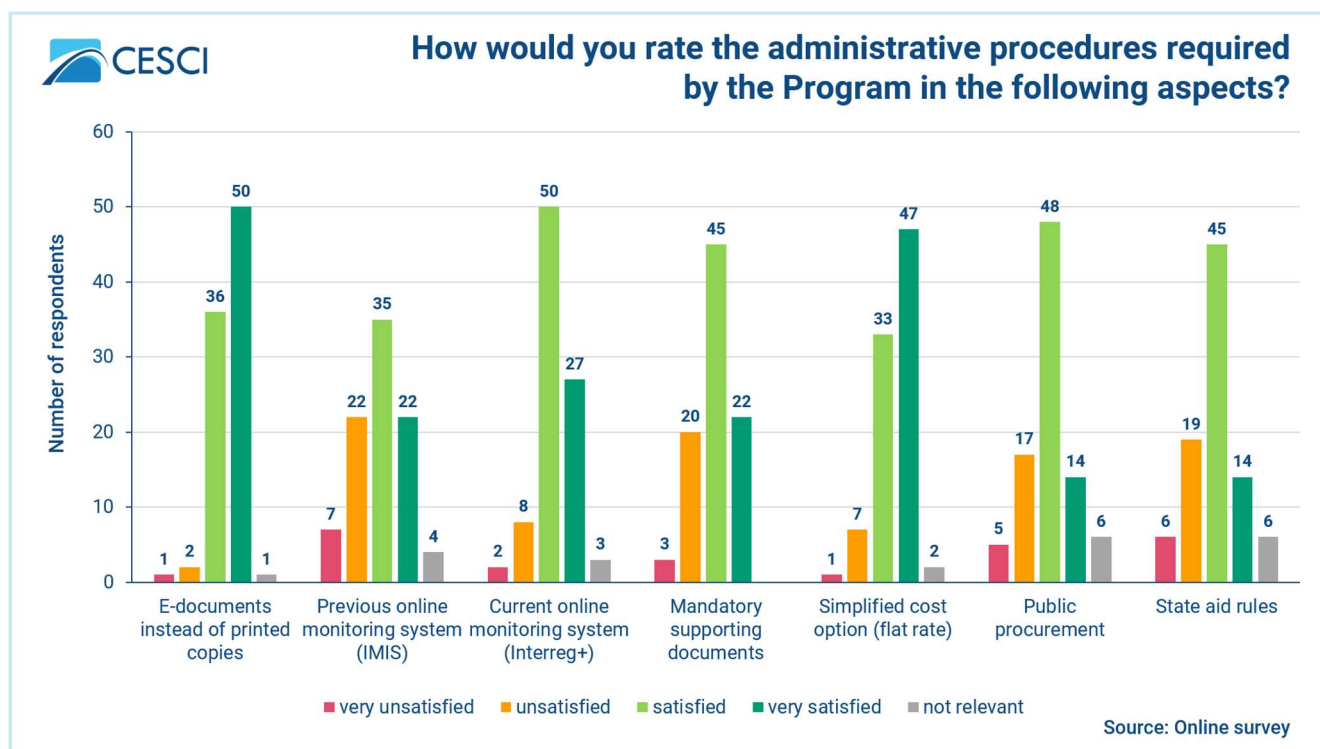
The introduction of the first monitoring system (IMIS 2014-2020) meant a significant step to reduce the paper form administration. Beside the positive aspects of the new system, unforeseen difficulties also emerged. Due to the software errors and the problematic submission of documents, IMIS 2014-2020 was not as reliable as it should have been, therefore the development of a new system (INTERREG+) started in the beginning of 2020. This development process ended on 30th of September 2021, that has been followed by a finetuning period.

After the testing rounds, the project and contracting module was opened in June 2020. One month later, the online reporting module for beneficiaries and control functions were developed, and at the end of the year the LB reporting and payment module became available. Since then, the beneficiaries have started using the INTERREG+ system for online reporting. As the IMIS 2014-2020 was an essential part of the Interreg Programme 2014-2020, the old system remained accessible in read-only mode, and its data needed to be migrated to the database of INTERREG+. The application module of the new system is under development for the CfPs of the new programming period.

Like the IMIS 2014-2020, the INTERREG+ is used in all 4 Interreg programmes managed by the MA. The user-friendlier platform facilitates the beneficiaries' and the Programme Bodies daily tasks, and due to the stored and tracked changes, every version is retrievable. In contrast to IMIS 2014-2020, built-in checks, automatic calculation, warnings and document templates make the INTERREG+ more reliable and unambiguous.

The survey results (see *Figure 28*) corroborate the necessity of the technical change, as the respondents are more satisfied with the INTERREG+ than with the IMIS 2014-2020. 63% of the respondents (57 votes) assessed positively the previous monitoring system, while the support of INTERREG+ is done so by 86% (77 votes of them). The number of unsatisfied respondents is 10 regarding the INTERREG+ (11% of the respondents) and 29 regarding the IMIS 2014-2020 (32%), that implies the fact that there is still some room for further improvements. The respondents complained that the system could not be used in parallel with one login without losing data. They suggested it would be advisable if both the financial and the professional managers, or the project manager could also enter separately. In addition, some of the respondents commented that although the IMIS 2014-2020 had been more complicated, INTERREG+ was still too difficult to understand, not intuitive, not user-friendly and the process of notifying a change request was very cumbersome. Regarding the interviews, the need for implement project modification within the INTERREG+ was also arisen.

Figure 28: Beneficiaries' satisfaction with the administrative procedures



E-application and reporting

The electronic administration is a great step to simplify and unify the application process. The newly developed monitoring system makes it easier to keep contact between the Programme Bodies and the beneficiaries, and it ensures a unified platform where all the sufficient digitalised documents can be stored. Due to the malfunction of IMIS 2014-2020, the whole advantage of electronic administration had not prevailed until the launch of INTERREG+. The new system is more advanced and better functioning, allowing the benefits of electronic data transmission to be better exploited.

Compared to other simplification, the use of electronic documentation enjoys the highest satisfaction, on both sides of the border (see *Figure 28*). Only 3 respondents expressed their dissatisfaction, while the absolute majority considered that the digitalisation was effective.

Simplified cost option

In order to ease the validation of the administrative expenditures of beneficiaries, mandatory flat-rate has been embedded into the Programme rules (15% of the staff cost is eligible as administration cost). Additionally, applicants may select the flat-rate option for their staff costs (10% or 20% of their direct costs).

Figure 29: Share of beneficiaries applying flat-rate for staff cost

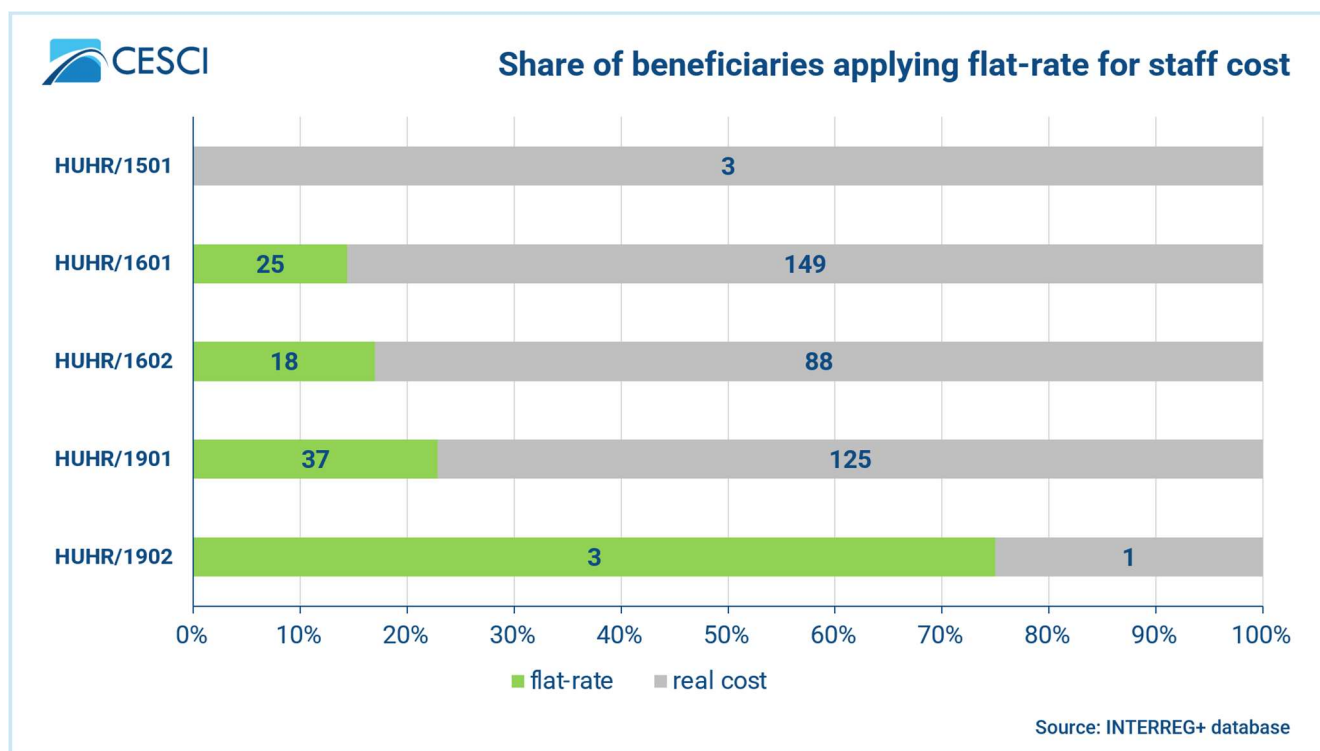


Figure 29 introduces the share of beneficiaries applying flat-rate for staff cost. However, the simplified process was barely applied in the beginning of the Programme, positive tendency can be observed. Regarding the two open CfPs, the share of flat-rate was only 14% under HUHR/1601, meanwhile it increased up to 23% under HUHR/1901, that shows the raising interest about the tool. According to PAs, the SCOs are most commonly used by beneficiaries related to PA2 (23%), but the ratio is also above 15% under PA1 and PA4. Within PA3, the share of flat-rate user beneficiaries is the lowest, only 14%.

According to the survey (see Figure 28), the beneficiaries are absolutely satisfied with the simplified options, 89% of the respondents (80 votes) welcome the novelty, while only 9% (8 votes) have negative experiences about it. However, the adaptation of the flat-rate options is a great opportunity and relief for the many actors, not all beneficiaries can easily handle this asset (e.g. water directorates or public institutions) because of the institutions' internal bureaucracy.

The perception of SCOs is similarly positive from the Programme Bodies' side and further simplification is envisaged. For instance, the JS's point is to expand the usage of flat-rate to the 4th budget line (travel and accommodation), and the lump sum for general (office) equipment can be further simplified (currently maximum EUR 1,000 per beneficiary). The FLCs are also supportive of the further extension of available SCOs.

Mandatory supporting documents

The number of mandatory supporting documents is still high, and their submission is required in the beginning of the application. Certain level of advantage happened during the HUHR/1901 CfP – when a simplified formal and eligibility assessment was introduced –, but in this case only the selected projects' beneficiaries had the chance to make complement. Nevertheless, the JS encouraged the

applicants to submit as many documents as possible, as the selection was made on the basis of the already submitted papers.

All in all, the majority of the respondents are satisfied with the mandatory supporting documents (see *Figure 28*). 74% of the respondents (67 votes) think that the submission of these paper is acceptable and reasonable, while 26% of the votes (23 votes) objected its necessity.

Advance payments

As many small-scale beneficiaries do not have enough budget to pay the cost of implementation in advance, therefore the option of advance payments can be used. Discrepancy of the Programme, that only the Hungarian beneficiaries have had the chance for pre-financing. After the conclusion of the subsidy contract for the state contribution, the amount was automatically transferred as advance payment. Croatian beneficiaries are not eligible for any state contribution.

Croatian beneficiaries pointed out that the lack of pre-financing caused extra burden for smaller or civil organisations, as their strongly limited budget did not provide firm base to implement easily their project ideas.

Regarding the B Light Scheme, the light partners could not require advance payment in any side of the border.

As the approval of beneficiary reports was very time-consuming, beneficiaries had to wait much longer for the reimbursement than it was expected. For SMEs and smaller organisations, this could further harden the financial implementation of the project, in some cases it even led to daily operational problems.

State aid rules

Professional knowledge is needed to handle the state aid rules. As there are no national databases available for the Programme Bodies, therefore the JS could only monitor the use of grants under the State aid Regulation based on the declaration of the beneficiaries.

On the beneficiaries' side, more than half of the respondents (66%; 59 votes) are satisfied with the rules (see *Figure 28*), and the dissatisfaction rate is close to 30% (28%; 25 votes).

2.1.2.4 Internal assessment of the assistance provided by the Programme Bodies

The internal assessment of the assistance provided by the Programme Bodies is prepared based on the Programme documents, and the databases provided by the JS and the interviews.

The JS has given assistance to the potential and the contracted beneficiaries during the whole project cycle. The availability of the JS is ensured, the beneficiaries can contact with the Programme Body online and – owing to the JS Contact Points – in person as well. Staff of the JS attended language courses to be able to use both national languages at certain level. What is problematic during the communication with the (potential) beneficiaries in their mother tongue is that two Croatian-speaking colleagues have left the JS during the programming period.

Besides, the official website of the HUHR Programme is up-to-date and provides the most relevant information about the Programme. In order to ensure the smooth information flow, the JS has organised 21 communication events, where the enquirers could get first-hand information.

The COVID-19 pandemic partially hindered the personal consultation and presented unprecedented challenges to the Programme Bodies. In order to deal with these unexpected circumstances, the JS and the MA published a special guidance document, that aimed to reassure the beneficiaries and to avoid the unjustified project and indicator changes. As a result, beneficiaries were kept informed even at the most unpredictable times.

The Programme Bodies (including the JS and the MA) have a particularly important role in contracting. The length of the related procedure can be obtained from the INTERREG+ database.

Table 15: Features of the duration of the contracting procedure⁶⁴

	Length of the contracting procedure affected by Programme Bodies (calendar days)	Length of the total contracting procedure (calendar days)
Average	101	231
Minimum	20	89
Maximum	207	351

The contracting procedure starts with the approval of the projects by the MC (about which a notification letter is sent by the MA to the LB), while it ends when the LB signs the contract. *Table 15* shows the total timeframe (between the MC decision and the signature of contract by the LB) and the timeframe that was necessary for the Programme Bodies to deliver their tasks. The beneficiaries have two main parts in the process, first is the supplement of documentations, while the second is the signing of the contract itself. Between these steps, the JS and the MA work on the progress of contracting. The above-mentioned table does not include the light projects – as these have their own contracting procedure – and 4 normal projects which were incorrectly dated in the monitoring system. On average, the total duration of contracting is 231 days, but there are also projects where 351 days were needed to sign a contract. More than half of the time spent to contracting was used by beneficiaries (131 days), while the Programme Bodies involved only 44% of the total timeframe (101 days). However, the duration of the contracting procedure is ruled in the programme manuals, the average length seems to be relatively high, which sometimes jeopardised the realisation of activities indicated in the application form (e.g for example because of the price increase).

⁶⁴ In the INTERREG+ database, the dating of 4 projects is incorrect, the values of these projects (as the light projects) are not included in the table. The filtered projects are:

RefurbCulture: HUHR/1601/3.1.1/0016, Energy efficient refurbishment in cultural heritage buildings

EN-EFF: HUHR/1601/4.1.2/0035, New concept training for energy efficiency

STTARS: HUHR/1901/3.1.2/0035, The specific role of table tennis in HU-CRO cross border regional sport

HU-CRO EXPLORE AND LEARN: HUHR/1901/4.1.2/0015, EXPLORE AND LEARN gastronomic tradition, sharing knowledge

Regarding the projects' implementation, besides the JS and FLC bodies also have an important role in supporting the beneficiaries. Out of the two FLC bodies, the Hungarian one offers constant assistance to the beneficiaries during the project implementation at info days, personal consultations during the contracting phase and optionally all over the implementation. The FLC has been available via phone too, that is used mostly during the reporting periods. In justified cases, the FLC has also organised special crisis meetings, which involved special site visits to solve the challenges in person. This proactive approach of the Hungarian FLC with intensive support (consultation opportunities) to the beneficiaries even before the formal submission of the reports resulted in higher quality report at the Hungarian beneficiaries.

At the same time, the Croatian counterpart did not offer such assistance to the Croatian project partners, which led to mistakes in the submitted reporting documentations. The correction of these mistakes is definitely more time-consuming than their prevention, which significantly increased the time spent on controlling compared to the Hungarian side. Another factor also negatively affected the already existing gap between the two sides: the Hungarian authority used to dedicate staff members to a certain project, therefore the control of the project has been permanently carried out by the same colleague. In contrast, on the Croatian side the incoming report always landed on the desk of the least burdened controller, who were not able to get familiar and constantly monitor the implementation of full projects. Last, but not least, postponed or online on-site checks also contributed to the increase of time spent on controlling, as some of the errors were revealed only at the end of project implementation.

Problems arose also at the beneficiaries' side: the HU FLC had the impression that the process worked well, if the beneficiary had right capacity and experienced staff for programme management. Many cases – especially in the case of small NGOs –, the lack of skills and capacities caused troubles and risked the smooth financial progress of the projects. The problem was even higher, when these beneficiaries had not read profoundly the guidance documents or continued the work without understanding the requirements. According to the Croatian FLC, the involvement of SMEs into the Programme triggered this imbalance, as they did not have sufficient experience and the reporting was administratively demanding for entrepreneurs.

The reporting procedure was built up from two phases: first the beneficiary reports must be submitted to the national FLC bodies while the project level report must be prepared and submitted by the LB to the Joint Secretariat. The project level reports must be submitted within 80 days (100 days in case of the final reports) after the end of the reporting period, including the verification of expenses by the FLCs at national level.

The assessment of the project reports had to be carried out in 30 calendar days from the submission. If completion was needed further 10 days were available for the LB and 30 days for the JS. This timeframe was kept by the JS, as the average duration of the project reports' acceptance was 34 days (see [Table 16](#)).

Table 16: Features of the duration of the reporting procedure

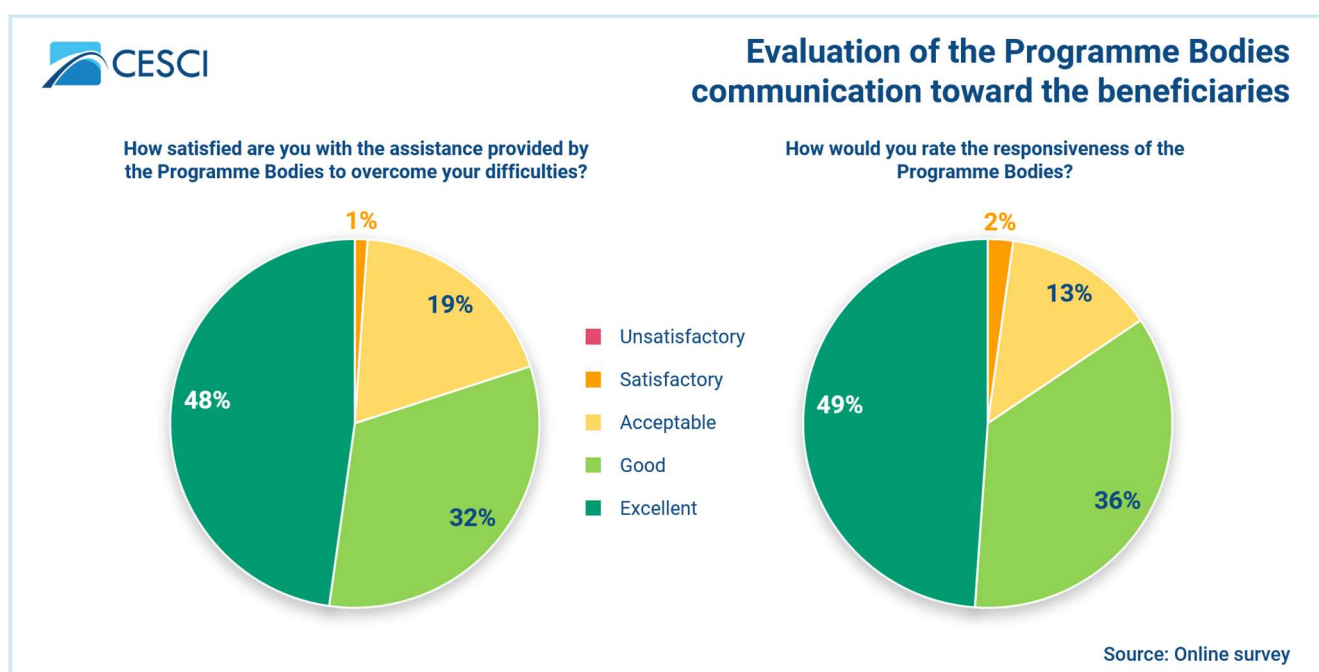
	Duration of the acceptance of the project reports (calendar days)	Duration set in the Manuals (calendar days)
Average	34	60 (30+30)
Minimum	1	
Maximum	329	

2.1.2.5 External assessment of the assistance provided by the Programme Bodies

Owing to the survey and interviews, the beneficiaries had the chance to express their opinion about the assessment provided by the PBs. This chapter introduces the quality of assistance provided by the Programme Bodies and the clarity and availability of the Programme information.

According to the interviews, the beneficiaries have positive experience with the JS, as the Programme Body is well prepared, professional, helpful and always available. The result of the survey (see *Figure 30*) confirms this good and smooth communication: 80% of the respondents (72 votes) are satisfied with the work of the bodies, and only 1 respondent expressed dissatisfaction. Similar acceptance characterises their responsiveness. The absolute majority of the respondents (84%, 76 votes) consider that the Programme Bodies are available and responsive in a timely manner, while the number of dissatisfied beneficiaries is negligible (2 votes).

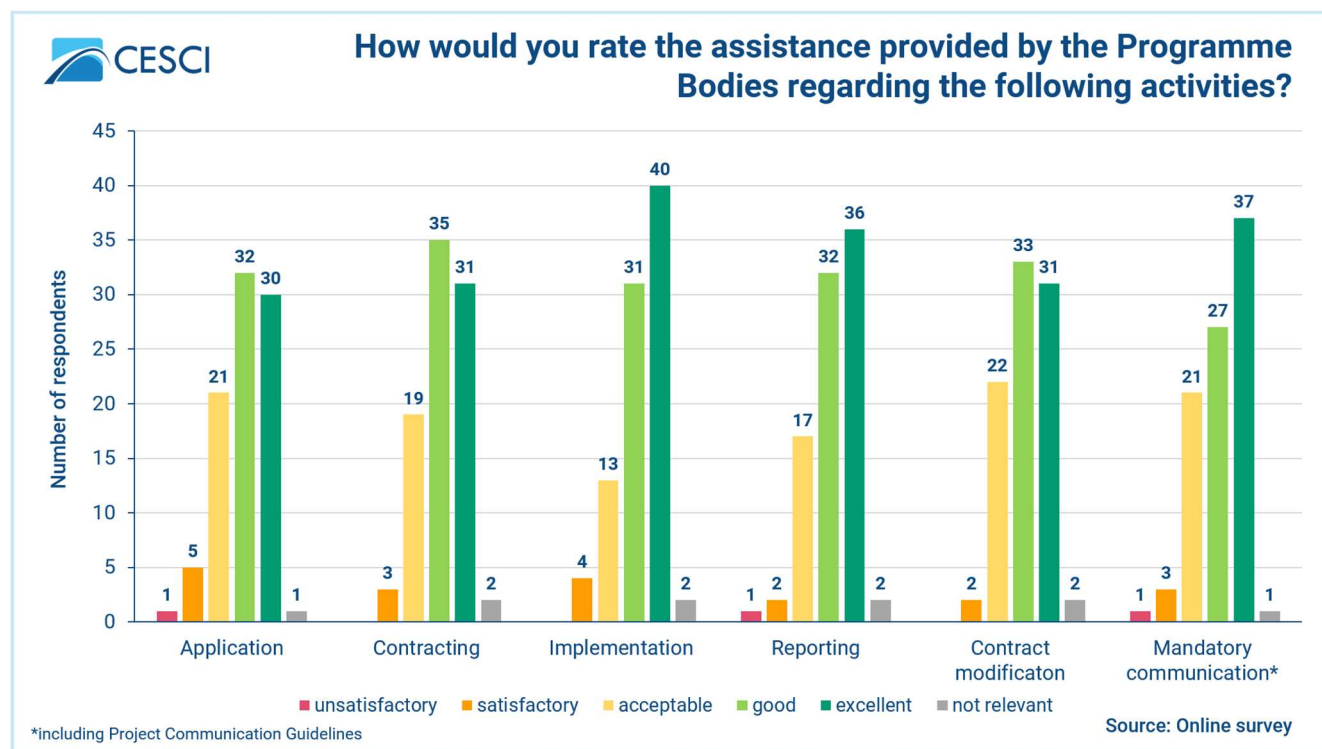
Figure 30: Beneficiaries' satisfaction with the communication and assistance provided by the Programme Bodies



The communication with the management bodies have been ensured during the whole project cycle. Among the stages of the project cycle, the greatest satisfaction with their assistance concerns the implementation, the mandatory communication and the reporting (see *Figure 31*); at least 40% of the respondents think that the received assistance – at these project phases – was excellent. The assessment

of the support during the application, contracting and contract modification is also favourable, as 36-39% of the received answers rate the quality of assistance as good. Disapproving opinions (unsatisfied or just satisfied beneficiaries) are in the minority, under 10%. This negative tone is the strongest (7%) in case of the application process.

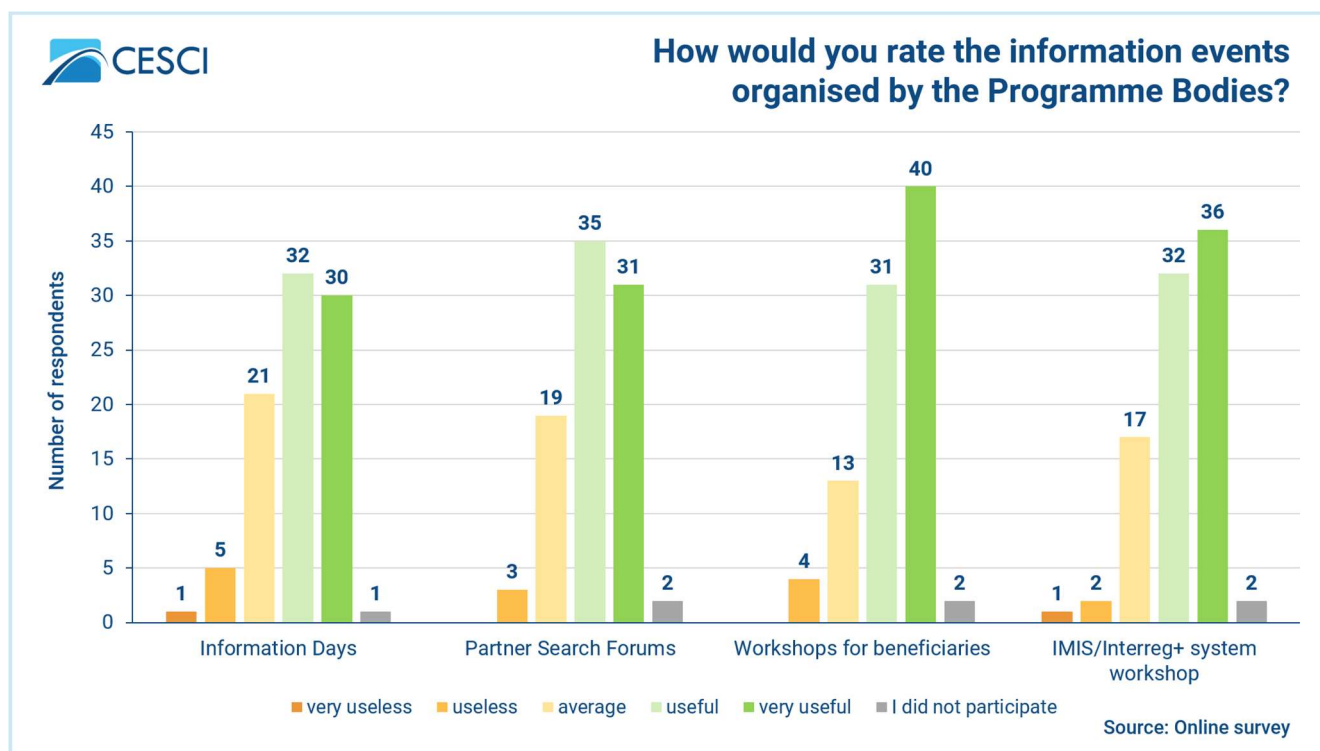
Figure 31: The assessment of the assistance provided by the Programme Bodies during the project cycle



Based on the interviews, the number of organised info days was sufficient, and the necessary information could be obtained at these events. The beneficiaries praise the Programme's official website, where all Programme documents and the important news are available.

The survey gave the possibility for the beneficiaries to assess the information events organised by the Programme Bodies (see *Figure 32*). The most useful events are the workshops for beneficiaries (79% of the respondents chose the useful or very useful category) and the monitoring system workshops (76%). The partner search forums received similarly high support (73%), while the usefulness of the information days after the publication of the calls for proposals is the lowest (69%). To sum up, all four types of information events are essential part of the Programme Bodies' communication, as they have helped the vast majority of respondents to learn the rules of the Programme and to implement their project ideas. The ratio of unsatisfied votes is less than 10%.

Figure 32: Evaluation of information events organised by the Programme Bodies



2.1.2.6 Assessment of ownership

Beside integration and cohesion of the border regions, the democratisation is also an important principle of the Interreg programmes, that can be enhanced by the involvement of actors from local level in the programming and implementation of the CP. In order for local actors to be involved and actively contribute to the shaping and realisation of the developments, they need to be made aware of their right to ownership. The assessment of the ownership principle is based on the interviews and the Programme documents.

In order to ensure the representation of local interests, NUTS3 level regional municipalities are involved into the MC. Beside the counties, only the relevant ministries have voting rights in this decision-making platform, but the right for observation and advice is given for other actors too. Some NGOs and other stakeholders take part in the MC as external actors, but – compared to other representatives – they do not make their voice heard enough according to the stakeholder interviews. The interviewees do not see the necessity to involve more actors into the MC, but the currently represented bodies should stand for the local interests more efficiently. There is no intention to change the status quo, as more voting members might slow down the decision process of the MC. However, there is still room for improvement to enhance the advisory and supportive function of NGOs.

The B Light Scheme has been a big step forward broadening the circle of stakeholders directly addressed by the CP, as SMEs, as a completely new target group has been able to participate in the Programme. The presence of SMEs has further enhanced the enforcement of local interests, as even more local participants are able to take advantage of the opportunities offered by the HUHR Programme. At the same time, the number of involved SMEs represents only a small part of the local economy, therefore there is still room for improvement in terms of broadening the range of addressed local development

needs. Another positive effect of the B Light Scheme is that the management of the tool and the decision-making has been partly transferred to NUTS3-level development agencies which is an important step towards the decentralisation of the decision-making.

The implementation of the *CBJointStrategy* has started a positive and forward-looking process, as a regional actor (the Pannon EGTC) got the chance to plan the CP of the next programming period. This is a key segment of the Programme's ownership, as local needs and interests could be directly channelled into the new CP. Workshops, questionnaires and in-depth interviews were organised by the EGTC and many external experts to gather the views and suggestions of local stakeholders. All in all, 2 online questionnaires and 7 workshops (3 HU, 4 HR) were held in different parts of the programme area. The completed professional materials have been published on the project's website, thereby the availability of the results is ensured.

According to the MC members, the main aim is to open the Programme to as many local actors as possible and encourage them to submit their project proposals. One of the MC members expressed the issue that the programme area is covered by a network of small villages, but most of these settlements have not submitted applications yet. In order to have a real ownership of the Programme, involvement of these municipalities is indispensable.

In the opinion of another MC member, another way to strengthen the local voice within the Programme, is the increasement of Contact Points. These offices provide assistance and information at local level, thereby they are the easiest to contact and build trust with. Furthermore, the operation of Contact Points can be a key to cope with the language barrier and make the communication between the two sides easier. In contrast, the opposite process took place during the programming period, as the office in Osijek closed and it is difficult to find bilingual staff with appropriate qualifications.

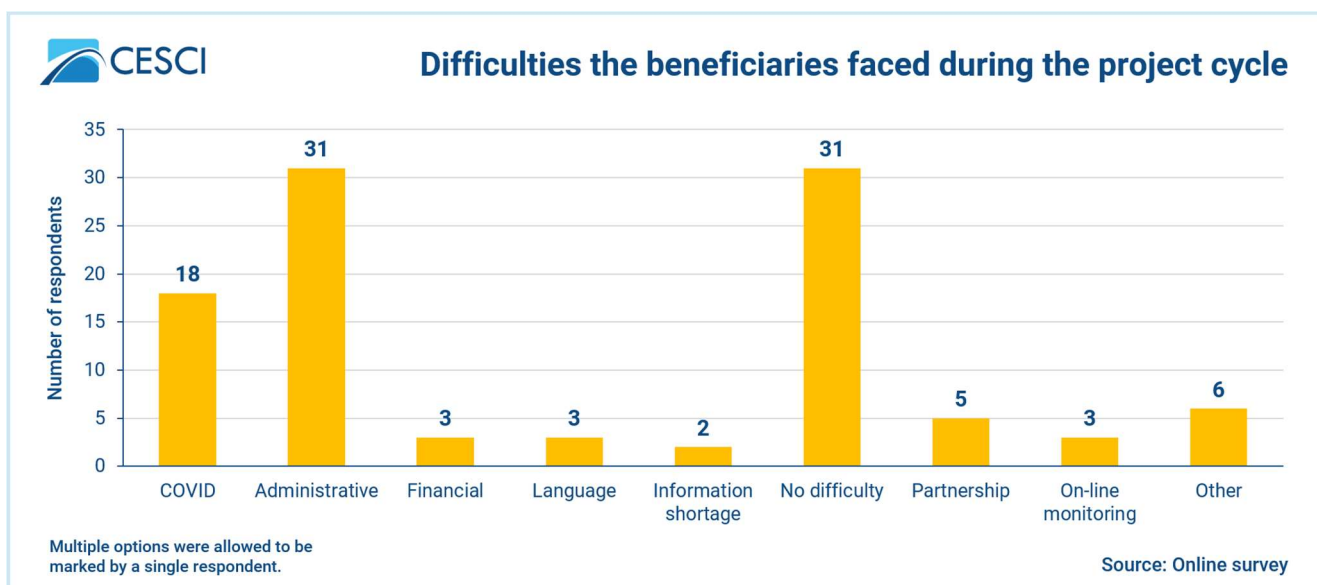
In the words of one interviewee, the Programme should involve a wide range of stakeholders in the planning and implementation process – including authorities, NGOs, academic community, economic entities and local residents –, that would ensure greater engagement and responsibility and would contribute to a better adaptation of the Programme to the needs of local communities.

2.1.3 Influence factors of the implementation

In this subchapter, the different internal and external factors affecting the implementation of the programme are assessed. To identify and describe the various factors, an online survey was conducted among the applicants and beneficiaries of the Programme. Furthermore, interviews were carried out with the beneficiaries and the Programme Bodies too. The results were supplemented with desk research information on various topics such as global and regional economic processes or regulatory frames.

Within the framework of the **online survey**, the participants were asked about the kind of obstacles they faced during the application and implementation of their projects (*Figure 33*).

Figure 33: Answers to the question: What kind of obstacles did you face during the application/implementation?



The most frequently listed obstacles concerned the project administration, including the time-consuming and complicated reporting procedures, the heavy administration, as well as the long public procurement procedures. As external factors, the different aspects of the COVID-19 pandemic, the exchange rate fluctuation and general price increase were mentioned. In addition, a limited number and share of respondents perceived language and partnership related obstacles.

An **influence matrix** (Table 17) is provided below, which summarises these factors in a textual way, giving a short description of the factors themselves and defining their type. The following table summarises the most significant external and internal influence factors.

Table 17: The most important external and internal influence factors on the implementation of the Programme

Short name of the influence factor	Short description of the influence factor	Type
COVID-19 pandemic	The COVID-19 pandemic and its effects on the border regime Based on the fatalities per capita, Hungary (499.85 deaths per 100,000 people) has suffered the most, while Croatia (438.14) was hit the 3 rd most by the COVID-19 pandemic across the European Union. ⁶⁵ Based on data from 2020, Northern Croatia experienced lower risk, but severe exposure to COVID-19 pandemic. ⁶⁶ The pandemic negatively impacted many regions of the two countries, especially the border regions and their communities because of the first, uncoordinated national measures. These hampered the four freedoms along the borders of two Member States.	external

⁶⁵ John Hopkins University. Mortality analyses: <https://coronavirus.jhu.edu/data/mortality>

⁶⁶ Böhme, K. and F. Besana (2020), Understanding the Territorially Diverse Implications of Covid-19 Policy Responses, Spatial Foresight Brief 2020:13

Short name of the influence factor	Short description of the influence factor	Type
	<p>Hungary closed its borders on the 17th of March 2020. The closure restricted the commuting of the workforce across the border, which led to serious problems relatively soon. As a consequence, at the end of March, the restrictions were removed for those having registered address, workplace or land across the border within a 30-kilometer zone. All seven border crossing points remained open, but the cross-border public transport was temporarily suspended on both railway lines. The uncertain conditions discouraged citizens from crossing the border, because upon their return, they might have been obliged to spend 14 days in quarantine. Out of the non-Schengen borders, the HU-HR was the second most affected by the pandemic in terms of the number of border crossings: the border traffic decreased 48% from 2019 to 2020. The decrease was the most significant in the first two quarters of 2020, which was followed by a slight increase, but it did not reach the previous values until the end of 2021.⁶⁷</p> <p>The effects of the pandemic on cross-border projects</p> <p>However, the projects of the HUHR/1601 call for proposals were closed by the end of 2019, the COVID-19 pandemic hit the light and HUHR/1901 projects hard. First of all, the public events and in-person activities planned to be organised and carried out by the beneficiaries in the framework of projects had to be cancelled, postponed or moved into the online space. These changes particularly affected tourism, culture, education-related activities (concerning PA2, PA3 and PA4) and were extremely harmful for those projects selecting indicators referring to the number of participants.</p> <p>Projects with infrastructure development and/or equipment procurement were also hindered by the pandemic. The construction companies, sub-contracted in the projects of the PA2, were not always able to deliver the works in time because of the illness of their employees or the restrictions. Furthermore, the authorities issuing the building and further permits had to reduce their opening hours, partly due to the central restrictions, partly due to the high number of absent (sick) employees, which also delayed the projects' implementation.</p> <p>The COVID-19 pandemic also negatively affected the global value chains, causing shortages in the materials and equipment to be purchased. This led to an increase in the prices (see also the next row of the table), thus beneficiaries needed to take measures such as requesting budget modification (including reallocation between budget lines, extra financial resources) and prolongation. Numerous beneficiaries faced newly occurring financial problems, which jeopardised the realisation of their project.</p>	

⁶⁷ CESCO (2021): Impacts of the COVID-19 pandemic on Hungarian border regime. https://legalaccess.cesci-net.eu/wp-content/uploads/2021/09/JOGa5_Covid-tanulmany_CESCO.pdf

Short name of the influence factor	Short description of the influence factor	Type
	<p>The SMEs were hit the hardest by the COVID-19 pandemic. Due to the economic collapse, SMEs had to fight for survival and for keeping their workers, instead of concentrating on their innovative, cross-border projects. In addition, SMEs were not eligible for either national co-financing or pre-financing, which further hindered the smooth implementation of their developments. At the same time, in some cases, it was the ERDF support, which helped the enterprises to avoid bankruptcy.</p> <p>At the programme management side, the work of the FLC authorities were also affected. Controllers were not able to organise site visits, which hampered the beneficiaries' application for reimbursement. At the very beginning of the pandemic, even the international postal services were suspended: the programme authorities could not deliver the subsidy contracts to the beneficiaries and vice versa. All these difficulties have generated delays in project implementation.</p> <p>Measures taken by the Programme Bodies in order to mitigate the difficulties generated by the pandemic</p> <p>The Programme showed flexibility and quick reaction to the challenges of the beneficiaries regardless of the frequently changing external conditions. In accordance with the Audit Authority, the Managing Authority introduced provisional procedures for both the projects and the cross-border Programme, as early as 16th of March 2020, and the alleviations were constantly prolonged as it was required by the situation. It is worth noting, that this attitude was not common among the CBC programmes at the time.</p> <p>The package of the new procedures was further fine-tuned in compliance with the Corona Response Investment Initiative (CRII) Regulation⁶⁸ of 30th of March 2020, and the CRII+ Regulation⁶⁹ on 23rd of April 2020. In order to keep the Programme in motion, the management bodies established and applied the rules of <i>solidarity</i> (the Programme must not lose any beneficiaries) and <i>urgency</i> (always concentrating on the most urgent problems). Accordingly, the management dealt with every project individually, and made practical recommendations facilitating the accomplishment of the project – with an extreme flexibility.</p> <p>The contracting process was performed half-digitally (printing, signing, scanning). The beneficiaries were allowed to organise the project events online or to postpone their events to be held in person. Smaller amendments did not need to be permitted through the official procedures: the approvals were made by written procedure in an accelerated way. The Commission reimbursed the applications for payment by 100%, allowed the reallocation of resources between the priority areas without prior authorisation, and prolonged the submission deadline for AIRs.</p> <p>All these measures facilitated the (even prolonged) realisation of the projects, the fulfilment of the majority of the indicators and the accomplishment of the interventions.</p>	

⁶⁸ https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=uriserv:OJ.L_.2020.099.01.0005.01.ENG&toc=OJ:L:2020:099:TOC

⁶⁹ <https://eur-lex.europa.eu/legal-content/EN/TXT/?qid=1588165247288&uri=CELEX:32020R0558>

Short name of the influence factor	Short description of the influence factor	Type
Inflation	<p>Based on the Harmonised Index of Consumer Prices (HICP) published by Eurostat⁷⁰, inflation rate has steeply increased in the given countries, especially in Hungary. The annual change from 2013 remained low until 2018 both in Croatia and Hungary, below 6%. The annual change increased from 2.8% of 2017 to 37% in Hungary by 2022, and from 0.7% to 17% in Croatia. Since 2019, the change has been higher in both economies than the average of the EU27 (9.3% in 2021). Various activities have been affected negatively by the sharp increase in prices (for instance, the extremely high prices of energy, electricity, gas and other fuels, transport, food, restaurants and hotels in particular).⁷¹</p> <p>The increasing prices are a result of high demand due to national and EU contributions in the economy, especially in the construction sector, low supply due to COVID-19 pandemic, low stocks of strategic and basic materials, interrupted value chains and trade relations. Later on, the energy crisis and the war in Ukraine negatively affected the prices as well.</p> <p>Due to the general price increase, beneficiaries faced difficulties during the project implementation. In many cases the public procurement processes were significantly lengthier than expected or even unsuccessful, because all the bids were higher than the budget framework planned in the application phase. As a result, interventions from both the beneficiaries and the programme management side became necessary:</p> <ol style="list-style-type: none"> 1. In the case of bigger investments (infrastructure development or purchase of equipment), the content of the projects was simplified in a way, that reaching the indicator target values and cross-border impact were not put into risk. 2. Beneficiaries needed to involve additional funding partly from the Programme's resources, since the Programme was able to offer extra ERDF support from the unspent and reclaimed ERDF budget of some projects. <p>Despite of the fact that these procedures led to major delays in the implementation in many cases, solutions have been found in each case, thanks to the flexibility of both the beneficiaries and the management bodies.</p>	external

⁷⁰ HICP - annual data (average index and rate of change):
https://ec.europa.eu/eurostat/databrowser/view/prc_hicp_aind/default/table?lang=en

⁷¹ HICP - contributions to EA annual inflation (in percentage points):
https://ec.europa.eu/eurostat/databrowser/view/prc_hicp_ctrb/default/table?lang=en

Short name of the influence factor	Short description of the influence factor	Type
Lack of bilingualism	<p>The separating effect of the border rivers is further aggravated by the linguistic segregation along the border. The Programme's implementation and the effective cooperation are greatly hampered by the lack of bilingualism, as the knowledge of the neighbouring language is limited among the local population. The language barrier is further strengthened by the fact that there is little or no knowledge of English (especially in the case of the Hungarian stakeholders) which should be the lingua franca. The exception is the bilingual ethnic minorities, which can establish direct contact with communities on the other side of the border, thereby mitigating the language barrier. However, these minorities are concentrated in certain parts of the border region (mainly in the westernmost and easternmost parts) and their absence is strongly perceptible in the central part of the programme area.</p>	external
Financial reporting and control	<p>Many stakeholders consider the controlling processes unreasonably lengthy, bureaucratic and strict. According to the online survey, 20% of the respondents experienced difficulties in terms of the control procedure's duration and the necessary paper-based and online administration.</p> <p>Especially the Croatian partners had to wait a longer period for reimbursement, which can be reasoned by the differences in the functioning of the FLC units on the two sides of the border. On the Croatian side, there are no controllers dedicated to a single project part: each beneficiary report is checked by a controller who has the capacity to do it. In this manner, the FLC colleagues do not have the opportunity to get familiar with full projects, only separate parts, which hardens the control procedure.</p> <p>Furthermore, in Hungary, the FLC body offers informal consultation possibility before the official submission of the beneficiary reports, which helps preventing mistakes in the documentation. Completion within the official procedure is definitely more time-consuming than preliminary corrections.</p> <p>The delays in the reporting procedure and the reimbursement are especially problematic for SMEs, which are not eligible for advance payment. All their costs must be pre-financed from their own or third party (e.g. commercial bank loans with interests) resources.</p>	internal
Co-financing	<p>The ERDF co-financing rate is 85% for traditional projects and 75% for light project, which tends to be higher than those of other mainstream and EU programmes. According to the survey, the relatively high rate attracts beneficiaries to the Programme.</p> <p>At the same time, Croatian partners are not eligible for national co-financing, unlike in Hungary. The lack of national financial support can be especially problematic for the smaller municipalities and NGOs having modest financial capacities.</p>	internal

Short name of the influence factor	Short description of the influence factor	Type
INTERREG+ system	<p>INTERREG+ gradually replaced IMIS 2014-2020 in order to ease the users' daily activities. All the application procedures were managed in the old system, migration of data from IMIS to I+ for the implementation phase of the projects caused some slight delay in reporting procedures. Respondents of the survey and interviewees were mainly satisfied with the operation of the new system; however, some proposals were also drafted in order to make it more user-friendly and practical. These proposals are detailed in the <i>2.1.2.3 Results of the simplification</i> chapter.</p>	internal
B Light Scheme	<p>The Programme has incorporated a new tool, the so called B Light Scheme which was not applied in the previous period. It is partly functioning like a strategic project and partly like a grant scheme. Within the framework of the strategic project, the 8 project partners are in charge of involving the SMEs and managing the scheme. The selection of the partnership, as well as to design the management structure and procedure of the scheme was a time-consuming and human resource intensive process, the fine-tuning of which has lasted during the whole programming period. This meant an additional and unexpected burden especially for the JS, but also for the MA and the FLC bodies.</p> <p>Nonetheless, the piloting of the B Light Scheme seems to be a successful initiative, which will continue in the next programming period. In this manner, the extra efforts taken by the Programme Bodies can be regarded as an investment into the smooth implementation of the new CP.</p>	internal

2.2 Effectiveness

2.2.1 Analysis of the fulfilment of regional needs

In this chapter the main questions to be answered are as follows: Is the use of funds properly addressing the current development needs of beneficiaries in the eligible programme area? Are there uncovered needs that could be tackled eventually under a future Interreg programme? What change was achieved in the eligible programme area in terms of meeting the needs and challenges of the border region, as identified in the Cooperation Programme document (considering the scope and characteristics of the Programme)?

Each project of the Programme was assessed⁷² in terms of **the number of connections to the given main challenges** (regional needs). The most properly addressed development needs in terms of number of primary and secondary connections of the projects to the contribution to the regional needs are as follows, where the first three stand out and the remaining three have similar support in terms of number of related projects:

- Strengthening mutual knowledge on both sides of the border;
- Capacity building;
- Supporting the cooperation of SMEs;
- Developing tourism infrastructure, network and products;
- Supporting jointly developed educational and training services;
- Boosting product and service development of SMEs.

Based on the **EU contribution projects that have primary connection to the respective challenges**, developing tourism infrastructure, networks and products (44.5% of the total ERDF amount) stand out.

The most impacted sub-areas **according to survey results** are:

- SMEs' inability to raise funds;
- low number of cross-border corporate and business contacts;
- infrastructure for heritage tourism, tourism infrastructure in general;
- permeability of the border in terms of development of tourism;
- restoring and protecting natural heritage;
- environmental awareness-raising;
- state of infrastructure and modern educational methods in schools;
- number and quality of interinstitutional connections;
- jointly developed and jointly implemented education and training services;
- number of actors involved in the cooperation;
- framework of cooperation and management system between institutions.

⁷² For detailed analysis and methodological details please see the related Annex (*3.4 In-depth analysis of the regional needs' fulfilment*).

The main changes achieved in the eligible programme area in terms of meeting the needs and challenges of the border region are:

With regard to SME development the main changes include:

- product development in partnership with SMEs from both countries;
- new and deepened already existing business-to-business cooperations, intensification of business relations. Initiation of several joint events where enterprises could cooperate and get connected with each other and the wider business environment. Initiation of cross-border cooperation with the better involvement of the private companies.

With regard to tourism development the main changes include:

- improved wine tourism with regard to infrastructure, networks and product development;
- extension and development of bicycle routes across and in both sides of the border, development of cross-border cyclist infrastructure.

With regard to decontamination of minefields:

- the Hungarian territories could be regarded as mine-free. The positive effect of the still recent Schengen enlargement could be enjoyed along longer border sections.

With regard to ecological topics:

- creation of joint databases, surveys and monitoring activities;
- restoration and conservation of protected areas;
- water-related cooperation has been improved in the field of flood alarm and forecasting system;
- contribution to raising the level of knowledge and education of the general public about the importance of preserving natural values.

With regard to educational topics:

- jointly developed curriculum and trainings;
- increased number of cross-border and inter-institutional cooperation with the involvement of primary and secondary schools;
- upgraded educational facilities and technical equipment.

With regard to institutional cooperation:

- contribution to the mutual learning of each other's cultural values, extension of the mutual knowledge on cultural heritage of the two nations;
- contribution to the further strengthening of the institutional and community ties of Croatian ethnic groups across the border;
- improve of the level of mutual understanding and acceptance, demonstrating positive social experiences through the organisation of sport events;
- People-to-People relations has been initiated and extended with the involvement of NGOs, civic organisations, local municipalities in the field of intermunicipal, culture and sports;
- with the help of *CPJointStrategy* in particular support for outlining complex cross-border strategic project ideas, the active involvement of various stakeholder groups (public bodies at every administrative level, authorities, local institutions, NGOs, businesses and others) in the planning process of the programming area;

- capacity building for EGTCs; supported organisational development and partnership building;
- enhanced institutional capacities and joint better harmonised sectoral planning in relation to tourism management and development, in ecotourism and wine tourism especially;
- capacity building in the field of nature conservation and water management, encouraged information exchange and knowledge transfer.

Furthermore, the **uncovered needs** that could be tackled eventually under a future Interreg programme should also be listed.

- increase of the number of SMEs (low number of SMEs);
- increase of the level of cross-border innovation potential;
- supporting new business services for tourists (there is a lack of new, business-driven services in the border region);
- water tourism development in the light of the accession to Schengen;
- attention to joint management and administration with regard to ecological topics;
- energy-related developments, energy efficiency, renewable energy and circular economy.

2.2.2 Analysis of the impacted target groups

This subchapter focuses on the analysis of the target groups of the Cooperation Programme and the projects.

1. As a first step, evaluators assessed how well the target groups were selected in relation to the regional needs defined by the CP.
2. As a next step, evaluators also made an attempt to evaluate to what extent were the target group selection of the beneficiaries in harmony with the CP's intention. The analysis is based on the description of the projects' activities available in the INTERREG+ system.
3. Last, but not least an analysis concerning the effectiveness of reaching the selected target groups was conducted based on the survey.

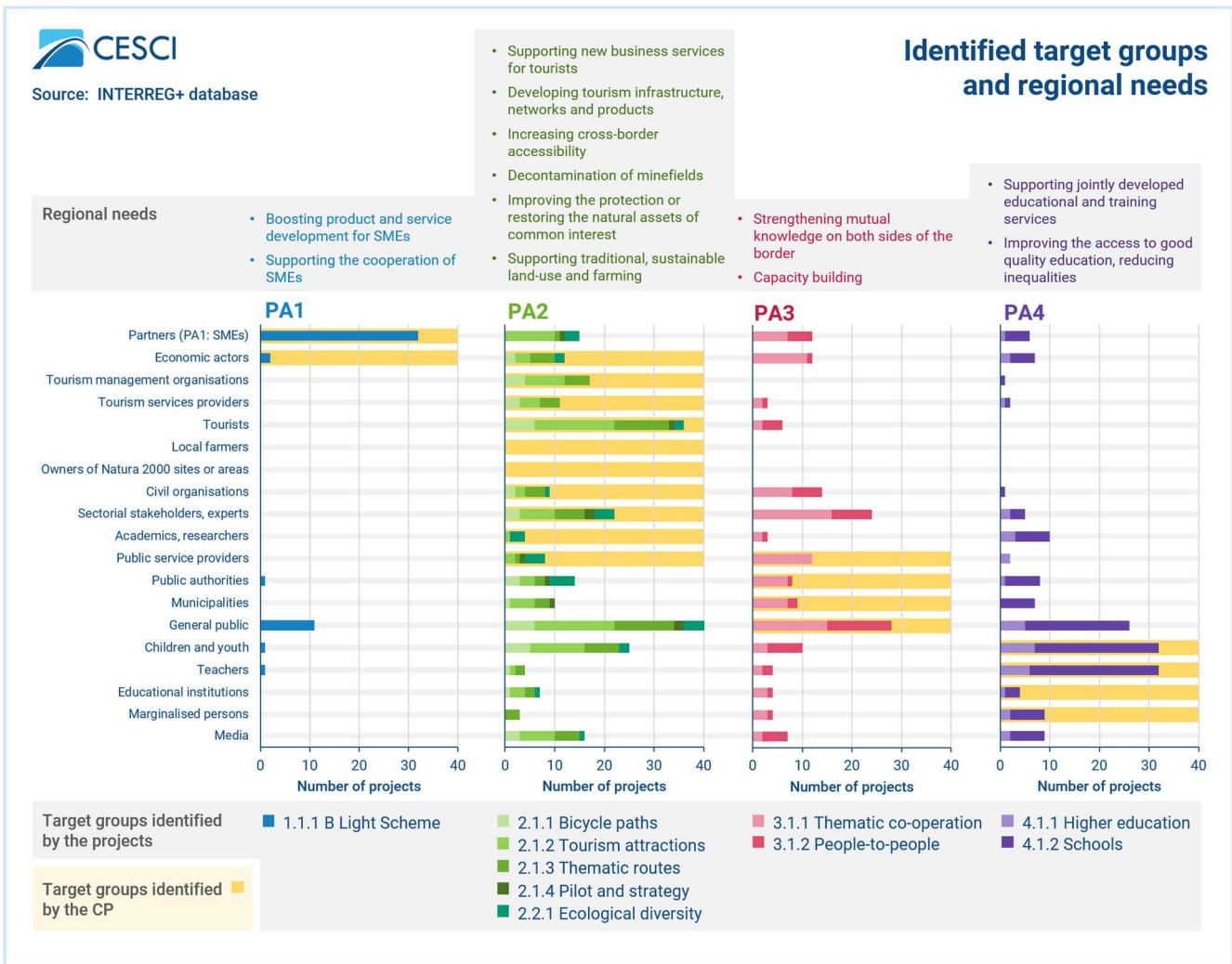
The following figure (*Figure 34*) summarises the results of the first two aspects' analysis:

- Target groups identified by the CP for PAs (highlighted in yellow);
- To what extent did the projects give priority to targeting these groups?

In general, it can be said that the **identified target groups** are selected in a consistent way and mostly in line with the regional needs⁷³. Target groups, highlighted with yellow, are connected to the relevant regional needs – listed at the top of the figure – in a logical way. The only question is to what extent the relatively broad target group definitions set by the Programme helped the beneficiaries to define their own target groups. In most cases the identification of the exact target groups of the projects followed the projections of the Programme, but it is undecipherable what the real motivation of the beneficiaries was: answering the mandatory question of the application form or the sound planning of the project implementation.

⁷³ For more information on the regional needs addressed by the PAs, see the chapter: *3.4 In-depth analysis of the regional needs' fulfilment*.

Figure 34: Identified target groups



In order to find out the main **groups targeted by the projects** the project descriptions in the application phase from the INTERREG+ were processed. According to the observations, beneficiaries tended to classify and define target groups in a heterogeneous manner. Various categories were named, for instance the target group called children and youth had over 120 slightly altering names (e.g. pupils, kids, children, children from kindergartens) described by the project partners. The wide variety of subcategories were categorised by the evaluators into manageable number of groups. Consequently, 19 distinct categories of target groups could be identified after the harmonisation and classification process. There are also some minor differences in the target group designations used in the CP and in the project descriptions (e.g. CP has identified the SMEs as the main target group for the PA1; however the PA1 beneficiaries mostly designated their target group as ‘partner’, who are themselves SMEs). Evaluators tried to harmonise these differences.

In the upcoming the main goal of the assessment is to evaluate to what extent were the target group selection of the beneficiaries (see the coloured bars on the figure above) in harmony with the CP’s intention (yellow bars). In relation to each PA the target groups identified to be reached are listed, which is followed by an analysis that examines the extent to which the projects targeted at the predefined groups.

Based on the CP, in the frames of **PA1**, SO1.1 targets the SMEs (including those that provide tourism-related services) operating in the programme area.

According to the descriptions, the projects do targeted SMEs in the form of various SME partners (project partners, beneficiaries, the staff and organisation of the other company). Given the B Light construction, these partners are private companies. Almost every second project (49.2%) which mentioned partners as target groups is from SO1.1. Apart from other partners than SMEs, SO1.1 had little impact on other target groups except for general public. To sum up, PA1 and the related SO is very targeted directly with regard to SMEs.

Based on the CP, in the frames of **PA2, SO2.1** the potential visitors of the region with tourism purpose and the SMEs providing tourism-related services are listed.

SO2.1 is responsible for 81% of projects that chose tourists/visitors as target groups. On component level '2.1.2 Tourism attractions' is responsible for the greatest number of the concerned projects. Tourism-related SMEs are also very well-targeted: 94% of tourism management organisations and 64% of tourism service providers are from projects under SO2.1. The specific objective also plays an important additional role in impacting the general public with the highest share of all PAs (34%) that identified the respective target group. Furthermore, media (47% of all projects that mentions this group), educational institutions (40%), municipalities (38%), and public authorities (29%) are also target groups where SO2.1 has a leading role in involvement. Tourism-related components are successful in involving large number of various target groups and covering all of them at certain level.

PA2, SO2.2 targets local farmers, owners of Natura 2000 sites or areas with high ecological value, staff of management of natural parks and other protected areas, furthermore non-governmental stakeholders, and local policy makers and planners.

Local farmers were mentioned only by three distinct projects making this target group less articulated in practice than in the CP. Under public institutions, national parks, water management institutions, forestries, and managers of protected areas can also be found. The number and share of such groups seem a little bit underrepresented in the target group mix (19%). Their share is relatively high only in the field of component 2.2.1. Considering non-governmental stakeholders, civil organisations are weakly represented regarding SO2.2, in contrary to the policy makers and planners, who are well addressed by the projects within the group of public authorities (16% of all projects, which is the third highest share of SO2.2). SO2.2 and component 2.2.1 is more focused on lower number of stakeholders compared to the tourism-related one, and have relatively high level of contribution in the case of public authorities, public services as well as academics (33% of the related HUHR projects).

To sum up, PA2 played an important role in addressing a wide range of target groups, from tourists through children and youth (mainly through environmental education and other education-evoking activities) to the group of media.

In the case of **PA3**, SO3.1 four main target groups were identified by the CP: public service providers, public authorities, municipalities and the general public. These groups covered staff members of the local and national institutions and authorities located in the programme area (including regional and sectoral development agencies and organisations in charge of nature conservation and water

management in the region), staff members of local, county and regional self-governments and their undertakings, furthermore the population of the border region.

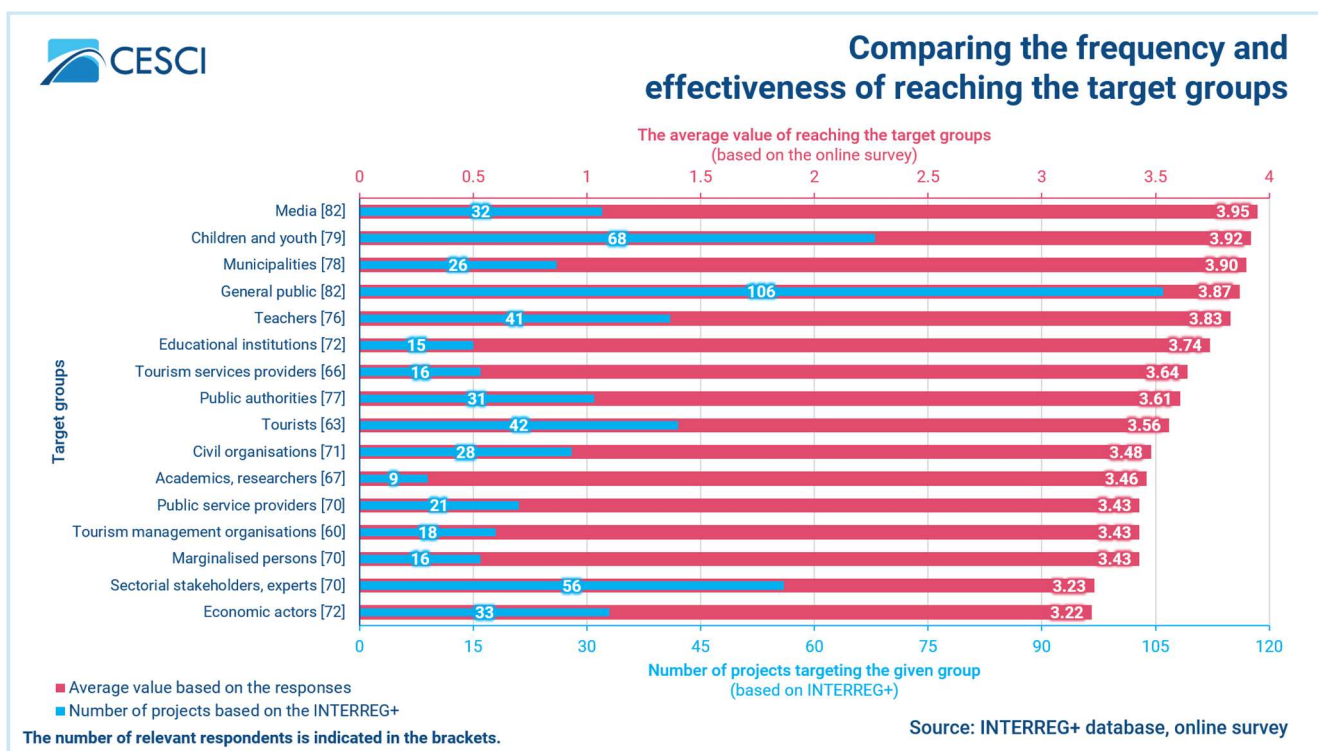
The first target group, namely public service providers can be regarded as well-represented (57% of related projects addressed them, e.g., water-related institutions, public institutions, water companies) and sectorial experts (e.g. energy and waste experts, cultural experts, social professionals). The number and share of sectorial experts is outstanding within SO3.1. Secondly, municipalities, can be assessed as a moderately addressed group, while population of the region is well-represented in the mix with the second highest share of projects that listed general public (26%). The border people are also targeted by large share of civil organisations; every second such project was supported by PA3. The Programme impacted NGOs and local population the most through SO3.1. PA3 has the most balanced target group composition, where apart from few groups all the stakeholders are affected in a balanced manner.

In the frames of **PA4** students and apprentices living and studying in the border area, technical/teaching staff of educational and training institutions, and groups and individuals of marginalised communities, including the Roma are listed as target groups.

The projects' target groups fit to what is listed in the CP, since projects aimed at involving students and teachers in very high numbers. PA4 is dominant in these two aforementioned groups with its rather focused character in targeting audience. SO4.1 and especially component 4.1.1 is characterised by strong focus on teachers, young people and children, and on general public. In addition, with smaller numbers marginalised persons are also addressed. Consequently, PA4 (especially '4.1.2 Schools') with its share of 56% that targeted this group plays a decisive role in reaching out to the Roma beside people with disabilities.

Up to this point, the aims and emphases of the projects' target groups was assessed at programme level in terms of the identified target groups and the number of projects targeting them. In the followings, based on the survey results, evaluators assessed the efficiency of targeting the aforementioned groups. Beneficiaries expressed their opinion on how efficient they were **in reaching the target groups**, where values mean: 1 = didn't reach at all; 5 = definitely reached; 0 = not relevant target group). From methodological point of view, it has to be added that given the nature of a survey, not all the project partners of the HUHR filled the questionnaire. The results are based on the answer of 84 beneficiaries with contracted projects. In the brackets after the target group names, there is a number indicating how many of the 84 respondents considered the given target group relevant for their projects. It can be seen that more responses were received per target group than the number of projects focusing on the given target groups. It can be reasoned by the facts, that new target groups were identified by the beneficiaries during implementation on the one hand (compared to the application phase) and, that more beneficiaries per project may have completed the survey, on the other.

Figure 35: Comparing the frequency and effectiveness of reaching the target groups



Based on the results, by the greatest extent media (3.95), municipalities (3.9), general public (average: 3.87) and children and young people (3.92) were efficiently reached among the target groups. Target groups which were reached less successfully include public service providers (3.16), economic operators (3.22) and sectorial stakeholders, experts (3.23).

2.2.3 Analysis of the communication of the Programme and the projects

2.2.3.1 Programme-level communication

This chapter evaluates the implementation of the communication strategy based on the interviews with the management bodies, information from the annual communication plans and the results of the online questionnaire sent to the beneficiaries.

The communication of the Programme is based on the Communication Strategy of the Interreg V-A Hungary-Croatia Cooperation Programme 2014-2020, approved on the 8th of December 2015 via MC Decision No. 7/2015 (8.12). It is an overarching, key strategic document of the Programme setting out the information and communication measures to be taken to ensure the visibility and transparency of the Programme.

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.

The overall **objectives of communication** within the Programme and their respective specific objectives are:

- 1) Ensuring the transparency of the whole programme implementation process
 - To ensure on-going communication with regard to the different stages of programme implementation among the programme implementing structures;
 - To disseminate information on the status of programme implementation to all the relevant stakeholders, including the media.
- 2) Generating interest among all relevant target groups by providing adequate information on funding opportunities and administrative procedures and requirements related to the application process
 - To provide potential beneficiaries and stakeholders with accurate and reliable information to stimulate high quality applications;
 - To help generate new partnerships by increasing awareness among potential beneficiaries about the funding opportunities offered by the Programme;
 - To reinforce the already well-established and recognisable visual identity of the Programme within the programme area and to improve the visibility of the Programme among the general public and at higher-than-regional level.
- 3) Providing sufficient information and guidance on implementation requirements for beneficiaries in order to achieve the best possible absorption of funds
 - To support and engage beneficiaries in communication activities through all phases of project implementation to guarantee the best possible outcome of the projects;
 - To ensure that clear and up-to-date information is available regarding all the phases of implementation at any time.
- 4) Fostering a positive image of the EU and EU funds within the local communities, engaging the citizens for a more active and positive approach to the EU and its institutions
 - To highlight the role and added value of the European Union, ESI funds in general, and ETC (INTERREG) programmes in particular;
 - To promote the benefits of the Programme and ESI funds in general for the local communities, directly affected by them.

Based on the strategy, the **communication tools** applied during the implementation of the Programme are as follows:

- Printed (promotional) materials:
 - map of the programme area;
 - factsheets/leaflets;
 - accessories;
 - brochures.
- Events:
 - kick-off / opening event;
 - annual Programme event / European Cooperation Day;
 - Europe Day;
 - information days;

- lead beneficiary workshops;
- partner search forums / match-making events;
- closing conference.
- Mass media:
 - press releases;
 - advertisements;
 - factsheets;
 - announcements;
 - photographic material.
- Internet and social media:
 - Programme website;
 - FAQ (Frequently Asked Questions) on the website;
 - direct mail;
 - Programme e-newsletter;
 - banners/links on portals/sites;
 - social media:
 - YouTube;
 - LinkedIn;
 - Facebook;
 - Twitter.

The most important communication tools are **qualitatively analysed** based on interviews and surveys. In the followings the most relevant information related to the various tools will be summarised and analysed from the point of impact on the aforementioned goal and from the awareness of the (potential) beneficiaries of the Programme in particular.

The official **website** of the Programme (www.huhr-cbc.com) is managed as a tool designated mostly for the (potential) beneficiaries of the Programme. The original webpage has undergone developments including a partially new look by 2018 and new visuals added in 2019. Some functions have improved notably such as the project events calendar, furthermore a new project database was created showcasing project details. It serves as a repository to find Call for Proposals and other Programme-related materials and documents in general. It also has to be mentioned that the website has three language options (English, Croatian, Hungarian), but some material and information are available in English exclusively ('The page is under construction').

In accordance with the objectives, the website functions as a focal and collection point for all important Programme-related information, including the latest information about the implementation process. According to Google Analytics data, most of the visits are targeted, with the most often searched term being 'hu hr cbc'. The most visited pages are the ones containing relevant documents, followed by 'News' and 'Project Database' hits. The vast majority of visits comes from Croatia and Hungary, mostly from desktop computers, between Monday and Friday, between the hours of 8 and 3 pm. All this reinforces the impression that most of the users are applicants or beneficiaries of the Programme searching for information regarding funding and/or support in implementation of projects.

The website has turned out to be useful on operational level; it has got proper and sufficient information on the implementation of the projects. The content of the portal is up-to-date. Consequently, the main goal is achieved. The website raised awareness, and contributed to familiarising the beneficiaries with the Programme, even compared to the previous programming period. The website was among the ten nominees for the 'Best Interreg V Website Award' in Bruges, Belgium on 6th of June 2016.

At the same time, there is still room for improvement. The visual side could be further improved with appealing image and informative visual tools to be included. The user-friendliness should be rethought since it is still not easy to use. Therefore, there is a need to streamline and upgrade it to have a more interactive website.

Considering **(social) media**, a lot has changed in the past few years owing to the digital transition and the COVID-19 pandemic and its effects on social relations. Along with the website, it was by far the social media that experienced positive changes. Out of the social media channels of Programme, **Facebook** stands out, it became the number one channel of communication in terms of frequency. The page was created in 2016, and experienced significant improvement in usage. Extensive use of Facebook dates back to the first lockdowns. Only in 2020 70 posts on Facebook were issued, while in 2021 the posts exceeded the threshold of 100. All the communication on the Facebook page is in English, and no advancement has taken place to support bilingual or trilingual communication including the two national languages.

It is important to point out that all the numbers reached by the Facebook page are organic meaning that no ERDF support were spent on promotion of articles and/or posts. A typical post has the reach of around 150, with better performing ones often reaching around 1000 users. The best performing articles are the ones relating to high-level events and milestones in the Programme cycle (i.e., publication of CfPs, results of evaluation, LB/B workshops, document availability). The followers are mostly women (68%), and are aged between 35 and 45. By territory the majority is from Budapest and Zagreb, furthermore from the bigger cities of the programme area.

The Facebook page is used to promote the Programme and present the possibilities for funding, rules and procedures governing the selection process and also to promote the results of the Programme. Facebook is successful in reaching the stakeholders, who seek for information about the Programme. At the same time, reaching the wider audience (general public) was not that successful, because promoting the results, gaining visibility for the Programme still lacks some extra effort.

The Programme created a **Twitter** account (<https://twitter.com/InterregHUHRcbc>) in February 2016 as part of the social media portfolio. The total number of followings is 81, and the account has 191 followers. Since, the last tweet of the 247 is from 17th of March 2020. Twitter (rebranded as 'X') thus no longer functions as a real communication tool operated by the Programme.

During this programming period the YouTube as well as the LinkedIn profiles were not functioning despite that these tools were listed among the communication tools of the Programme.

Concerning the **newsletter**, it had been designated to promote the Programme and present the possibilities for funding, rules and procedures governing the selection process and to promote the results of the Programme. Indicatively it was planned to be issued 2 or 3 times a year, connected to events and main milestones of the Programme. Except for the last one, the seventh edition issued in

English, Croatian and Hungarian, the newsletters were written in English language. However, over time its importance has decreased in fulfilling its previously set goal. The last newsletter is connected to the last call for proposals published in 2019. Regarding this tool, there has been little feedback received or gathered whether it is successful or not.

Printed (promotional) materials are kind of classic tools to operate with. The printed materials were used to draw attention to the Programme, give basic information about the Programme, the eligible area and the opportunities for funding available within its scope; furthermore, to promote the results of the Programme, as well as to promote individual events and/or campaigns. Consequently, printed materials have been used on certain events such as the closing conferences or public and professional programmes in the frames of European Cooperation Days. These materials were in different languages depending on their place of publication and potential target groups.

Since the pandemic, the relevance of this tool has decreased as in-person events tended to go online. Printed materials reached who were supposed to be reached (general public or beneficiaries), but compared to the previous programming period the efficiency decreased in raising awareness for the results and outputs of the Programme and the supported activities from Interreg funds. In general, approximately only 5% of the hundreds of brochures/leaflets printed and handled over to the public are read.

Another type of tools covers the various type of **events** organised by the Programme Bodies. Building on the practice of the previous period, events were designed to play an important role in this period as well, serving for

1. awareness-raising, dissemination of information about the Programme and its results (targeting citizens, decision- and policy-makers) and
2. its funding possibilities (for project partners and potential beneficiaries),
3. the rules guiding its implementation (for beneficiaries).

As part of the overall macro level phenomenon, i.e. the shift to online and digital tools have gained more relevance at organising and managing events. The JS made efforts to intensify communication in lack of personal contact during the COVID-19 pandemic restrictions, therefore participation in project events and meetings was often managed via online communication platforms including Google Drive and Google Meet, Zoom, cloud technology. However, after a while online events became less attractive to the wider public compared to pre-COVID times.

Information days and partner search forums organised after the publication of the call for proposals mainly targeted the potential beneficiaries. It is worth underlining that information days covered the whole programme area from Čakovec to Osijek, and from Lenti to Kaposvár. Partner search forum was held in Kaposvár in 2019, after recognising the relatively low number and circle of beneficiaries. These events are considered to be sufficient regarding their quantity and frequency according to beneficiary interviews.

Another type of programme events are the **workshops for beneficiaries**. Regarding such workshops, LB workshops can be mentioned which aimed to support the successful project implementation by informing the beneficiaries about the reporting rules and procedures. IMIS/INTERREG+ system workshops should also be mentioned as a successful type of events. The various workshops for beneficiaries were held in person before the COVID-19 pandemic within the programme area to cover

both the eastern and the western parts. Later on, huge proportion of them went online or hybrid, but the territorial coverage (origin, seat) of the beneficiaries were respected and taken into account in organising them. The cancellation of workshops was not common thanks to the digital and hybrid solutions.

Some of the **major events**, held especially within the framework of European Cooperation Days, were useful in the dissemination of the Programme among a wider audience. Such event included e.g. the Osijek Croatian National Theatre's performance at the Hungarian State Opera House in Budapest and the performance of the LADO National Folk Dance and Song Ensemble of Croatia in the Budapest Palace of Arts. For example, the two events of 2016 together hosted more than 1,900 participants, where a CBC Brochure of Projects was delivered to each visitor. For instance, the Best Practice Conference on the 14th of November 2018 on the Hungarian side of the border area, in Zalakaros, was useful to fulfil the goal to promote the Programme and the Cohesion Policy.

Not just the events organised by the JS at programme level could be highlighted, but a few **projects events** also contributed to **programme-level communication impacts**. For instance, in the framework of the 6th ECDay the Programme communication objective of addressing the wider public were served successfully. The JS cooperated effectively with the beneficiaries to raise awareness through project-level events meaning that the JS and the partners tried showcasing the project outcomes to a wider public as well. With this regard the closing conference of the strategic project of *De-mine HU-HR II* or the *Attractour*⁷⁴ project could be underlined, among others.

The Programme have tried to address the **promotion of achievements**. Awareness was raised by marking the 30 years of Interreg by using the visual elements and dedicated hashtags in the virtual environment, and by participating in the Project Slam activities coordinated by Interact, with nominating 5 projects to the selection of 'the best Interreg project'.

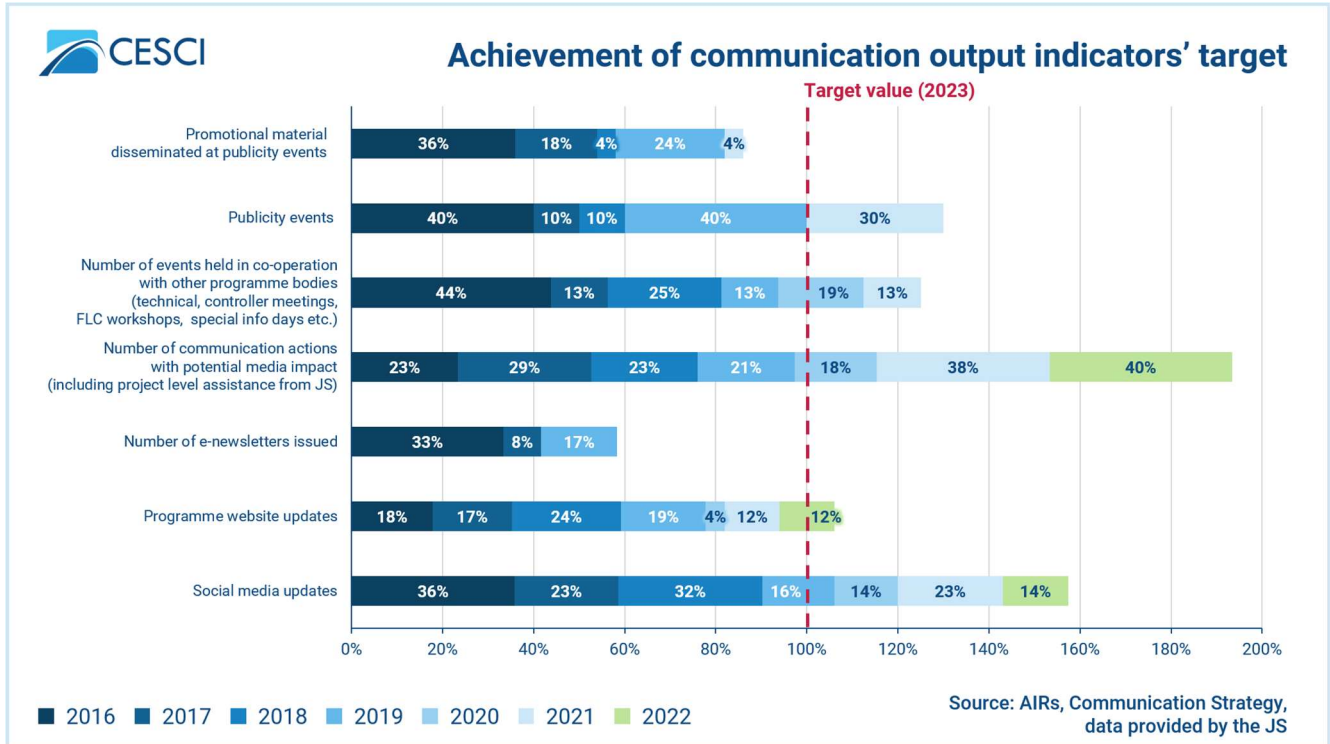
Furthermore, the special situation of the COVID-19 pandemic has resulted in new and innovative ways of communication, which were not formed part of the Communication Strategy. An outstanding result was the preparation of several **video instruction materials** to make up for the lack of personal meetings and in situ trainings. A **guidance document** for the implementation of project activities in the situation of a global pandemic (<http://www.huhr-cbc.com/en/project-implementation-documents>) has also been published.

The **output indicators** defined by the Strategy reflected on the use of the several types of communication tools. Except for 'e-newsletters issued' and 'promotional material disseminated at publicity events' all indicators have been fulfilled by 2023. Comparing the latest achievements of 2022 to the target value of 2023, 'number of communication actions with potential media impact (including project level assistance from JS)' is where high level of overachievement took place (193% of the target value), but social media updates is another indicator where the current value easily fulfils the target (157%). Newsletters perform weaker, because since 2019 no additional newsletters have been issued, but social media updates mostly compensated for it, as Facebook in particular has taken the most of

⁷⁴ Attractour: HUHR/1601/2.1.2/0010, Revitalisation of cultural heritage into tourism attractions in Međimurje and Letenje area

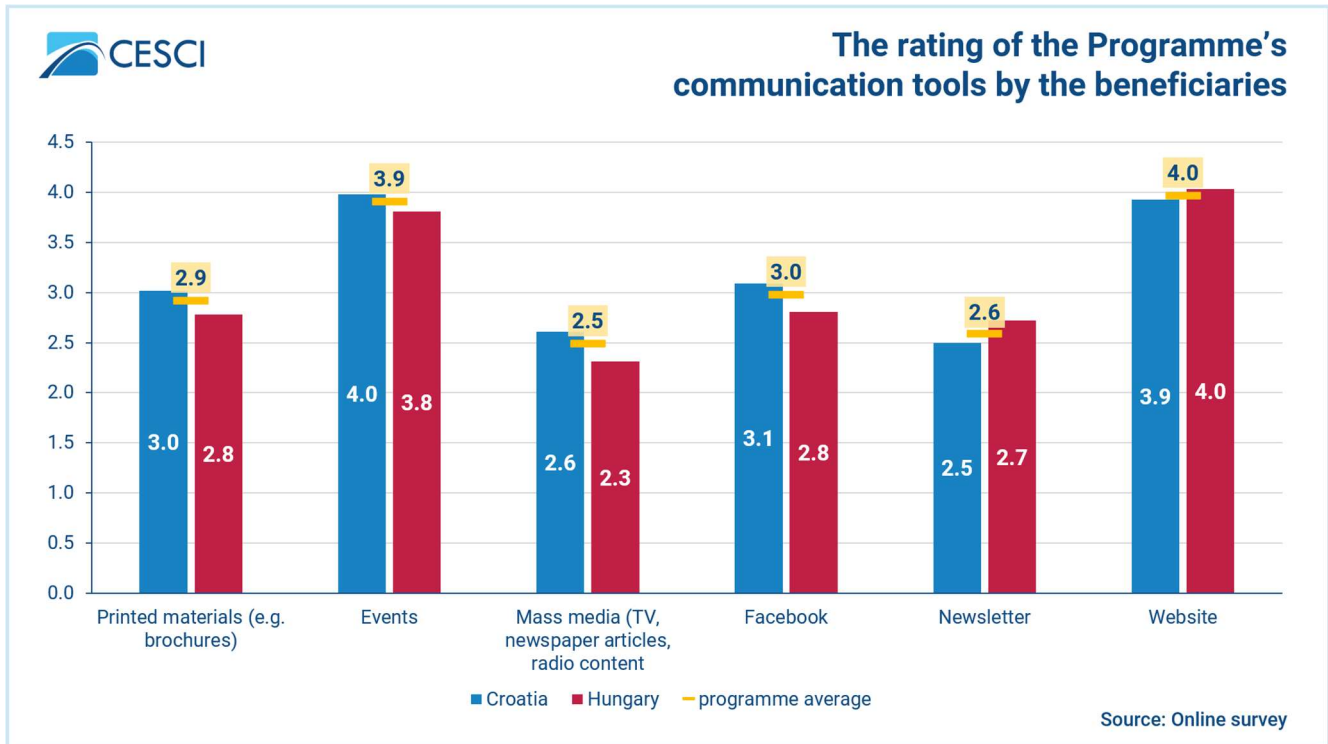
the role of the former newsletter. In terms of the promotional materials for publicity events, the closing events of the current CP are to be organised, the indicator target will expectedly be fulfilled.

Figure 36: Achievement of communication output indicators' target



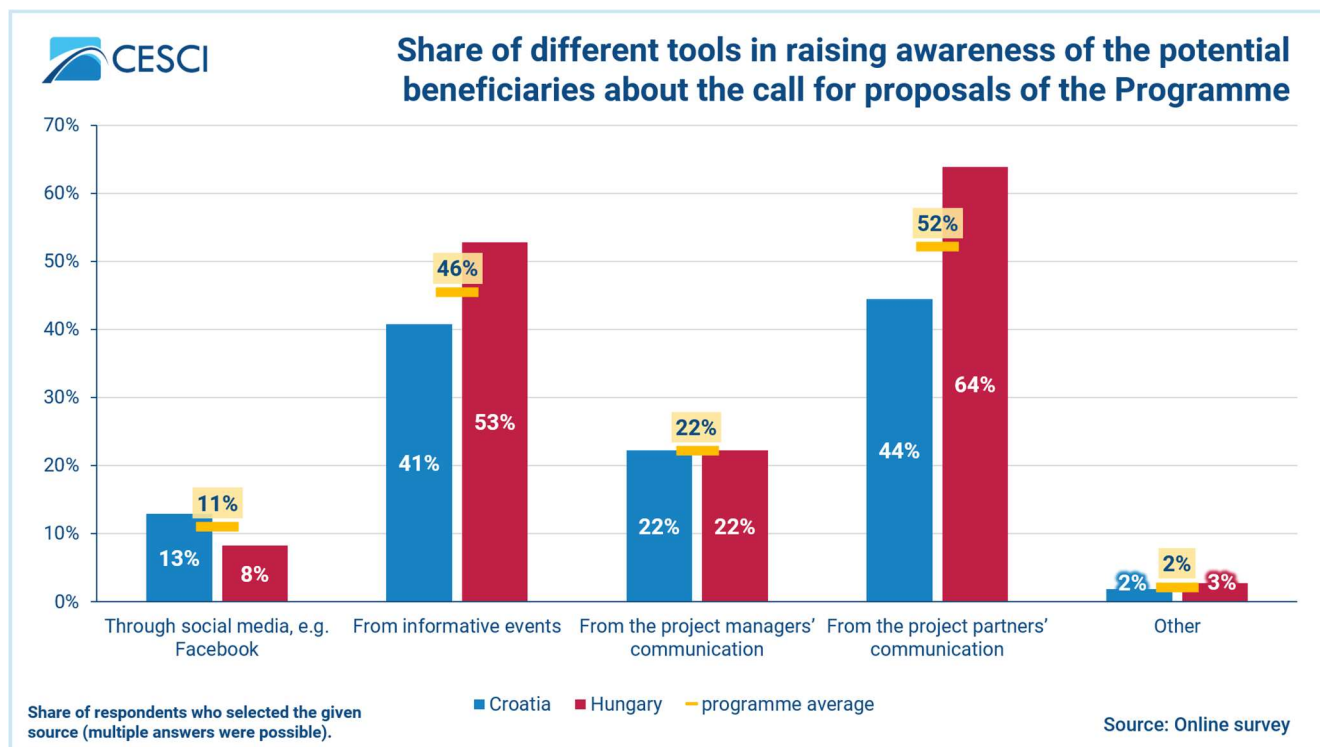
According to the survey results, beneficiaries rated the programme website the highest out of all, meaning that the site is considered to be the most informative out of the tools. The website is closely followed by the category of events at programme level. The only category that falls behind is mass media, where in both countries the results are below 3. Furthermore, newsletter also got relatively low values especially from Croatian survey respondents.

Figure 37: The rating of the Programme's communication tools by the beneficiaries based on the online survey (0 = I did not encounter with that channel; 1 = not informative at all; 5 = very informative)



The awareness of the (potential) beneficiaries of the Programme is regarded a goal taken into consideration at programme level. Based on the survey, in which multiple option could be marked by a single respondent, two sources played outstanding role in getting information about the CfPs, beneficiaries learned about the call for proposal(s) through project partners' communication and from informative events in the largest proportion. It can be said that informative events organised by the bodies should remain a priority to raise awareness in the future too as in both countries the share of this source is high.

Figure 38: Share of different tools in raising awareness of the potential beneficiaries about the call for proposals of the Programme



According to the respondents, the programme-level communication significantly improved, and no overall decline was perceived by the respondents of the survey (in which 3 was the highest value that could be given to rate the communication). Croatian respondents (2) as well as Hungarian ones (1.6) expressed clear improvement comparing the current programme to the communication of the previous HUHR.

As a result of this and the well-defined communication tools, reaching the potential beneficiaries of the border region is successful. HUHR have tried to build an image subsequently, furthermore realised that good personal relations with the local stakeholders is important. At the same time, in case of the general public, it has to be noted that getting people interested in the Programme is still a challenge. There is an 'oversaturation' of other programmes, thus it is hard to differentiate from the other programmes.

Since the Communication Strategy of the Programme is implemented by the Joint Secretariat, human capacities basically affect the communication activities. Originally 2 persons from the JS staff had been designated with the tasks related to programme-level communication. In recent times there is only a single person responsible for communication, and she has other tasks to carry out apart from dealing with the communication. According to the experiences, coordination of programme-level communication could be fulfilled with higher impact in case a full-time communication manager position is filled. Social media would also require additional workforce, in the form an external communication expert, in order to be able better address new beneficiaries to be involved and the general public. At the moment, JS makes efforts to bridge this gap, by encouraging project partners to carry out various communication activities, events to support reaching wider audiences.

In order to be able to measure the achievements of the communication objectives, the Strategy defines and monitor result indicators. The fulfilment of the indicators is illustrated by *Figure 39*. Based on the

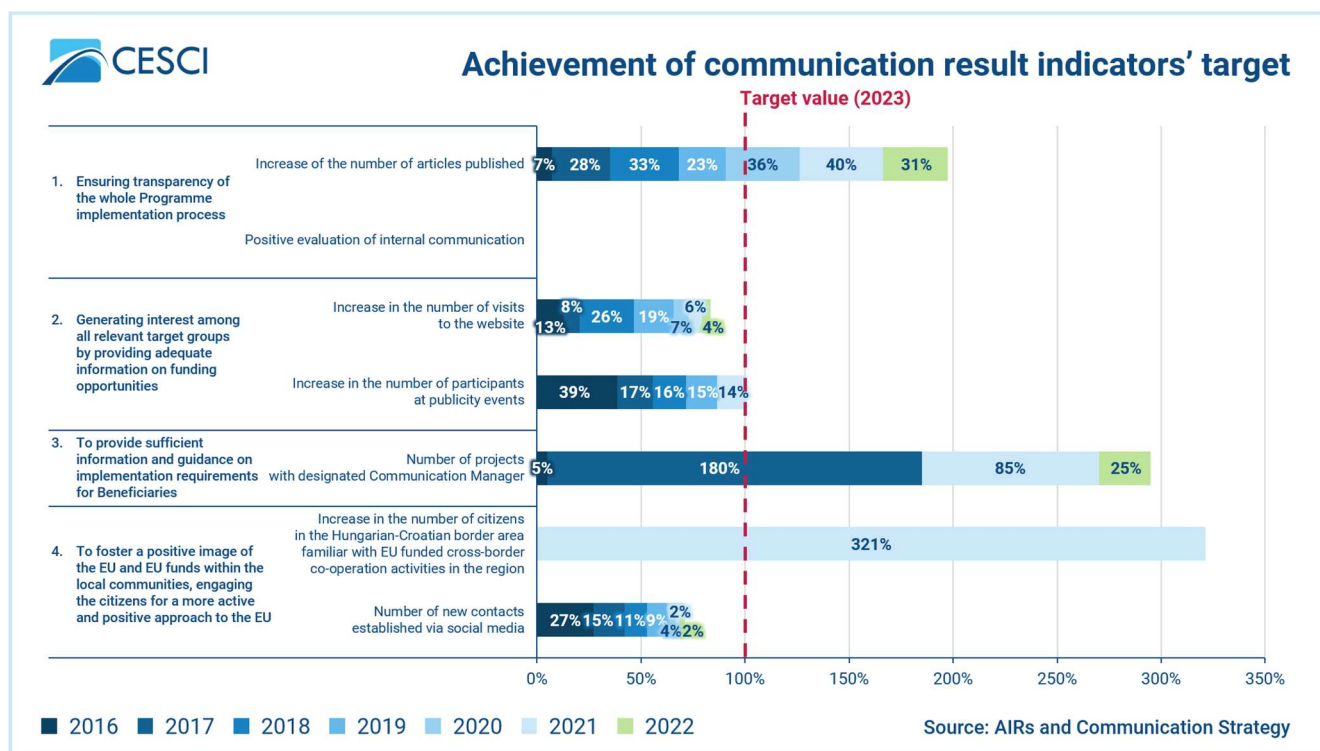
latest data, the target values of the indicators have been mostly reached to varying degrees. In other cases, the fulfilment of the missing indicator values is not in real danger. The best-performing objective is the third one – ‘To provide sufficient information and guidance on implementation requirements for beneficiaries’ – with its indicator regarding the number of projects with designated communication manager (295% of the target value). It was not obligatory to have a dedicated communication manager, but it turned out relatively high number of projects decided to appoint a distinct person for such tasks. According to the experiences, the involvement of communication managers could ensure to meet the programme-level requirements, but significant change in reaching the wider audience by the promotion of the project results cannot be recognised at the moment. The indicator itself seems to be less relevant in terms of the content of the objective, since it only indirectly reflects on the assistance provided to the beneficiaries.

The indicator with the highest value is ‘Increase in the number of citizens in the Hungarian-Croatian border area familiar with EU funded cross-border cooperation activities in the region’ (321% of the target value), however it would have required a more appropriate and more accessible source of information, instead of the survey. The other indicator related to objective number 4 (‘To foster positive image of the EU and EU funds within the local communities, engaging the citizens for a more active and positive approach to the EU’) reached a relatively low value: 71% of the target regarding number of contacts established via social media was reached until the cut-off date. This indicator should be revised in the future to reflect the development of the social media and the way its impact is measured. By 2023 the value could almost reach the original target, therefore the biggest challenge here is in relation to the correct description and methodology of the indicator. The achievement of the objective itself is questionable. On the one hand, the reached values of the related indicators are not well-based because of the aforementioned reasons, in addition qualitative data sources shows that the CP was not really successful in reaching the target group (general public) addressed by this objective.

Increase of the number of articles published also exceeded the target (197%), which indicates that the transparency of the whole programme implementation process (objective 1) was successfully ensured. At the same time, for the indicator of ‘positive evaluation of internal communication’, survey is envisaged to be conducted only in the second half of 2023.

Out of the communication objectives ‘Generating interest among all relevant target groups by providing adequate information on funding opportunities’ (objective 2) is an objective where the latest values do not or only slightly exceed the target. Since the programme was relatively successful in addressing the potential beneficiaries, the achievability of the indicators seems not to be problematic. However, the target values had been a bit overestimated by the planners of the Communication Strategy. At the same time, it is questionable whether the Programme were able to involve new beneficiaries, which could also partly reason the modest indicator values. The website-related indicator (83.5%) is a bit in danger of not reaching the target value as the pace of increase seemed to slow down by time.

Figure 39: Achievement of communication result indicators' target



2.2.3.2 Project-level communication

Within the framework of this chapter, the characteristics and effectiveness of project-level communication is assessed based on interviews, survey responses and the information collected from INTERREG+.

The dual goal of project-level communication is 1. ensuring the visibility and promotion of the Programme and the used EU funds; 2. reaching the target group defined by the certain project, which in many cases (e.g. tourism, culture etc.) is a key factor in terms of the sustainability of the project results.

To reach the aforementioned goals, the Programme provided a document, named **Project Communication Guidelines** (PCG), which formulates obligatory and specific tools that the beneficiaries should or could use during the implementation of the projects. The following **communication tools are considered obligatory and specific (recommended)**:

Table 18: Communication tools described in the Project Communication Guidelines

Obligatory tools: beneficiaries are required to have these elements	Specific communication tools: activities that are welcome to be used by beneficiaries
<ul style="list-style-type: none"> • Communication event: at least one per project <ul style="list-style-type: none"> ○ project kick-off event (opening event); ○ professional events; ○ press conferences; ○ closing event. • Promotional material about the project (at least one trilingual i.e. Hungarian-Croatian / 	<ul style="list-style-type: none"> • European Cooperation Day events • Tourism-related brown signalisation and usage of logos • Communication managers in the projects

<p>Croatian-Hungarian alongside with English as the official working language of the Programme);</p> <ul style="list-style-type: none"> ○ leaflet; ○ brochures; ○ accessories; ○ PR films; ○ other materials. <ul style="list-style-type: none"> ● Web <ul style="list-style-type: none"> ○ own project specific website or ○ relevant space for the promotion of the project results within the lead beneficiary's / beneficiary's website(s); ● media activity: at least one tool used per project <ul style="list-style-type: none"> ○ press release; ○ press conferences; ○ visits of the printed and electronic media (radio, TV) to the projects; ○ media broadcast; ○ advertisements in the newspapers. ● Billboard: if the total EU contribution of the project exceeds EUR 500,000, the lead beneficiary that implements the project consisting of infrastructure or construction activities is obliged to ensure that a billboard is put up on the site of the activity. ● Sticker: beneficiaries should label every single piece of equipment purchased through the Programme (and accordingly financed projects) with a sticker. When more pieces of purchased equipment are permanently placed in one location, the room should be marked as well with the larger sticker item or preferably additional poster. 	
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According to the document all lead beneficiaries and beneficiaries should ask themselves the following questions when implementing project-related communication activities in order to support efficient communication:

- *What would my project like to communicate and disseminate, and what is the message?*
- *What communication tools will I use to achieve this? (Besides obligatory promotional material and the organisation of at least one communication event, should I use the web and mass media to easily disseminate the message?)*
- *What would my project like to achieve with the chosen communication tools?*
- *Which are the target groups I should communicate to in order to get the highest possible dissemination results?*
- *How will the communication tasks be divided in the project partnership between the lead beneficiary and the other beneficiaries?*

- *What is the indicative budget that I need for the communication activities?*

First the **communication tools planned to be applied by the beneficiaries** are assessed, based on the INTERREG+ database that provides project-related descriptions from the application forms.

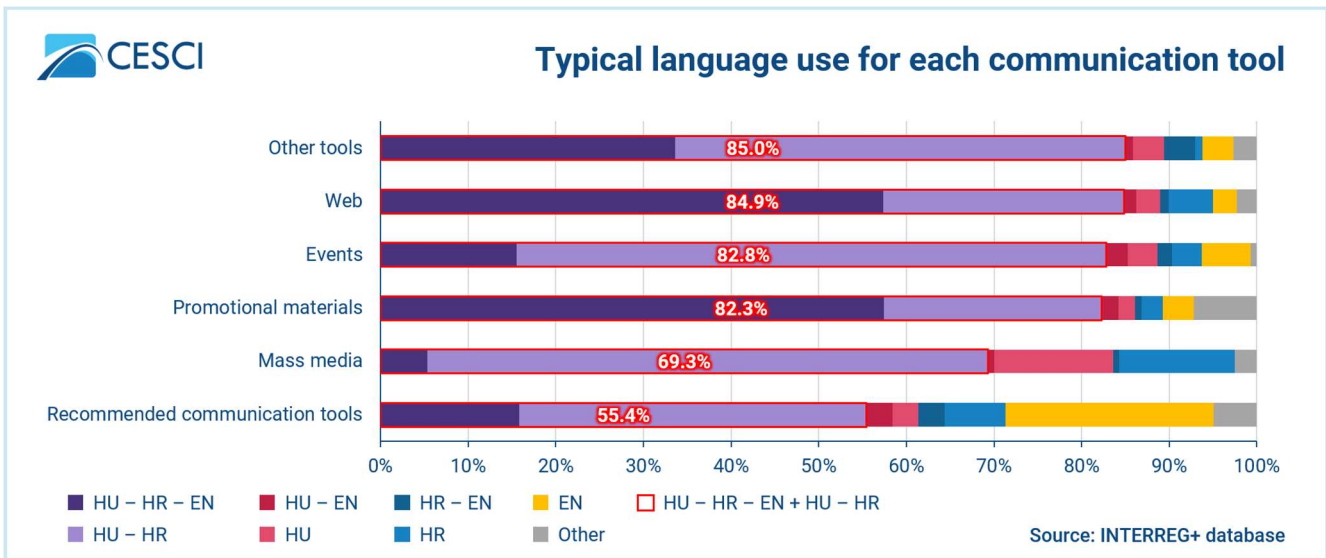
The **frequency of the planned usage of the different communication tools** described in the project applications is one of the main aspects of analysing the project-level communication. Based on the number of times a communication tool is used, as mandatory elements, opening and closing conference are by far the most frequently used ones, followed by the leaflet and brochure (from which at least one should be issued per project). Among other outstanding ones, articles, posters, and accessories can be mentioned, where accessories were the only non-obligatory communication option. Beside opening and closing conferences, professional events can be highlighted. In mass media (including article, press release, press conference) press release can be considered a relatively popular tool, after article. Considering promotional materials accessories are still common to use. Considering the web-based communication types the various webpages were frequently used where project website was slightly more frequent than the own existing website (with relevant project-related content). Audiovisual tools such as video footage, TV coverage, radio coverage were less used means of communication. Beside obligatory elements, the use of various workshops, scientific and professional events of many kind, different publications other than brochures and leaflets (e.g. books, digital content) could be mentioned along with additional extra accessories.

Figure 40: World cloud based on the most frequently used communication tools on project level



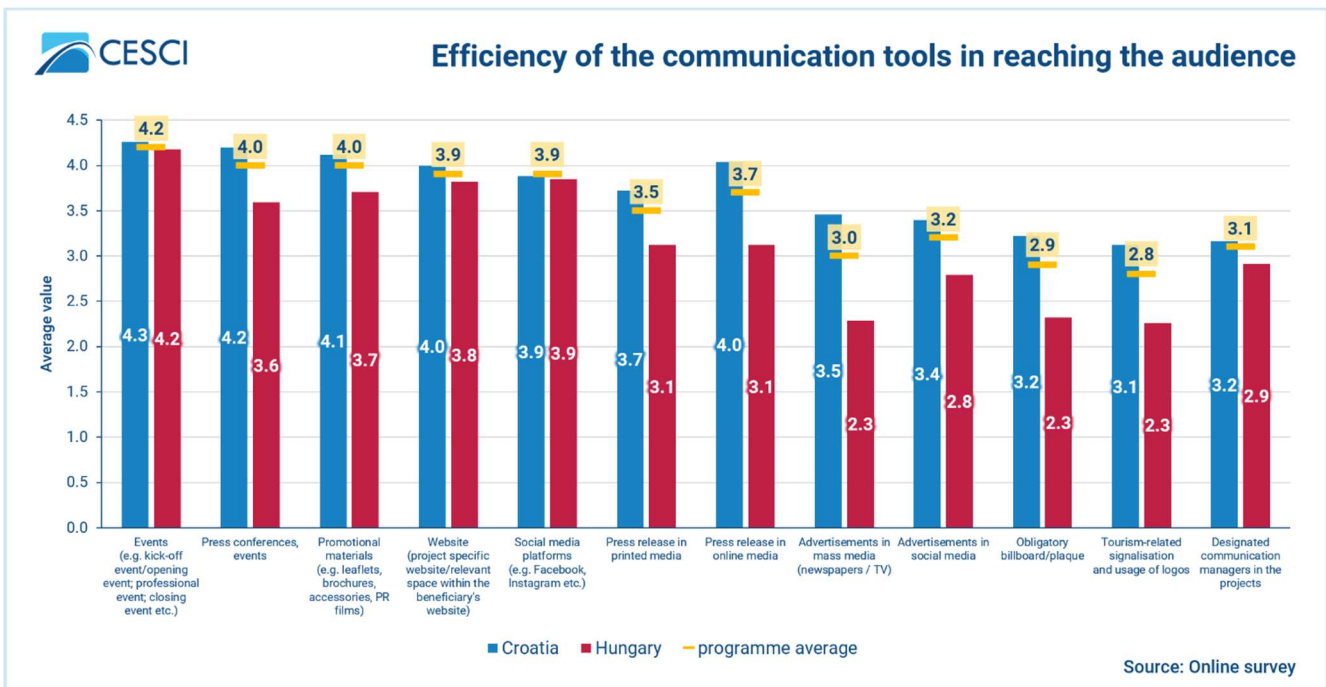
An important aspect to be analysed is the typical language use of the applied communication tools. According to the beneficiaries' self-declaration, except for recommended communication requirements and mass media, bilingual and trilingual communication was dominant. The share of number of times the given tools have been available in Croatian and Hungarian, or in Hungarian, Croatian and English reaches more than 80% for web, events, promotional materials, and other communication tool (such as billboard, sticker).

Figure 41: Typical language use for each communication tool on project level



Apart from the number of times a tool was used, it is also worth analysing **how efficient the different tools were** in reaching the audience. In overall, the most efficient tools are the events (4.2) followed by press conference (4.0), promotional materials (4.0), website (3.9) and social media platforms (3.9) according to those who filled the survey. The values of electronic tools are relatively high particularly in Croatia, and many times they are perceived as more efficient tools compared to the printed counterparts on both sides. At the same time, low values can be seen at tourism-related signalisation and usage of logos (2.8), obligatory billboard/plaque (2.9) and advertisements in mass media (3.0).

Figure 42: Efficiency of the communication tools in reaching the audience



According to the Programme's communication manager, project-level communication has been improved compared to the previous programming period. One of the most decisive changes along with

the digitalisation was the appearance of optional communication plan/strategy and the involvement of external communication experts. Ten projects elaborated such plans, and according to the experiences those projects tend to carry out more efficient communication which have their strategies done. Another lesson learnt was that in case a project had a dedicated person to communication tasks the communication would be better handled.

Meeting the mandatory communication requirements meant significant problems to the less experienced beneficiaries having implemented smaller projects. These projects tended to lack both external communication experts, as well as adequate skills and capacities inside their organisation to carry out the communication tasks. Consequently, many mistakes were made (missing obligatory visual elements, such as the Programme's logo or title of the project), the correction of which required the continuous monitoring and assistance on behalf of the management bodies.

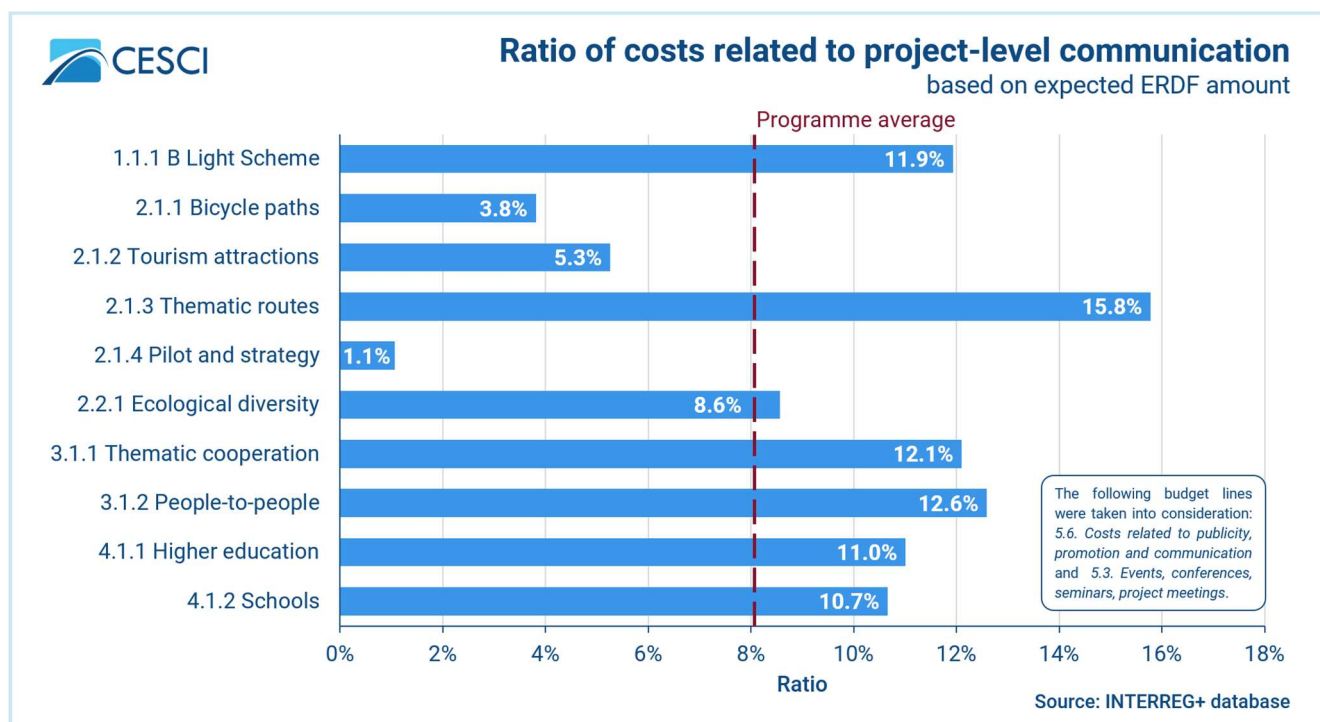
In many of the cases, project partners still consider communication as an obligatory administrative burden.

Taking into account the **communication costs**, in general spendings within the different Programme components show a heterogenous picture. In terms of the share of ERDF funding dedicated to communication measures, tourism-related and B Light projects stand out. B Light Scheme had outstanding role in the total ERDF amount spent as 24.3% of the total communication-related costs at programme level went for this component, which is followed by '2.1.2 Tourism attractions' with its share of 20.5%.

Tourism-related spendings are completely justifiable given that study tours, press conferences, brochures, web pages, advertisements as well as promotional materials are necessary to efficiently introduce a new tourism product or destination for the professionals and tourists. Tourism marketing requires higher share of spending on communication. Costs are also justifiable at B Light projects since market development and market introduction of the products are of great significance.

In relation to components, based on *Figure 43*. Component '2.1.3 Thematic routes' spent the most based on the share of related costs on communication. The next group with above the Programme's average spending include '3.1.2 People-to-people', '3.1.1 Thematic cooperation', '1.1.1 B Light', '4.1.1 Higher education' and '4.1.2 Schools'. Very low ratio can be found in the case of '2.1.4 Pilot and strategy' owing to their greater budget and specific thematic focus. Furthermore, in the case of '2.1.2 Tourist attractions' and '2.1.1 Bicycle paths', the values are lower with regard to tourism components because of the larger spending on costly infrastructure elements.

Figure 43: Ratio of costs related to project level communication



2.2.4 Durability of the projects

This chapter analyses the sustainability of the project partnerships and results, which are key aspects of the Programme's impact on the border region. The evaluators assessed the history and the future plans of the partnerships, as well as the solutions which have been applied by the beneficiaries in order to provide the permanency of the project results from institutional and financial points of view. The assessment is based on the INTERREG+, the results of the interviews and the questionnaire.

One of the key components of durability is the proper foundation of the project partnerships. Previous empirical experiences show that the well-prepared, stable connections across the border have a positive effect on the partnerships' sustainability which contributes to the long-lasting success of the projects, as well as the Programme.

In terms of institutional sustainability, it is worth assessing the joint past of the partnerships which can be justified through previous joint projects and initiatives, pre-existing partner relations (e.g. twinning contracts) or participation in larger consortium together with the actual project partner.

According to the survey, 57% of the beneficiaries selected its project partners because of their previous cooperation, while in case of the light beneficiaries (SMEs), this rate was insignificant (instead, the similar profile was the most decisive factor). At the same time, the stakeholders taking part in the management of the B Light Scheme highlighted that those SME projects were able to reach real cross-border added-value, the partners of which have already worked together in the past.

Out of the traditional partnerships, a bit more than half of them can be regarded as regular, long-term ones, and 12% of the respondents indicated that they have institutionalised connection to any of their

partners. The remaining 35% was indicated as ad-hoc connection built in order to submit the particular project application.

Based on the INTERREG+ and the database of the JS, evaluators listed those projects of the programming period, which are the continuation of a cooperation initiative developed by at least partly the same partnership in a particular field. According to the observations, 18 projects out of the 110 traditional projects (16%) are concerned in this term. In addition, there are 2 light projects implemented by the same partnership during the programming period.

Table 19: Projects with content-related antecedents

SO	Project acronym	Project ID	Partnership	Number of previously implemented projects
1.1	Herbas – Barcs Metál ⁷⁵	HUHR/1602/2018-LPP1-13	HAMAG-BICRO Herbas Barcs Metál	1
1.1	Condensation plant dryer ⁷⁶	HUHR/1602/2021-LPP4-045	HAMAG-BICRO Herbas Barcs Metál	2 (↑)
2.1	De-mine HU-HR II	HUHR/1501/2.1.4/0001	HCR/CROMAC BMRFK DDNPI	1
2.1	CultuREvive Tour ⁷⁷	HUHR/1601/2.1.3/0024	ZMNE TZ-Koprivnica Centar Steiner	2
2.1	Hidden Landscapes	HUHR/1901/2.1.2/0061	Zeleni Osijek DDNPI HŠ Osijek Bilje	1
2.1	Eat Green	HUHR/1601/2.1.3/0022	Gyeregyalog Cserkút SPMH Kneževi Vinogradi	1
2.1	Two Rivers one Goal II	HUHR/1901/2.1.2/0028	Goričan Donji Vidovec Legrad Tótszerdahely Mura EGTC	1

⁷⁵ Herbas - Barcs Metál: HUHR/1602/2018-LPP1-13, Development of a mobile plug-and-play plant dryer for accessible and fast drying process (Herbas - Barcs Metál)

⁷⁶ Condensation plant dryer: HUHR/1602/2021-LPP4-045, Development of a condensation dryer for quick and efficient drying of medicinal and aromatic plants

⁷⁷ CultuREvive Tour: HUHR/1601/2.1.3/0024, Sustainable development of eco - cultural tourism of Koprivničko-križevačka county, Međimurska county and Zala county

SO	Project acronym	Project ID	Partnership	Number of previously implemented projects
2.2	(Aljmaski rit&) Boros Drava ⁷⁸	HUHR/1601/2.2.1/0016	Hrvatske vode Osijek DDVIZIG HEBMESZ Zeleni HR	1
3.1	CABCOS3 ⁷⁹	HUHR/1901/3.1.1/0032	PTE NZJZOBZ	2
3.1	ForMURA ⁸⁰	HUHR/1901/3.1.1/0001	NYUDU-VIZIG Hrvatske vode Varaždin	1
3.1	2RegionsZooSustain ⁸¹	HUHR/1901/3.1.1/0024	Unikom Pécsi Állatkert BMÖ EU Centar	1
3.1	ATDS II ⁸²	HUHR/1601/3.1.1/0014	Koprivnica LBDCA	1
3.1	SUECH ⁸³	HUHR/1601/3.1.1/0030	Osijek OIE Osijek RRA SiB EU Centar Inno-Motive Kozármisleny	4
3.1	CBC-ORIENT II.	HUHR/1901/3.1.2/0060	Tájfutásért-Pécs OK Varaždin	1
4.1	STILL	HUHR/1601/4.1.2/0012	OŠ EK Slatina TKK-Szigetvár SŠ MM Slatina	1
4.1	GASTROTOP ⁸⁴	HUHR/1901/4.1.1/0058	VGUK MATE SKIK VUV	2

⁷⁸ Aljmaski rit&Boros Drava: HUHR/1601/2.2.1/0016, Ecological revitalization of Boros-Dráva and Aljmaski rit branches to renew aquatic habitats, increase biodiversity and fishing tourism possibilities

⁷⁹ CABCOS3: HUHR/1901/3.1.1/0032, Analysis of the long term efficiency of vaccinations against infectious diseases in the border regions of Croatia and Hungary

⁸⁰ ForMURA: HUHR/1901/3.1.1/0001, Upgrade and development of flood alarm and forecast model of MURA

⁸¹ 2RegionsZOOSustain: HUHR/1901/3.1.1/0024, Fostering use of renewable energy sources and waste to energy concept through targeted actions and raising of environmental awareness

⁸² ATDS II: HUHR/1601/3.1.1/0014, Amusement Tourism Development Strategy II

⁸³ SUECH: HUHR/1601/3.1.1/0030, Sustainable energy use in CBC area of Croatia and Hungary

⁸⁴ GASTROTOP: HUHR/1901/4.1.1/0058, Comprehensive educational support of food-service providers facilitating demand on emerging special dietary restrictions consumer market

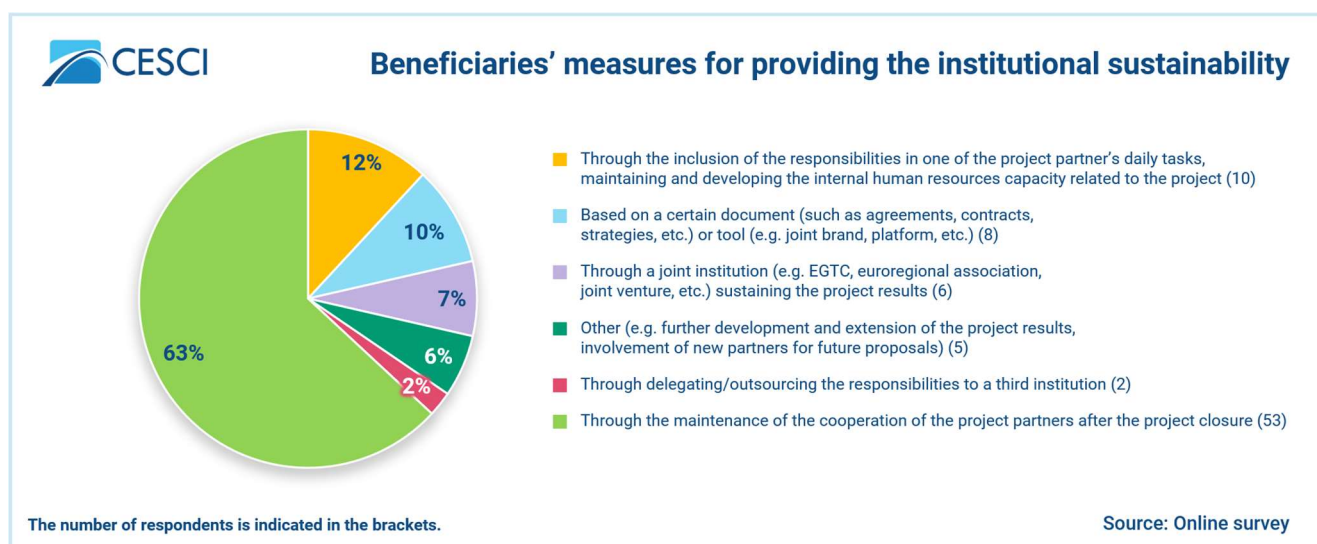
SO	Project acronym	Project ID	Partnership	Number of previously implemented projects
			ZMKIK	
4.1	ECOoperation ⁸⁵	HUHR/1901/4.1.2/0055	CSVMRG GFGK SŠ Prelog	1

The continuation of the partnership after the project closure is much harder to assess and it is based on plans and promises of the beneficiaries. In order to get information on their intentions, the traditional beneficiaries (not the light ones) were addressed with an online survey including two questions addressing the follow-up of the projects in this term, namely:

1. How do you (plan to) provide the institutional sustainability of your project?
2. Do you plan to continue to pursue the goals of your project in a different framework after the Programme finishes (e.g. in the 2021-2027 programming period)?

In case of the first one, respondents (altogether 84) were allowed to select as many measures as they wished. 63% of the respondents indicated that they plan to provide the institutional sustainability to maintain the cooperation in the future. 12% of the beneficiaries intends to delegate the tasks of the maintenance to one of the project partners, while other 2% plan to outsource these follow-up activities. The solutions of signing certain documents (such as a cooperation agreement) or sustaining a joint institution were selected by around 10-10% of the respondents, both of which would mean the intensification of the cross-border partnerships.

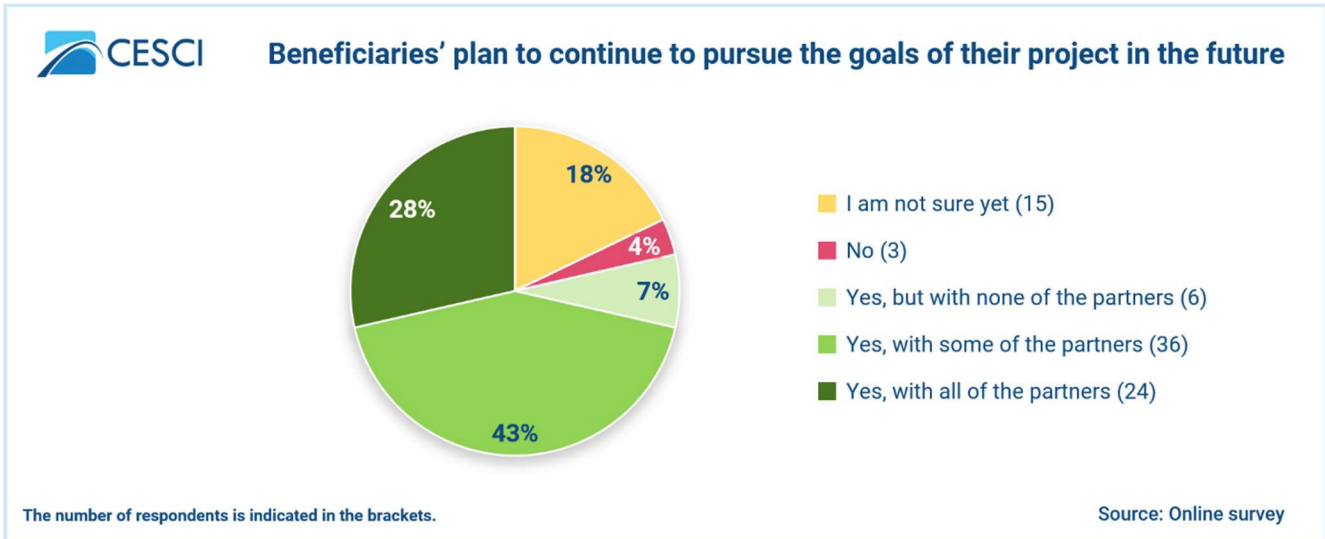
Figure 44: Beneficiaries' measures for providing the instructional sustainability



⁸⁵ ECOoperation: HUHR/1901/4.1.2/0055, Cross-border cooperation of secondary schools in developing common tools in practical training of natural sciences (water, soil, micro-climate)

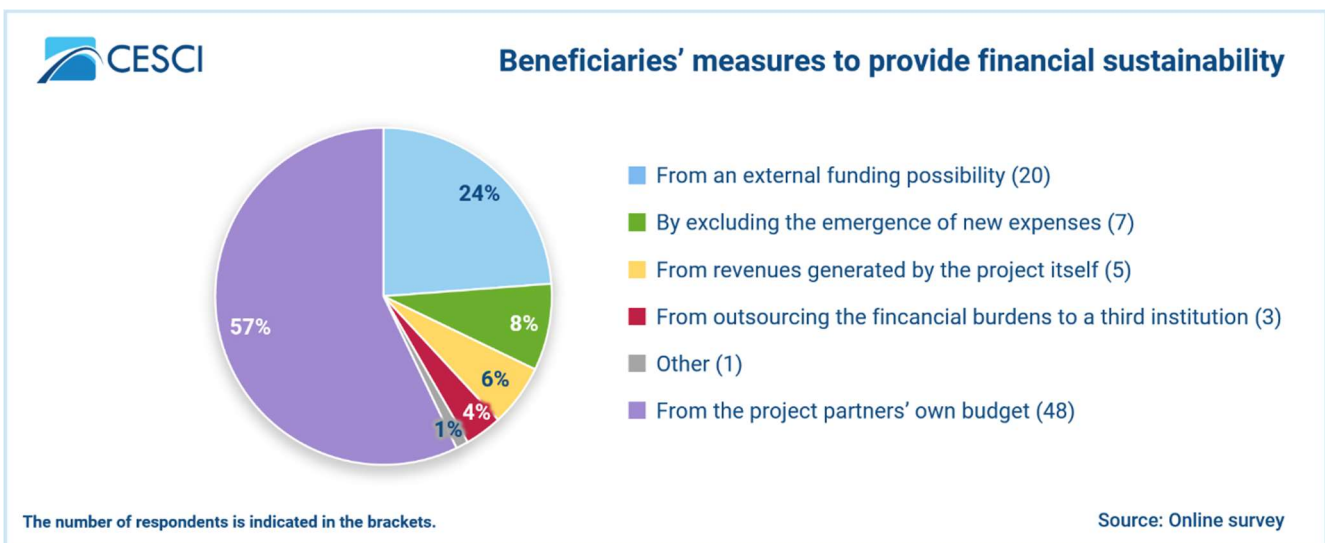
Regarding the continuation of the projects in different frameworks, only 3 of the respondents indicated that they do not wish to take further steps in order to reach their goals. At the same time a relatively high rate, 71% of the beneficiaries would continue the cooperation with at least some of the current project partners, which reflects on the positive experiences of the partners.

Figure 45: Beneficiaries' plan to continue to pursue the goals of their project in the future



When speaking about the **financial sustainability**, most of the respondents (altogether 84) expressed that they would maintain the project results from their own budgets (57%) or by involving external financial resources (24%). 4% of the respondents planned to outsource the financial burdens to third institutions. For instance, the Mura Region EGTC indicated that it supported the project generation in the field of water-tourism, as well as has provided promotional services during and after the project implementation, but the maintenance of the equipment was outsourced to professional tourism service provider organisations.

Figure 46: Beneficiaries' measures to provide financial sustainability



Although, the sample is not representative and the beneficiaries of the B Light Scheme did not have to answer this question, it is still noticeable, that revenue generation by the developments themselves was found less feasible (6%). The low value is interesting especially in light of the expected income-generating feature of the tourism-related developments expected by the PA2 of the Cooperation Programme. Taking into consideration the B Light Scheme, SMEs have been eligible for ERDF support in case of financially viable, market-ready developments. Consequently, it is expected that beneficiaries will be able to provide the maintenance of the project results from their revenues, which would definitely contribute to the improvement of the Programme's impact on the border region. It would be worth monitoring the viability of the developed services and products in the next couple of years.

The low number of 'other' options in case of the questions concerning both the institutional and financial sustainability induces that, in general, the beneficiaries rather stick to the general, well-known solutions, instead of elaborating new, tailor-made measures meeting the needs of their particular developments. In general terms, this negatively affects the durability of the project results, which lower the impact of the Programme on the border region.

Since the implementation of the projects and the Programme is still in progress (or the developments have just been completed), it is hard to estimate the durability of the results. The effectiveness of the applied sustainability measures can be seen in reality after 2-3 years of the projects' closure. According to the EU regulations, the Joint Secretariat has the right to set-up follow-up reporting obligation to the beneficiaries for the 5 years after the closing date of the projects. In case of the traditional projects, the JS decides on the relevance of the follow-up reporting based on a set of criteria, which is strongly connected to the features of the projects: those with infrastructure development and/or purchase of equipment tend to need for submitting the reports, while purely soft, people to people projects are not relevant. Regarding the light projects, the Programme Bodies have not decided yet, who will be responsible for defining and managing the issue. Based on the INTERREG+ database, decision on the follow-up obligations have been made only for the projects selected during the HUHR/1501 and HUHR/1601 calls (41 projects altogether). Beneficiaries of 76% of the projects were invited to submit follow-up reports during a 5-year period after the projects' closure. (In case of only one project the follow-up duration was limited to 3 years.)

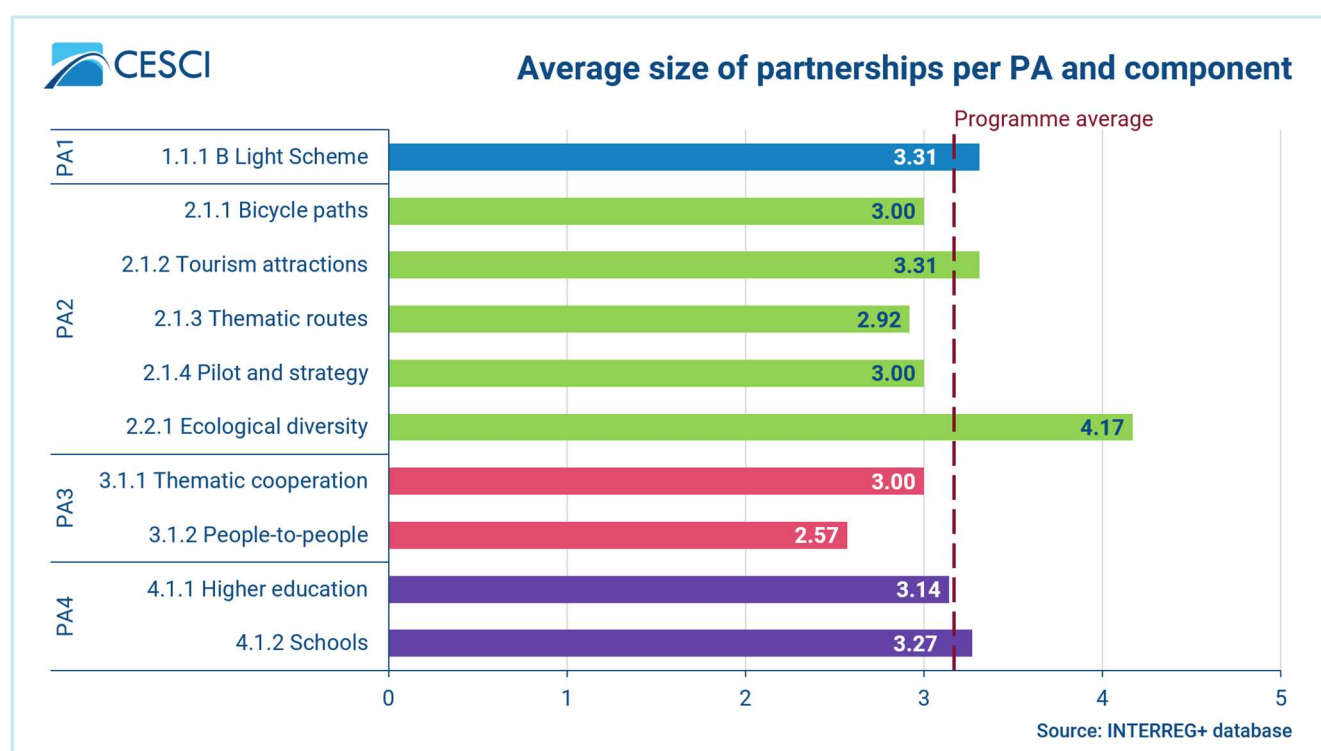
2.2.5 Analysis of the partnerships

In order to evaluate the effectiveness of the project partnerships, the assessment covers mainly four aspects. First, the size characteristics of the partnerships are analysed. After that the institutional type of the beneficiaries and the allocated budgets to them are investigated. Later on, the balance of partnerships per countries and type of calls is in the centre in order to point out both territorial and financial inequalities. Last, but not least the network characteristics of partnerships are analysed. The main source of the analysis is the INTERREG+ database. Furthermore, the results of the survey and the interviews with the beneficiaries and the Programme Bodies are also included.

First of all, considering the **average size of partnerships**, it can be said that nature protection-based projects (Component 2.2.1) brought together the highest number of partners in a single project (4.17), while the rest components are around the programme-level average (3.16). In the frames of the PA1

applying the so called B Light Scheme, special partnership requirements were introduced. There was only a single LB in each light project, the HAMAG-BICRO, and up to 4 SME project partners were allowed to be involved as light partners. The LB without budget has not taken part in the implementation of the core project activities, instead it has been a supporting role in order to ease the administrative burdens of the SMEs. Apart from the strategic project (HUHR/1602/1.1.1/0002), where 8 project partners were in charge of the management of the scheme, the size of light projects' partnerships was rather small and limited (mainly bilateral partnerships between enterprises). The partnership size was the lowest (2.83) in the case of PA3 (out of 35 projects 19 projects have only 2 project partners), mainly because of the people-to-people type of cooperation (11 projects with 2 partners belong to component 3.1.2), which tend to involve significantly lower number of project partners than the rest of the projects.

Figure 47: Average size of partnerships per PA and component



Largest projects in terms of the number of all beneficiaries include *Riverside* (7), *Eco Bridge*⁸⁶ (5), *Two Rivers one Goal II* (5), *Attractour* (5) from PA2, *SUECH* (6), *CHP*⁸⁷ (5), *SportOverBorders*⁸⁸ (5), *Bright Social*

⁸⁶ Eco Bridge: HUHR/1901/2.2.1/0117, Restauration of ecological diversity in the border area of Međimurje and Zala County

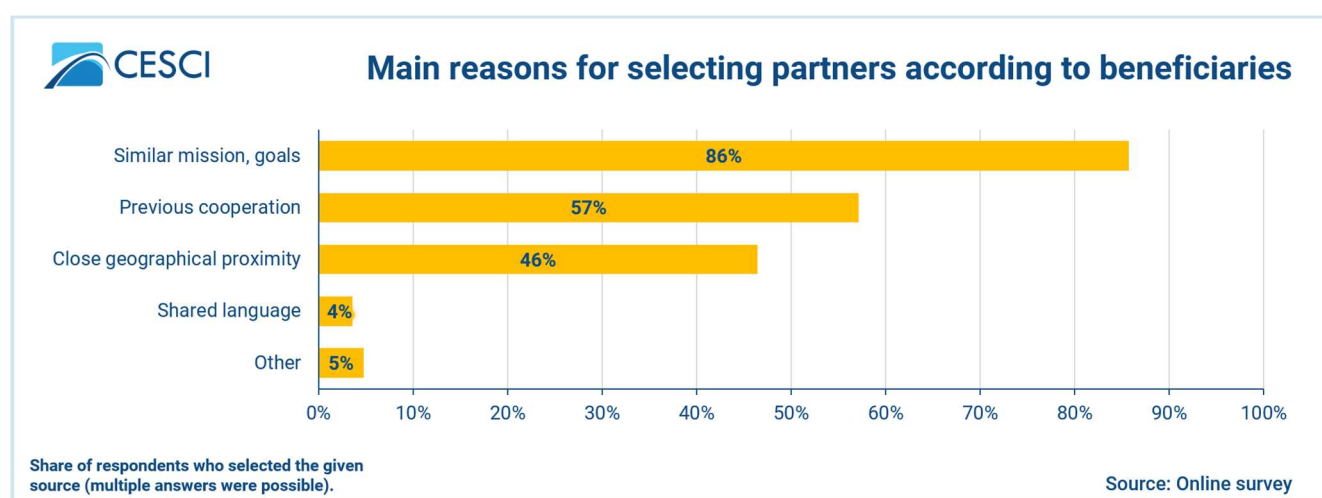
⁸⁷ CHP: HUHR/1901/3.1.2/0043, Culture, heritage and profession – Establishing the professional replenishment of heritage preservation through cultural events

⁸⁸ SportOverBorders: HUHR/1601/3.1.2/0013, Sport Cannot Stop at Borders

*Minds*⁸⁹ (5) from PA3, and *GASTROTOP* (5), *ECOTOP2*⁹⁰ (5), *EN-EFF*⁹¹ (6), *VEC Sharing*⁹² (5) from PA4. *B Light Scheme* (8) as a strategic project played important role in involving management organisations to coordinate the implementation the scheme.

According to the survey results, the **main reason for selecting partners** was similar mission, goals, especially for beneficiaries from Croatia. Previous cooperation also played an important role as high share of beneficiaries chose this option. This is also in line with the experience and lessons learnt described in the interviews conducted. The third most relevant reason was geographical proximity, which was more important for the Hungarian beneficiaries according to the respondents. Shared language and other reasons played minor role in selecting partners on both sides.

Figure 48: Main reasons for selecting partners according to beneficiaries



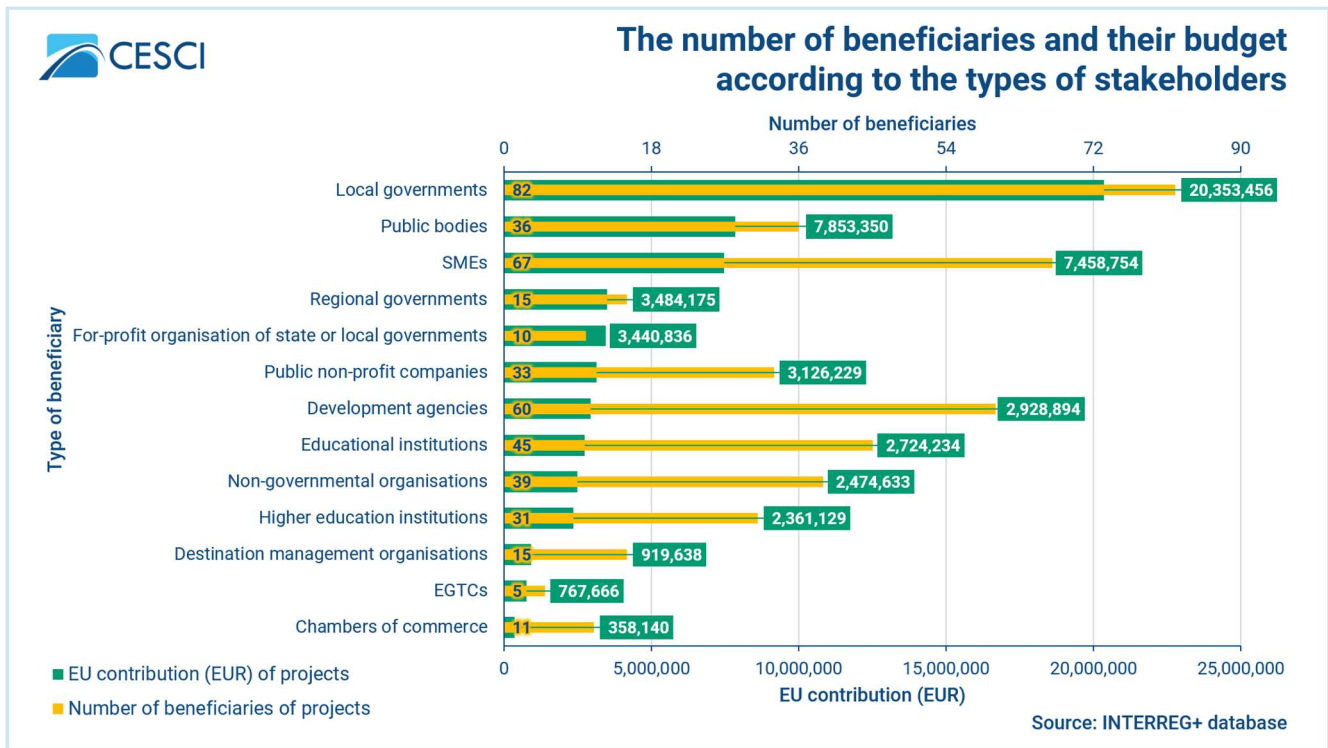
⁸⁹ Bright Social Minds: HUHR/1901/3.1.1/0023, Exchanging experiences and knowledge about social work in segregates of Hungary and Croatia

⁹⁰ ECOTOP2: HUHR/1601/4.1.2/0031, Life long learning programmes for increased growth capacity in ecotourism

⁹¹ EN-EFF: HUHR/1601/4.1.2/0035, New concept training for energy efficiency

⁹² VEC Sharing: HUHR/1601/4.1.2/0030, Cross-border Vocational Education Capacity Sharing

Figure 49: The number of beneficiaries and their budget according to the types of stakeholders



Focusing on the organisational **types of beneficiaries**, local governments (18.3% of all beneficiaries), SMEs (14.9%), development agencies (13.4%, owing to the B Light construction) are the leading three categories. On the other hand, the least number of beneficiaries were involved with regard to EGTCs (1.1%), for-profit organisations of state or local governments (2.2%), and chambers (2.4%).

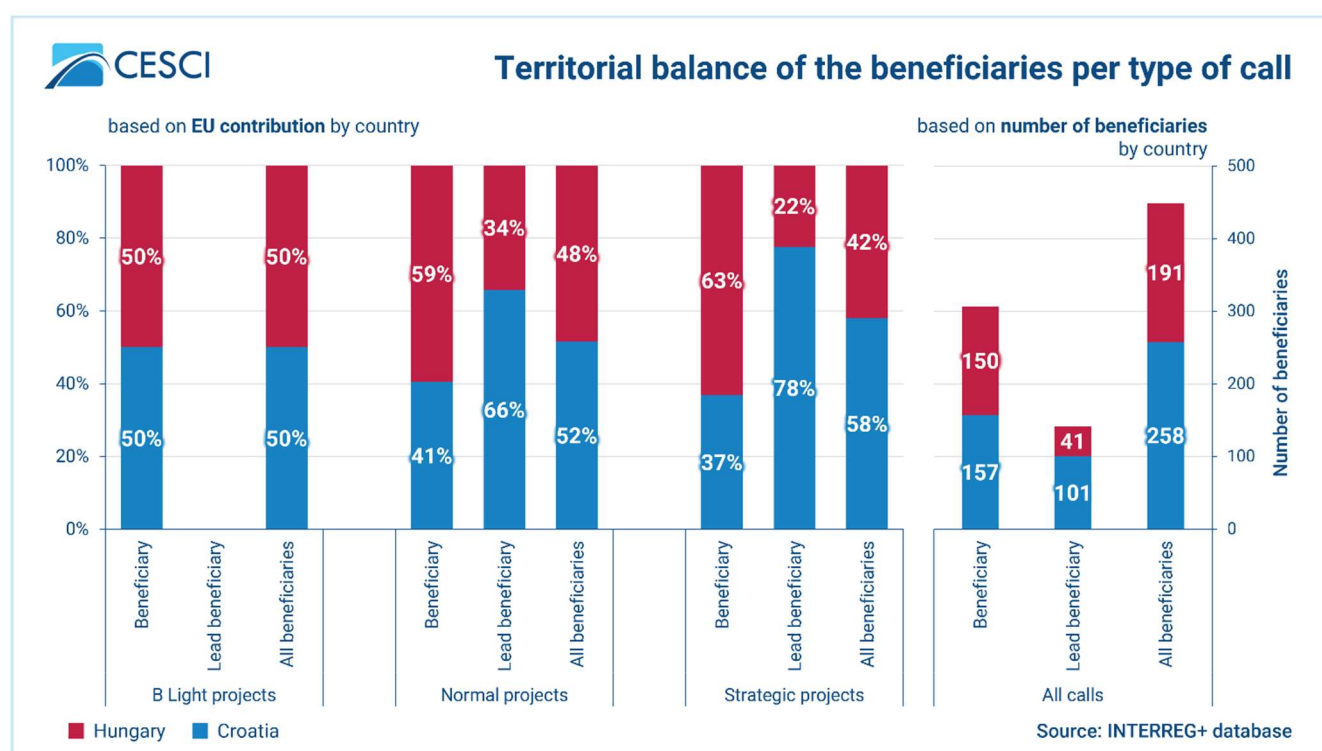
Regarding the financial allocation, local governments absorbed by far the largest ERDF support (more than one-third of the total EU contribution, 34.9%). After a huge gap public bodies (13.5%) and SMEs (12.8%) follow them. These categories altogether make up not less than 61.2% of the total financial allocation. The least involved types are chambers (0.6%), EGTCs (1.3%) and destination management organisations (1.6%).

In some cases, there are significant differences in the role of certain beneficiary types comparing their shares in EU contribution and numbers. Considering the values related to the educational institutions, the number of the participating beneficiaries are significantly higher compared to their financial allocation. It is in line with their relatively smaller average EU contribution per beneficiary (educational institutions: EUR 60,539). The shares in EU contribution are much higher than that of quantity measures in relation to local governments (18.2%) and public bodies (8%). This is in line with their relatively high average EU contribution allocated for a beneficiary of such types (public bodies: EUR 218,149; local governments: EUR 248,213). For-profit organisations of state or local government (EUR 344,084) enjoyed the highest amount of EU support per beneficiary.

Taking into account the specific characteristics of the PAs, PA1 was successful in involving private organisations, namely small and medium-sized enterprises as a new target group of the CP. SMEs were exclusively targeted in the frames of the B Light Scheme meaning that they were excluded from the rest of the Programme. PA2 encouraged many local governments and public bodies to take part in the Programme, in addition it was also the Priority Axis which focused on supporting projects with the

partnership of destination management organisations (e.g. Turistička zajednica Međimurske županije) and for-profit organisations of state or local government (e.g. Mecsekerdő Zrt., Délzalai Vízmű ZRt., HRVATSKE ŠUME d.o.o.). PA3 is outstanding in making non-governmental organisations (e.g. "Tájfutásért-Pécs" Alapítvány, Pécsi Horvát Önkormányzat, Kulturno umjetničko društvo "Donji Vidovec"), public non-profit companies (e.g. BLOKOM Pécsi Városüzemeltetési és Környezetgazdálkodási Nonprofit Kft., Međimurska energetska agencija d.o.o., Regionalna energetska agencija Sjever) interested in the CP, but has important role in addressing local governments too. PA4, similarly to PA1, has a strong focus on certain beneficiaries. All the chambers and almost all the educational institutions who participated in the Programme as beneficiaries are partners in the frames of PA4 projects. Furthermore, the majority of higher institutions were involved under PA4.

Figure 50: Territorial balance of the beneficiaries



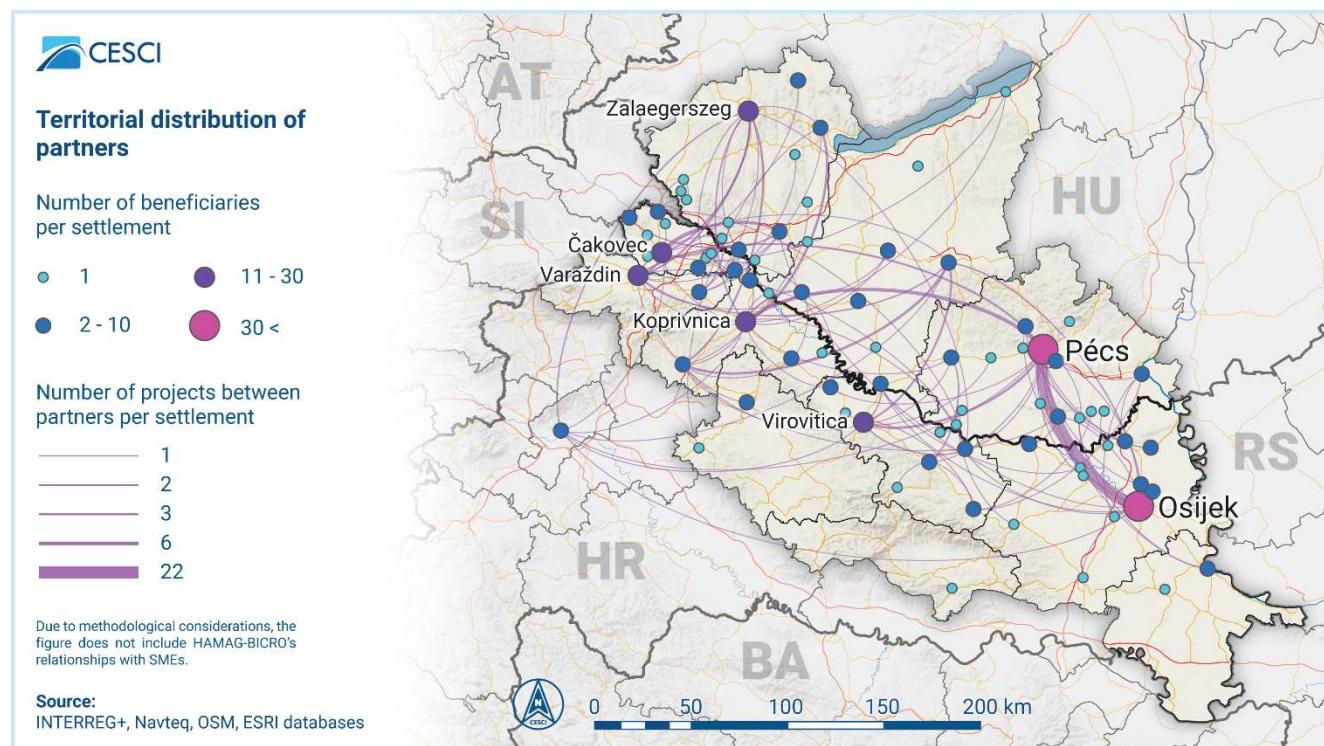
Assessing the beneficiaries' territorial balance, in the case of the strategic projects (cover the projects of HUHR/1501, HUHR/1902 and the B Light Scheme of HUHR/1602/1.1.1/0002), balance based on the allocated ERDF contribution is in favour of Croatia especially regarding lead beneficiaries (Croatian LBs: EUR 2,549,681.74, Hungarian LBs: EUR 734,508.79). The unbalance is partly due to the fact that in B Light Scheme, HAMAG-BICRO absorbed a relatively high amount of EU contribution (EUR 2,310,299).

Considering the light projects with SME beneficiaries (HUHR/1602) (and excluding the HAMAG-BICRO, as LB without own budget), the territorial balance in terms of the allocated EU contribution, the picture is completely equal. In relation to the number of beneficiaries the distribution is also almost equal, but there are 2.5 times more lead beneficiaries from Croatia than from Hungary.

In case of the normal projects, there is also a financial shift in favour of the Croatian beneficiaries, especially in relation to LBs compared to the programming period of 2007-2013. Based on the interviews it can be reasoned by the more limited human and financial capacities of local municipalities as major

beneficiaries in Hungary compared to the Croatian side. According to the colleagues of the JS, Croatian beneficiaries tend to be more pro-active in initiating partnerships during the programming period.

Figure 51: Territorial distribution of partners and project connections

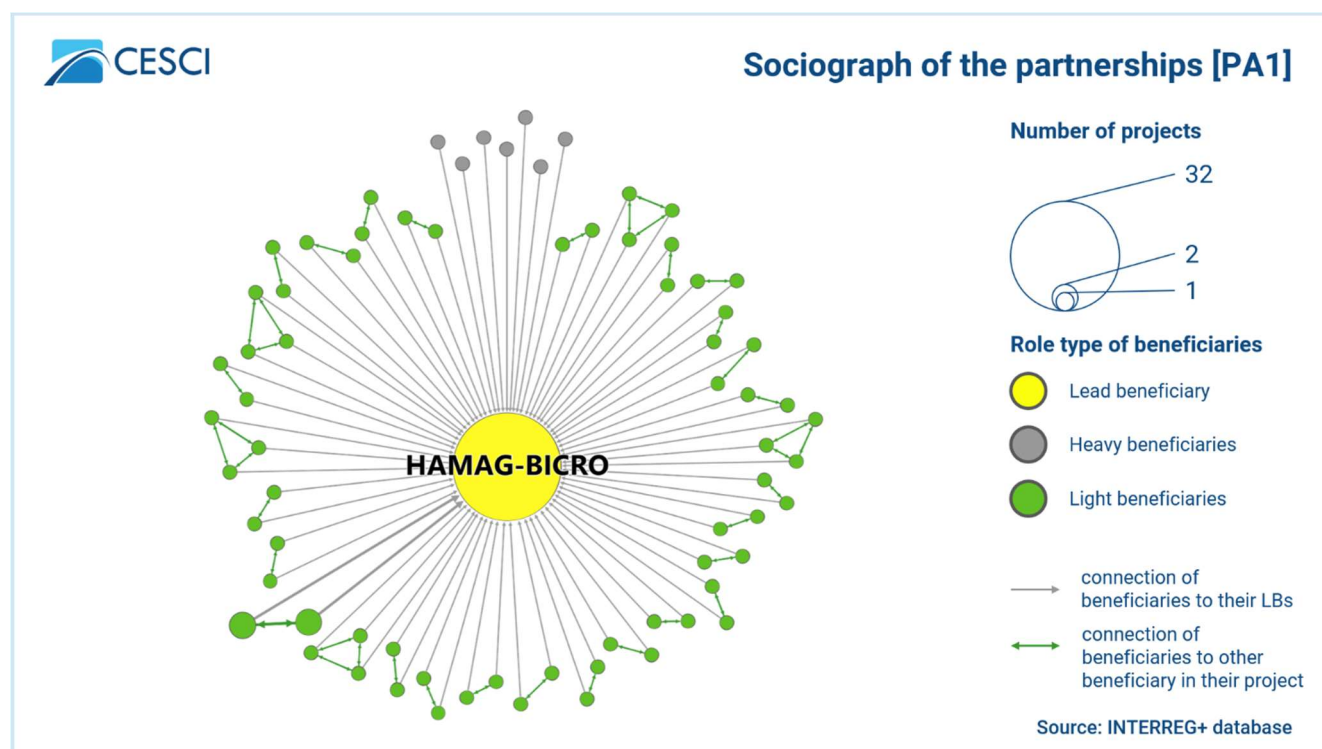


Territorial balance and partnership network can also be analysed from the viewpoint of **the beneficiaries' location and their partner connections**. First of all, it can be concluded that the project connections are rather fixed and rigid: the given stakeholders of Hungary tend to create partnership with Croatian stakeholders that almost all seated in the same (small group of) settlement or microregion, and vice versa. For instance, beneficiaries from Osijek cooperate with those of Pécs in large numbers, or Koprivnica has strong relations only with Pécs. In general, the distance between partners is relatively low, underlining the CBC character of the Programme.

It can be seen on the related figure, that there are notable differences between the eastern and the western part of the border area with this regard. The density of partners and connections is higher around Međimurje and Zala, and the surrounding settlements such as Čakovec, Zalaegerszeg, and this applies to the vicinity of the border. In general, the higher the given municipality is in the settlement hierarchy, the more network connections it has. Consequently, large cities and regional centres stand out. The Pécs – Osijek axis is characterised by high number of beneficiaries and strong relations between them. Other stronger connections based on the number of projects between partners include e.g. Pécs and Koprivnica, Kaposvár and Virovitica or Zalaegerszeg and Varaždin. On the Croatian side the network is more heterogeneous involving smaller settlements from all bordering parts of Croatia, while in Hungary presumably because of the more centralised governance system the network is rather based on few larger cities with some exceptions. East of Virovitica excluding the historical Baranja/Baranya region the density is lower and the network connections are sparser. Somogy vármegye is characterised by the least dense partnership network along with some areas between Virovitica and Osijek in case the non-bordering regions are excluded from the analysis.

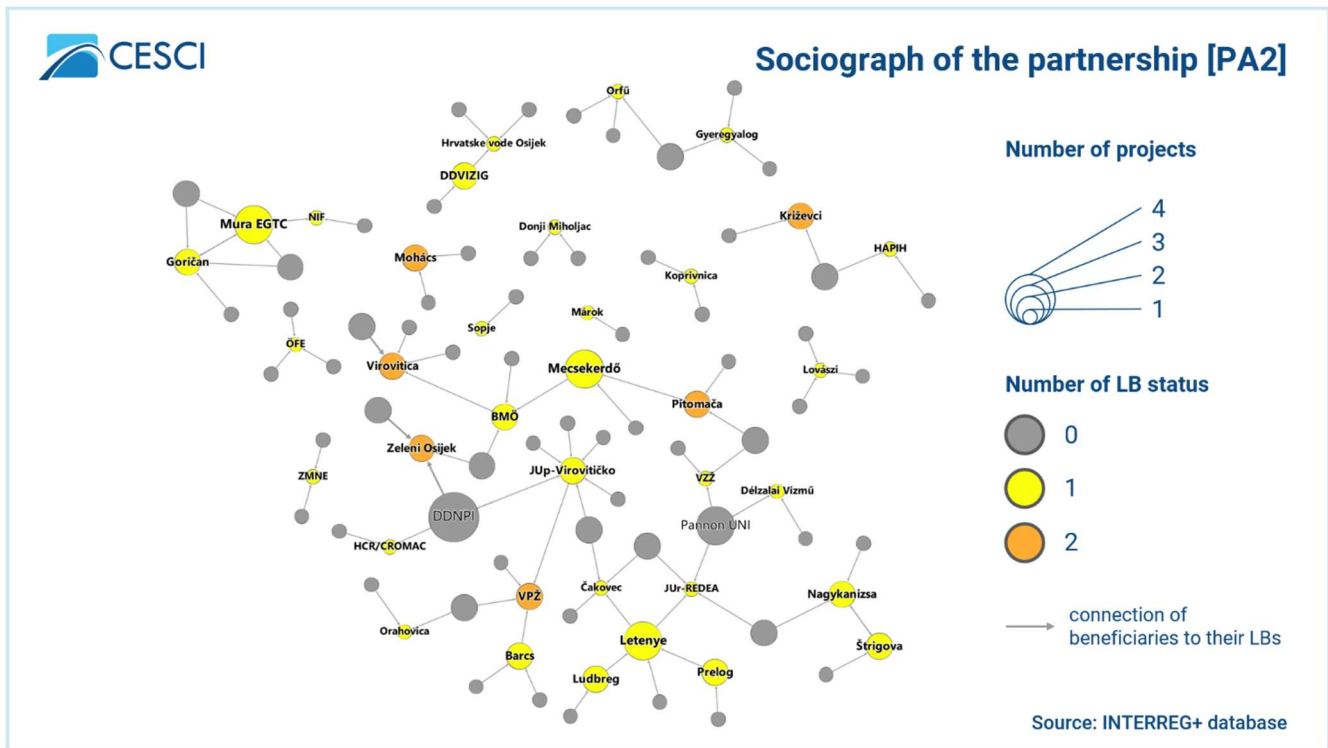
The different regional development policies, competences and financial possibilities of regional and local municipalities and their organisations largely determine the level of their participation in the Programme. While in Croatia the NUTS 3 level regional units (županija) have wider competences than the Hungarian counterparts (vármegye), the Croatian regional municipalities are more competent to create partnerships within the Programme; moreover, owing to the existence of regional development agencies, the coordinating, planning and development activities of respective counties are ensured. In contrast, the competences and resources of the Hungarian counties are more restricted, therefore their involvement in the Programme is also limited.

Figure 52: Sociograph of the partnerships (PA1)



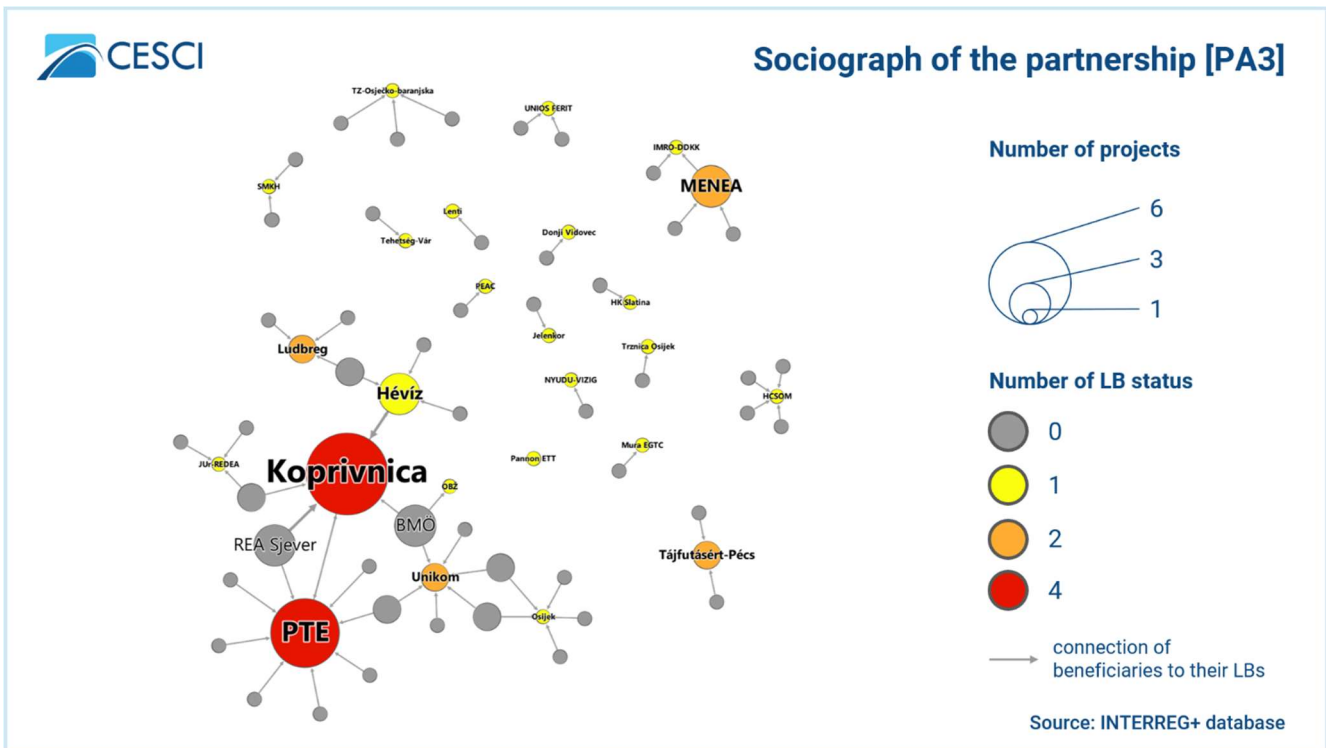
Focusing on the **network characteristics of partnerships**, sociograms can be analysed. **PA1** has a special situation because of the Beneficiary Light Scheme. Most of the light partnerships are bilateral, only some projects brought together 3 SMEs. The network is rather fragmented: there are no overarching partnerships meaning each beneficiary was involved in a single project, and there are no cross-connections between any project. There is only a single partnership that implemented two distinct projects.

Figure 53: Sociograph of the partnerships (PA2)



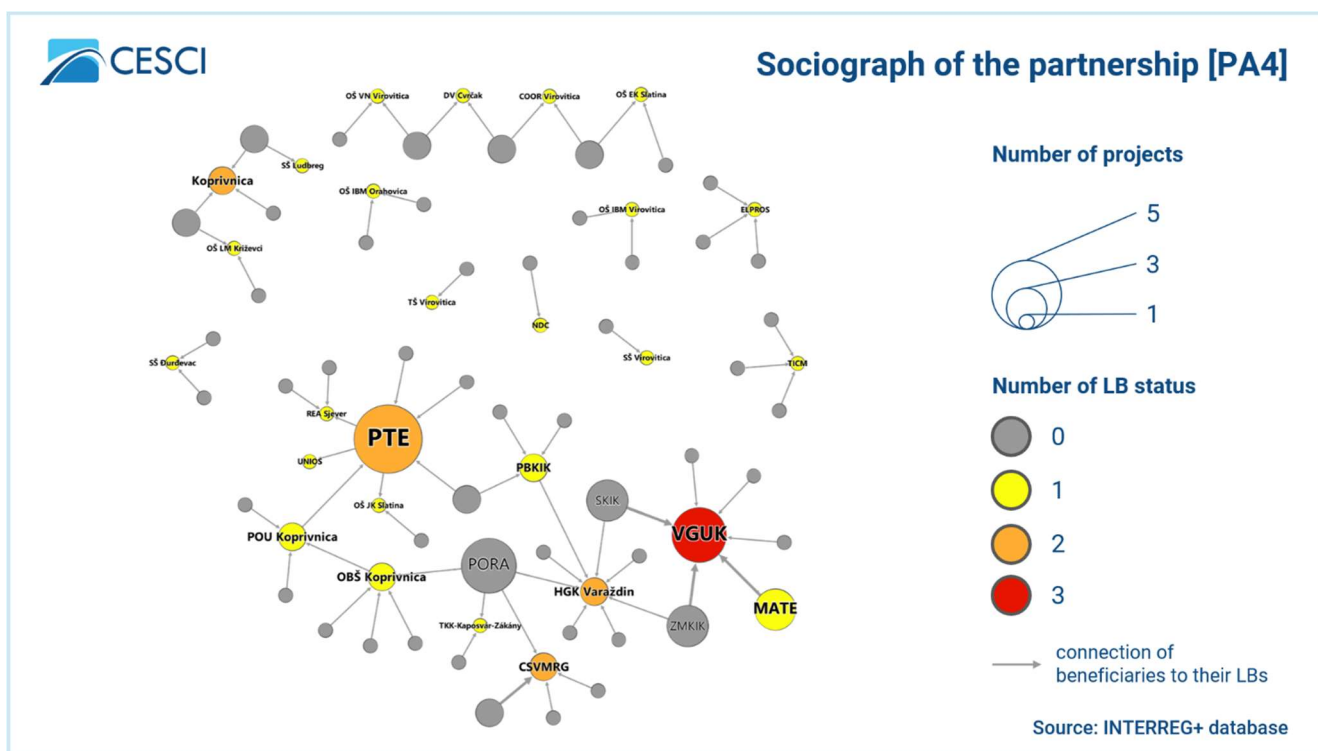
In the case of **PA2** the public body of JUp-Virovitičko (Javna ustanova za upravljanje zaštićenim dijelovima prirode i ekološkom mrežom Virovitičko-podravske županije, 7 partner connections, in 2 projects) and the local municipality of Letenye (5 connections, in 3 projects) stand out by relatively high number of partner connections. Some other beneficiaries with multiple partner connections include e.g. the Mura EGTC (4), or local governments such as Virovitica (4) or Čakovec (4) from Croatia. Partners who were involved/participated in the largest number of projects are different types of organisations, meaning they are not a homogeneous group: DDNPI (Duna-Dráva Nemzeti Park Igazgatóság, public body, 4 projects), Letenye local municipality (3), Mecsekerdő Zrt. (for-profit organisation of state or local government (3), Mura EGTC (Mura Régió – Korlátolt Felelősségű Európai Területi Társulás / Regija Mura – Europska grupacija za teritorijalnu suradnju s ograničenom odgovornošću, 3), and Pannon UNI (Pannon Egyetem, higher education, 3). There are no outstanding organisations in terms of the number of LB status, meaning beneficiaries became LBs once or twice during the period. Relatively high share of beneficiaries who have been LBs two times are local governments (e.g. Mohács or Križevci).

Figure 54: Sociograph of the partnerships (PA3)



In the case of **PA3** the local government of Koprivnica (6) and the higher education institution of PTE (Pécsi Tudományegyetem, 5) stand out with the number of projects they were involved in, and also in terms of LB status. Considering partner connections, the PTE (9), Osijek (5) and Koprivnica (5) has a role to highlight. The network is quite mixed with smaller and larger partnerships included. The beneficiaries who have stronger cross-relations with different types of beneficiaries are governments (Koprivnica, Hévíz, BMÖ – Baranya Megyei Önkormányzat), the university of PTE and public non-profit companies (REA Sjever - Regionalna energetska agencija Sjever; Unikom d.o.o.). The rest of the network is rather fragmented with small, separate partnerships.

Figure 55: Sociograph of the partnerships (PA4)



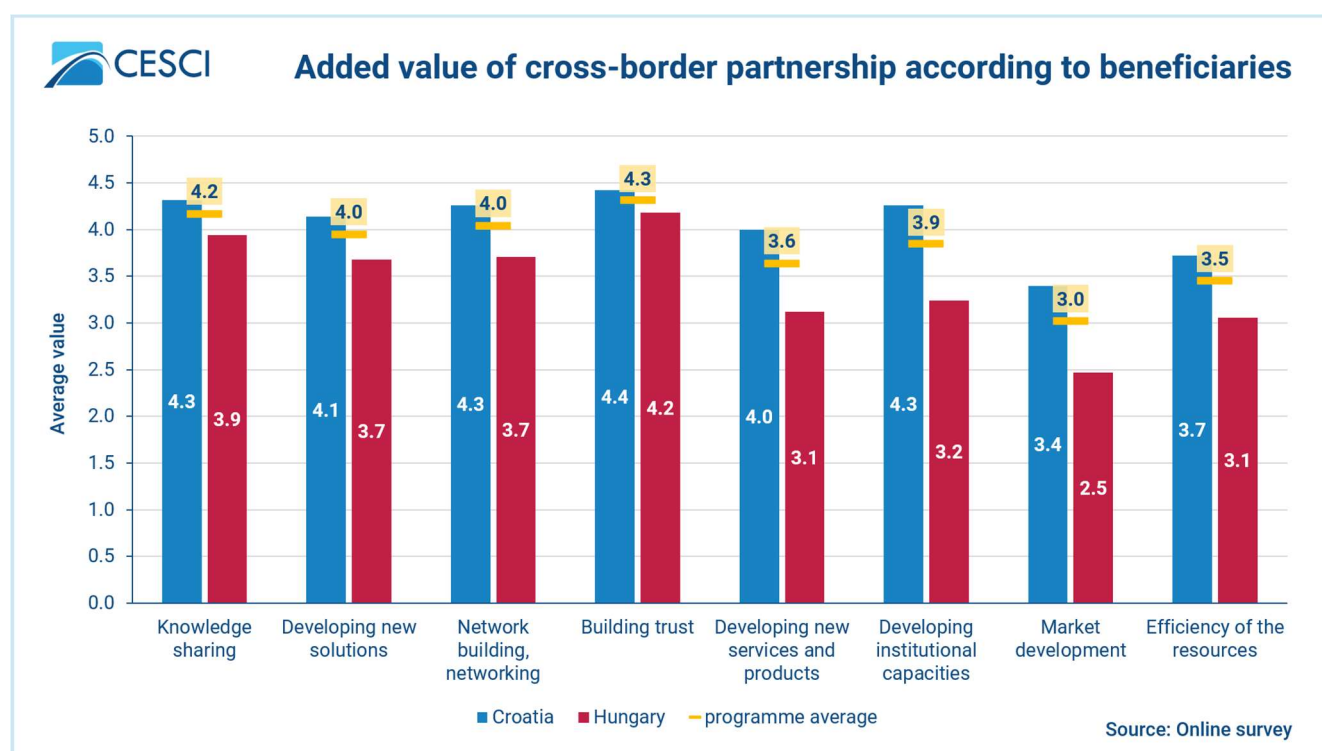
In the case of PA4, the university of PTE (5), the development agency of PORA (PORA Regionalna razvojna agencija Koprivničko-križevačke županije, 4), higher education facilities of VGUK (Visoko gospodarsko učilište u Križevcima, 4) and MATE (Magyar Agrár és Élettudományi Egyetem, 3) stand out along with the chambers of SKIK (Somogyi Kereskedelmi és Iparkamara, 3) and ZMKIK (Zala Megyei Kereskedelmi és Iparkamara, 3) in terms of number of projects they were involved in. Chamber of HGK Varaždin (Hrvatska gospodarska komora Županijska komora Varaždin), the universities of PTE (7) and VGUK (6) have the highest number of partner connections. The interconnection is rather dense and strong among educational institutions, universities especially. Considering the number of LB status VGUK and other educational institutions, universities can be highlighted. The network of PA4 beneficiaries can be regarded as one of the most interlinked, with many relations among projects and project partners.

The isolation of the partnership networks of the distinct PAs is strong. Only 9% of the beneficiaries have **partner connections within more than one PAs**. The most extensive cross-connections can be found in relation to PA2 and PA3 beneficiaries (12 beneficiaries participated in both PAs) followed by PA3 and PA4 (10 beneficiaries). At the same time, PA1 functions as an almost completely separate pool of partnerships within the Programme, as it is the only priority which offers direct financial support to SMEs. Stakeholders with the highest number of PAs act as partners are either governments or development agencies including BMÖ (Baranya Megyei Önkormányzat, regional government), Koprivnica (Grad Koprivnica, local government), ZMVA (Zala Megyei Vállalkozásfejlesztési Alapítvány, development agency), PORA (PORA Regionalna razvojna agencija Koprivničko-križevačke županije, development agency) with three PAs, and REDEA (Javna ustanova za razvoj Međimurske županije REDEA, development agency) with connections from all four PAs.

With regard to all PAs (see *Figure 9*), partners who stand out with high number of projects are the university of PTE (Pécsi Tudományegyetem, 10), the local governments of Koprivnica (9) and Hévíz (5), the regional government of BMÖ (Baranya Megyei Önkormányzat, 7), and the development agency of PORA (PORA Regionalna razvojna agencija Koprivničko-križevačke županije, 6). In terms of partner connections higher education institutions of PTE (15) and VGUK (6), the chamber of HGK-Varaždin (6), the development agencies of REDEA (9), PORA (6) and HAMAG-BICRO (6), furthermore the regional government of BMÖ (9) and the local one of Koprivnica (9) have outstandingly dense partnership networks.

Within the framework of the online survey, beneficiaries were asked about the **added value of cross-border cooperation**. According to the results partnerships have brought high added value in relation to trust building (programme average: 4.3) and knowledge sharing (4.2). Network building (4.0) was regarded as the third most important added value of the Programme, particularly in the opinion of the Croatian respondents. The lowest values were given to market development (3.0 at programme level) and efficiency of resources (3.45).

Figure 56: Added value of cross-border partnership according to beneficiaries



Beneficiaries have listed some **obstacles and challenges that they faced during the application/implementation of their projects with regard to partnership**. The most common ones include communication and task management, varying work pace and morale on the two sides and among partners, delay in realising tasks (e.g. submitting/finishing certain documents or financial activities) from a certain partner could raise problems in partnerships. Based on the interviews with the beneficiaries, it was important in elaborating and implementing joint Interreg projects to have some kind of previous contact among the partners, usually from personal connections of previous joint projects of any type.

2.3 Impact

2.3.1 Analysis of the result indicators

The aim of this chapter is to introduce the result indicators and the fulfilment of their target values. Altogether 5 result indicators are mentioned by the CP (programme-level result indicator), all of them measure the results of a single SO. From the beneficiaries' side, it was obligatory to choose at least one programme-level result indicator per project. Moreover, the project partners could choose further result indicators, such as component specific, project specific and general result indicators. As the extent of the evaluation is limited, this document does not analyse all of these indicators, instead the colleagues of the JS and the evaluators selected the most relevant ones: as a result, all of the result indicators defined in the CP, 2 component specific and 2 general indicators have been involved into the evaluation.

The detailed information of the result indicators (such as the names, related SOs, measurement units, baseline values and years, as well as the target values) are listed in *Table 20*.

The frequency of reporting is restricted to three years (2018, 2020 and 2023) by the CP, but the JS invited the beneficiaries to report annually about the result indicators' progress similarly to the output indicators. Owing to this, the AIRs and INTERREG+ both have data on the achievements, but the reporting was not always carried out based on the same methodology, which resulted in discrepancies between the two databases. As the AIRs and the 1st impact assessment⁹³ contain the valid and certificated information, the evaluation was based on these documents on the one hand, in addition, the evaluators conducted data collection in some cases. Nonetheless, the AIRs and the 1st impact assessment do not concern the fulfilment of component specific and general result indicators, thus the usage of INTERREG+ was inevitable in these cases.

⁹³ Final Report on the Impact Assessment of the ongoing Interreg V-A Hungary-Croatia Cooperation Programme 2014-2020 carried out in the course of the CB Joint Strategy projects (link: http://www.huhr-cbc.com/uploads/editors/HUHR%20Impact%20Assessment_stage%201_Final%20report_CLEAN.pdf)

Table 20: Brief introduction of the result indicators (based on Programme documents)⁹⁴

Type	PA	Name	Measurement unit	Baseline year	Baseline value	Target value
Programme indicator	PA1	SO1.1 Average GVA per capita of industry and services sectors of the programme area	EUR	2011	5,208.00	5,500.00
	PA2	SO2.1 Number of guest nights in Zone B defined by the Handbook to Tourism Projects in the Hungary-Croatia IPA Cross-border Cooperation Programme 2007-2013	number	2013	1,758,826.00	1,846,747.00
		SO2.2 Number of habitats with 'A: excellent conservation' status of selected Special Bird Protection Areas	number	2014	179.00	192.00
	PA3	SO3.1 Number of entities participating in cross-border networks and bilateral cooperations	number	2015	36.00	49.00
	PA4	SO4.1 Number of educational institutions in the border region that offer courses jointly or with region- or neighbouring country-specific content	number	2014	29.00	90.00
Component specific indicator	PA2	2.1 C02_De-mine Size of rehabilitated contaminated land	m ²	-	-	1,456,319.00
	PA4	4.1 C02 Number of unemployed people participating in joint training programs	number	-	-	44.00
General indicator	G01 Number of settlements influenced by the project		number	-	-	390.00
	G06 Number of jobs created/kept by the project		number	-	-	137.50

⁹⁴ Sources: Programme indicators from AIR 2022, Component specific and Horizontal indicators from INTERREG+

Measuring the result indicators have generated multiple challenges that were caused by several different factors. These difficulties are made up of **strategic and implementation issues**.

2.3.1.1 Issues occurred at strategic level

Inadequate source of data

The CP determined the following sources of data in case of the result indicators:

1. **official statistical databases** created by the National Bureaus of Statistics (*SO 1.1 GVA per capita of industry and services sectors*⁹⁵ and *SO 2.1 Number of guest nights in Zone B*⁹⁶)
2. research among **territorially and professionally competent authorities** (*SO 2.2 Habitats with excellent conservation status*⁹⁷)
3. **surveys** conducted by the programme management bodies (*SO 3.1 Entities participating in cross-border networks and cooperations*⁹⁸ and *SO 4.1 Educational institutions participating in cross-border cooperations or providing cross-border content*⁹⁹)

During the evaluations, collection of appropriate data meant one of the main difficulties, since there have been no reliable and easily available data source for each indicator.

However, the *SO 1.1 GVA per capita of industry and services sectors* is based on the databases of the National Bureaus of Statistics (KSH and DZS), the calculation of indicator achievement was problematic due to the incomparability of data (the Hungarian KSH provides more recent data than the Croatian DZS). In order to avoid the harmonisation issues, the achieved values reported in 2023 were obtained from the integrated European database (Eurostat).

The most unfavourable method for collecting data is the survey, as the results are inaccurate and the comparability of different annual surveys is questionable. The CP determined this option in the case of two result indicators. In both cases, the data collection was carried out in 2015 and 2021 via online survey, that incorporated 3-4 questions and took at least 3 weeks to realise. Due to the low number of respondents and/or the limited number of targeted recipients and/or respondents, the reliability of the outcome has been uncertain. In order to get a more realistic picture, evaluators together with the Programme Bodies decided to use the INTERREG+ database for assessing the indicators' target (instead of having a new online survey). It became possible, because the JS has put a lot of emphasis on obtaining data from beneficiaries on the achievements, thus the data presented in INTERREG+ are more reflective of reality than the survey. In the case of *SO 3.1 Entities participating in cross-border networks and cooperations*, the number of participants in PA3 projects was taken into account, while a special filtering had to be made for *SO 4.1 Educational institutions participating in cross-border cooperations or providing*

⁹⁵ *SO 1.1 Average GVA per capita of industry and services sectors of the programme area*

⁹⁶ *SO 2.1 Number of guest nights in Zone B defined by the Handbook to Tourism Projects in the Hungary-Croatia IPA Cross-border Cooperation Programme 2007-2013*

⁹⁷ *SO 2.2 Number of habitats with 'A: excellent conservation' status of selected Special Bird Protection Areas*

⁹⁸ *SO 3.1 Number of entities participating in cross-border networks and bilateral cooperations*

⁹⁹ *SO 4.1 Number of educational institutions in the border region that offer courses jointly or with region- or neighbouring country-specific content*

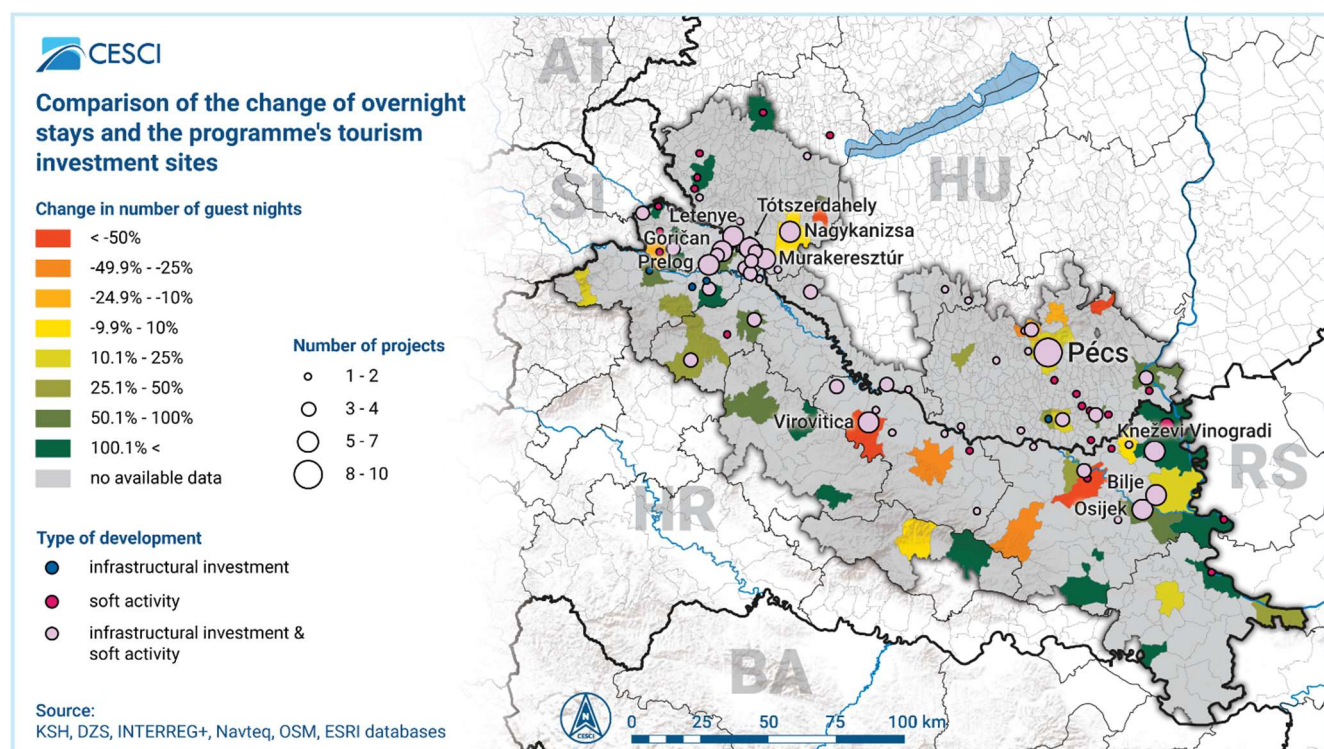
cross-border content. This filtering was based on the classification method applied during the *2.2.1 Analysis of the fulfilment of regional needs*. The beneficiaries of those (not only PA4) projects were taken into account that contributed to the 'jointly developed educational and training services' regional need defined by the evaluators based on the Programme documents.

Impact of the Programme cannot be measured

In some cases, although the indicator measures relevant information, the exact effect of the Programme is hard to evaluate, as many external factors may contribute to the results at regional level. This problem concerns the *SO2.1 Number of guest nights in Zone B*, as the increase in the number of guest nights is not necessarily due to the Programme. This is confirmed by the *Figure 57*, which shows that the significant change in overnight stays does not necessarily coincide with the location of the touristic investments¹⁰⁰ made by the Programme. There are similar uncertainties about

- *SO 1.1 GVA per capita of industry and services sectors*, as it is too general and the results of other externalities cannot be excluded; and
- *SO 2.2 Habitats with excellent conservation status*, as the programme area includes 170 Natura 2000 habitats the status of which is affected by any factors. The HUHR CP supported only 6 relevant projects, the impact of which is expectedly minor on the indicators value.

Figure 57: Change of overnight stays in the light of the tourism investments made by the Programme.



The timeframe of the indicator is not sufficient

In order to measure the achievements, sufficient time has to elapse before the results of the Programme can really be felt. However, in some cases, the programming and evaluation mechanism determined by

¹⁰⁰ Locations of SO2.1 projects.

the European Commission, does not allow sufficient time for this, therefore only partial results can be measured at the end of the programming period. This shortcoming is detectable in the case of *SO2.1 Number of guest nights in Zone B*, as the touristic investment does not trigger guest night increase immediately, wider timeframe is needed to demonstrate the impacts of the investments. This problem concerns the *SO2.2 Habitats with excellent conservation status* too, as the achieved changes in the conservation of selected species and habitats take at least 5-10 years and the real results cannot be determined in 2023.

2.3.1.2 Issues occurred at implementation level

Methodological issues

The above-mentioned strategic problems induced further difficulties during the implementation phase. Due to the not sufficiently defined data sources, the indicator values published in the relevant documents (the CP and the 1st impact assessment) for the particular years do not match, and in some cases even the baseline values differ. The problem is rooted in the fact that the exact methodology of the data processing (filtering) is not described in the Programme documents in an exact manner, thus the short interpretation of indicators could be understood by the programmers and evaluators in a slightly different way. In the case of *SO2.1 Number of guest nights in Zone B*, the calculation of the baseline value caused difficulties, as the data set by the CP was not equal with the currently available statistical data for the baseline year. Similar problem concerns

- *SO2.2 Habitats with excellent conservation status*, since the conservation status of habitats has not been recorded in the case of 'Special Bird Protection Areas', only in case of 'Special Protection Areas'¹⁰¹. According to 1st impact assessment, the original baseline value might have incorporated the Natura 2000 sites of Tolna vármegye, that are outside the programme area. This assumption cannot be justified, as the baseline value is not retrievable; and
- *SO1.1 GVA per capita of industry and services sectors*, where the components of the baseline values are not clear and the newly calculated baseline values (in 2023) do not match with the original ones.

This difficulty has already been revealed in the 1st impact assessment, which is confirmed by this current evaluation, since the data gathered by the evaluators in 2023 are no longer in line not only with the CP, but also with the 1st impact assessment. The data sources identified in the CP and used in 2023 are listed in the [Table 21](#).

¹⁰¹ The problem was handled in the 1st impact assessment.

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Table 21: Brief introduction of the programme result indicators (based on Programme documents and new calculation in 2023)

PA	Name	Source of data (CP)	Source of data (calculation in 2023)	Baseline year (CP)	Baseline year (calculation in 2023)	Baseline value (CP)	Baseline value (calculation in 2023)	Year of achieved value (reported in 2023)	Achieved value (calculation in 2023)
PA1	SO1.1 Average GVA per capita of industry and services sectors of the programme area	National Bureaus of Statistics	Eurostat	2011		5,208.00	5,215.55	2021	7,653.21
	SO2.1 Number of guest nights in Zone B defined by the Handbook to Tourism Projects in the Hungary-Croatia IPA Crossborder Cooperation Programme 2007-2013	National Bureaus of Statistics		2013		1,758,826.00	1,626,586.00	2022	2,316,058.00
PA2	SO2.2 Number of habitats with 'A: excellent conservation' status of selected Special Bird Protection Areas	State Institute for Nature Protection (HR) / National Park Directorate (HU)	State Institute for Nature Protection (HR) / Ministry of Agriculture (HU)	2014	2013	179.00	191.70	2021 (HR) and 2022 (HU)	203.40 ¹⁰²

¹⁰² According to 1st impact assessment: Conservation status of bird species is recorded in case of Special Bird Protection Areas, while that of habitats is recorded in case of Special Protection Areas.

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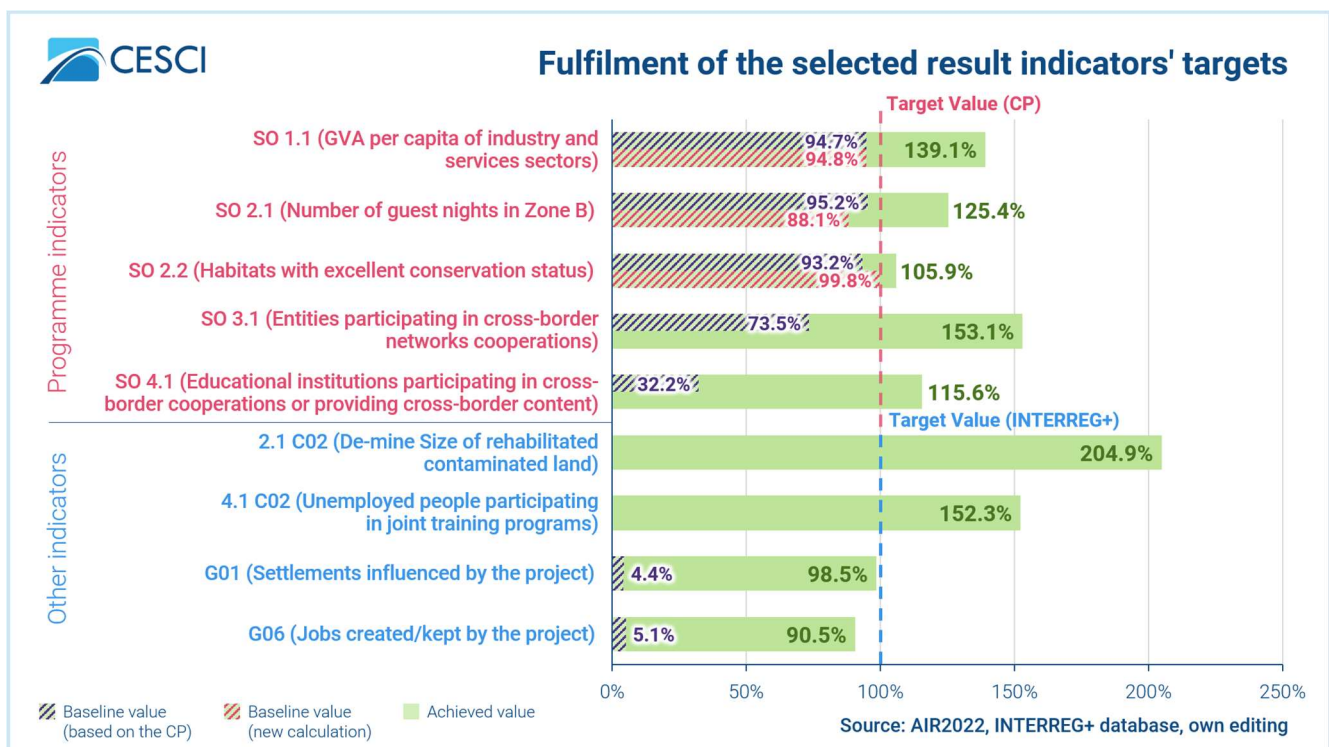
PA	Name	Source of data (CP)	Source of data (calculation in 2023)	Baseline year (CP)	Baseline year (calculation in 2023)	Baseline value (CP)	Baseline value (calculation in 2023)	Year of achieved value (reported in 2023)	Achieved value (calculation in 2023)
PA3	SO3.1 Number of entities participating in cross-border networks and bilateral cooperations	survey	INTERREG+	2015	n.a.	36.00	n.a.	2023	75.00
PA4	SO4.1 Number of educational institutions in the border region that offer courses jointly or with region- or neighbouring country-specific content	survey	INTERREG+	2014	n.a.	29.00	n.a.	2023	104.00

After the strategic and implementation issues, the **fulfilment of result indicators** is introduced (based on the new calculation made in 2023).

The data collection on the actual indicator values was taken place in 2023, that contains information about the year of 2021-22. The original baseline years are kept, the only exception is *SO2.2 Habitats with excellent conservation status*, where the baseline year is 2013 instead of 2014 (the change is based on the 1st impact assessment). In the case of the indicators based on surveys, the baseline values have not been re-determined and corrected, as this is not feasible, but the different data collection methodology makes the comparison questionable. The *Table 21* and *Figure 58* introduce the original and the newly calculated baseline years and value as well.

Regarding the fulfilment of the **programme-level result indicators** (see *Figure 58*), all of them achieved the indicated target value with significant surplus. In light of the above-mentioned methodology problems and the new data collecting procedures, the validity of the original target values is questionable. In the case of **non-programme-level result indicators**, the data of INTERREG+ were considered and the achieved values refer to 2023. Since until the cut-off date most of the projects finalised their implementation, the ratios of fulfilment were above 90%. Although the general result indicators did not meet their target values at the cut-off date, there are ongoing projects that will expectedly make further progress until the Programme's closure.

Figure 58: Fulfilment of the selected result indicators' targets



The 'Better regulation' toolbox¹⁰³ developed by the European Commission helps to summarise and provide a coherent overview of the result indicators. In the following table (*Table 22*), the fulfilment of the S.M.A.R.T. criteria will be analysed and marked with the following colours:

- **A – Green:** the indicator is in line with the criteria;
- **B – Yellow:** the indicator is only partially in line with the criteria;
- **C – Red:** the indicator fails regarding the criteria.

¹⁰³ 'Better regulation' toolbox (2017): <https://ec.europa.eu/info/sites/default/files/better-regulation-toolbox.pdf>; 'Better regulation' toolbox (2021): https://ec.europa.eu/info/law/law-making-process/planning-and-proposing-law/better-regulation-why-and-how/better-regulation-guidelines-and-toolbox_en

Table 22: S.M.A.R.T. assessment of result indicators

Name	General findings	S	M	A	R	T
SO1.1 Average GVA per capita of industry and services sectors of the programme area	The indicator measures the gross value added (GVA) in the industry and service sectors. Its specificity is questionable, as the Programme's achieved value cannot be isolated from the other externalities. The source of data is official and reliable (national and European statistical services), provided at NUTS 3 (county) level, but the retrieved data do not match with the previously determined values. The achievability is ensured, although the external impacts after 2019 affected negatively the results. The relevance and timing are adequate.	B	B	A	A	A
SO2.1 Number of guest nights in Zone B defined by the Handbook to Tourism Projects in the Hungary-Croatia IPA Cross-border Cooperation Programme 2007-2013	The indicator measures the increasement of the number of guest nights in the area of Zone B. The indicator is not specific enough, since the achieved value cannot be attributed only to the Programme. The source of data is reliable (national statistical services), but the baseline year's data differs from the currently available data for 2013. Although the external impacts dramatically hindered the indicator's accomplishment, the achievability is ensured. The relevance is adequate, as the cross-border aspect is ensured by the designation of Zone B, although this approach would be stronger if the unit of measurement was the number cross-border tourists. As some of the projects have only just been completed, the timeframe is not sufficient to measure the substantive impact on the border region.	B	B	A	A	B

Name	General findings	S	M	A	R	T
SO2.2 Number of habitats with 'A: excellent conservation' status of selected Special Bird Protection Areas	The improvement of the conservation status of habitats and restoration of the ecological diversity in the cross-border area are measured by this indicator. The specificity is objectionable, as the interpretation of the result indicator caused contradictions (habitats of Special Protection Area were involved to the calculation, but the habitats of Special Bird Protection Area were not). The data availability is mostly appropriate, as the European Environment Agency provides detailed database ¹⁰⁴ on both animals and habitats, however these information are not up-to-date. Instead of this, the competent ministries provided the latest available data on Natura 2000 sites (which means 2021 and 2022 respectively). According to the 1 st impact assessment, the original baseline value on the Hungarian side is questionable, as presumably it contains the Natura 2000 sites of Tolna vármegye which is not part of the eligible programme are. The set target value will be met, therefore the achievability is ensured. The relevance of the indicator is justified, although, considering the complexity of biodiversity, the results of the Programme are too minor to be indicated by the status of Natura 2000 sites. There are further doubts about the timing, as the restoration of biodiversity cannot be achieved within 3-5 years. To see real results, a larger timing frame is needed, which the Programme's structure cannot provide.	C	B	A	B	B
SO3.1 Number of entities participating in cross-border networks and bilateral cooperations	Entities involved in cross-border cooperation in order to reach the project objectives are measured by this indicator. The specificity and measurability are questionable, as it is based on online surveys and the scope of respondents is not defined well. These own researches are time-consuming and unreliable, since the results are subject to uncertain factors (number of recipients, answering willingness etc.). To handle this, the present data collection is based on the INTERREG+ (the number of PA3 beneficiaries). The indicator is absolutely achievable, since the achieved value is more than one and a half times higher than the planned. The indicator is relevant (it measures the cross-border entities), and the timing is also adequate.	C	C	B	A	A

¹⁰⁴ Datahub of European Environment Agency (Natura 2000 sites): <https://www.eea.europa.eu/en/datahub/datahubitem-view/6fc8ad2d-195d-40f4-bdec-576e7d1268e4>

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Name	General findings	S	M	A	R	T
SO4.1 Number of educational institutions in the border region that offer courses jointly or with region- or neighbouring country-specific content	The indicator measures the number of educational institutions that have courses with cross-border relevance. The target group measured by the indicator is not clearly defined, which weakens the indicator's specificity and interpretability. The achieved values (before 2023) are obtained by online survey, the success and accuracy of which is questionable. In 2023, the data collection is based on INTERREG+, and measured the number of beneficiaries (not just PA4) who supported the jointly developed educational and training services. The target value's achievability is ensured, but it is not possible to quantify the achievement, as the methodology for calculating the target, baseline and achieved values is not the same. As the cross-border aspect is the essence of the indicator, the relevance is adequate, and the timing is also in line with the expectations.	C	C	B	A	A
2.1 C02_De-mine Size of rehabilitated contaminated land	The indicator is linked to the strategic project of <i>De-mine HU-HR II</i> , and measured the size of rehabilitated land. The results are reported by the beneficiaries in m ³ . As the indicator incorporates only one project, there can be no controversy between the reported values. The target value is not ambitious enough, as the achieved value is 2 times higher than the planned one. The relevance and timing are adequate, no problem can be observed.	A	A	B	A	A
4.1 C02 Number of unemployed people participating in joint training programs	The indicator measured the number of unemployed people, who take part in joint lectures and training programmes. The indicator is specific, no ambiguity occurred. The achieved values are reported by beneficiaries which means a risk factor as beneficiaries are more prone to make mistakes than official statistical services. The target value has been achieved by slight surplus and the relevance is ensured by the joint characteristic of the trainings. The indicator is time-bound enough.	A	B	A	A	A
G01 Number of settlements influenced by the project	This general indicator introduces the number of settlements that have been influenced by the projects. The indicator is specific, because the indirectly involved settlement are not part of the calculation. The values are reported by beneficiaries, which is a risk factor, since the beneficiaries (as main data provider) are more prone to make mistakes than official statistical services. Therefore the measurability can be a concern. The indicator has not been achieved until the cut-off date, but according to the expected values of the projects, the target will be accomplished. Due to the general feature of the indicator, the cross-border relevance is weak, but the timing is adequate.	A	B	A	B	A

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Name	General findings	S	M	A	R	T
G06 Number of jobs created/kept by the project	The main goal of the indicator is to increase the number of jobs and to keep those jobs that cease without the projects. The criterium of counted jobs is well defined and specific, but the main data provider is the beneficiaries, that raises the issue of errors arising from the difficulties in providing uniform data. The target value has not been achieved until the cut-off date, but according to the ongoing projects, this shortage will be eliminated until the end of the Programme. Owing to the characteristic of the indicator, it is too general and the cross-border relevance is missing. In spite of that, the timing is adequate.	A	B	A	B	A

2.3.2 Mapping of the territorial coverage

This chapter deals with the territorial distribution of project locations, light beneficiaries, and the contracted ERDF. Here the focus is on the spatial features of the aforementioned issues, while other related aspects (e.g. territorial balance of partnerships) can be found in the '*2.2.5 Analysis of the partnerships*' chapter).

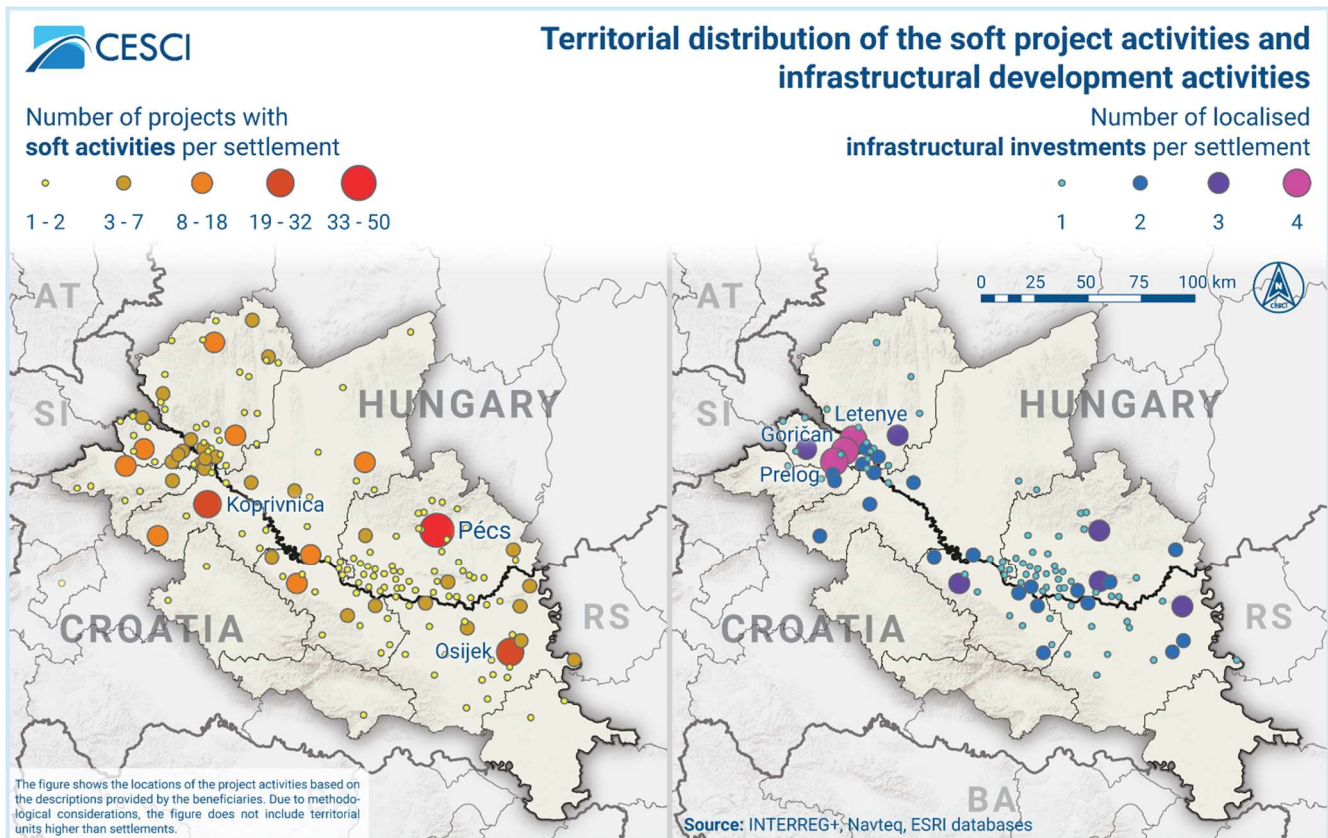
First, **methodological** considerations should be addressed. To map the Programme's territorial coverage, assessment of the **territorial distribution** of project activities, pointing out the differences between the PAs, is carried out. In order to map the spatial specificities, information for both soft and infrastructural type of activities was gained for each project implemented within the Programme. The evaluators' most comprehensive task was to localise all the activities financed by the Programme, since none of the datasets were turned out to be applicable exclusively. The information source to localise projects and identify the type of their activities (i.e. soft or infrastructural) was the INTERREG+ system, which contains information on project locations regarding infrastructural activities (and building permits), as well as the location of project activities' impacts. All related topographical (lot) numbers attached to the projects, the settlement-level designation of location, and the related descriptions were taken into account from the system's information base to identify each location on settlement (LAU2) level. Furthermore, in case of data shortcomings, activity descriptions of all projects were also used to fill in the gaps and specify the locations. The collected and processed information along with the main questions and uncertainties were sent to the JS for clarification and professional help. With the assistance of the programme managers the evaluators were able to harmonise and complete the database.

It has to be added that those locations representing larger units than settlements (e.g. regions, landscape units), described by the beneficiaries were not taken into account due to methodological considerations. It also has to be noted that all soft or infrastructural activities of a certain project belonging to the same settlement was taken into account as a single soft/infrastructural location (e.g. 5 soft locations means 5 projects had impacted the given settlement).

The concentration of **soft project locations** is weaker than of the infrastructural ones (*Figure 59*). Soft project activities tend to concern more smaller settlements than infrastructural developments, and also areas situated further away from the borderline. Still, great inequalities can be shown between some larger urban centres and the rest of the settlements. Excluding Barcs, all the settlements with at least 10 project locations are representing county seats or a city with county rights (Nagykanizsa). The 10 leading cities¹⁰⁵, which make up only 6.7% of all the impacted settlements, are responsible for 41% (197) of all the soft activity locations.

¹⁰⁵ Pécs (50 locations), Osijek (32), Koprivnica (25), Virovitica (18), Zalaegerszeg (17), Čakovec (12), Kaposvár (12), Varaždin (11), Barcs (10), Nagykanizsa (10).

Figure 59: Territorial distribution of project activities



Focusing on the characteristics of the PAs, in the frames of PA1 soft locations are situated mostly in larger cities and county seats. PA2 was successful in directing the implementation of soft activities along the border by integrating settlements of diverse ranks and sizes. The weak representation of soft activities for Somogy vármegye is the most apparent with regard to PA2. Regarding PA3 the locations are more concentrated on the western programme area (around Murakeresztúr, Čakovec and Ludbreg). Another characteristic is that the smaller settlements along the joint border are more impacted compared the rest of the PAs. Furthermore, in relation to Virovitičko-podravka županija the coverage is weak at PA3. In relation to PA4 there is no similar concentration to the border zone as at PA3. The larger school towns, regional centres (e.g. Pécs, Kaposvár, Koprivnica, Virovitica) stand out except for Osijek.

Considering the **infrastructural development activities**, altogether 100 settlements were impacted by a total number of 142 project locations. It must be noted, that infrastructural activities include only construction and/or reconstruction works, while procurement of equipment, tools or machineries are excluded.

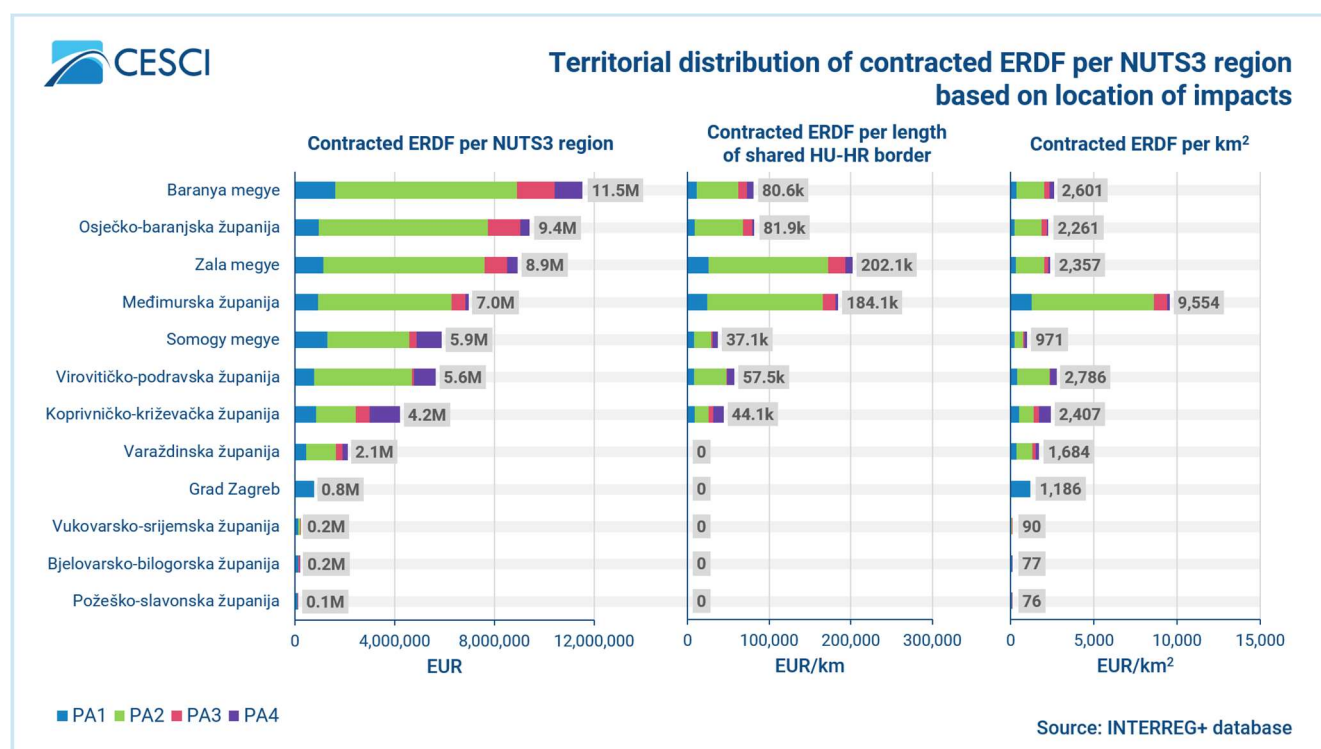
The overall picture shows a high concentration of infrastructure locations situated within the border zone of 60 km. The highest density can be located in the neighbouring municipalities of Međimurška županija, Varaždinska županija, Zala vármegye and Somogy vármegye incorporating Letenye (4), Goričan (3), Prelog (3), Tótszerdahely (2), Csurgó (2) and Ludbreg (2), among others. Another outstandingly impacted area is situated from Barcs (2) to Donji Miholjac (2) in the vicinity of the Drava, including settlement such as Čađavica (2) or Drávasztára (2). Complete regions have remained

unimpacted by the Programme in terms of infrastructural activities. Out of the four regions of Croatia with no common border with Hungary, three have left almost totally uncovered.

Focusing on the characteristics of the PAs, in the frames of PA1 very limited number infrastructural elements have been realised (however, many producing, packaging machines and further equipment were procured by the SMEs). The few locations and activities can be found on the western part of the programme area. Infrastructure developments were mostly realised in the frames of PA2. The developments concentrated mostly on the westernmost areas (e.g. Goričan, Prelog, Letenye) and in Baranya/Baranja. East of Barcs, there are locations which are situated not just along but further away from the border as well. In PA3, infrastructural developments were not eligible for funding. Regarding PA4, the central and bordering microregions from Legrad to Harkány stand out with relatively high concentration of locations, while the easternmost and westernmost areas have been uncovered to a great extent.

Taking into account the **territorial distribution of contracted ERDF** per NUTS3 region (Figure 60) – based on total absolute volumes (not comparing the contribution to size of area or border length) –, the overall picture is similar to the distribution of project activity locations. Baranya vármegye (20.6% of the total EUR amount), Osječko-baranjska županija (16.8%) and Zala vármegye (15.9%) stand out as together these counties concentrate more than every second EUR of the ERDF contribution (53.3%). On the other hand, the contracted ERDF is very low in the case of Croatian regions that do not border Hungary, excluding Varaždinska županija. The three regions together with Zagreb have got only 2.4% of the total amount.

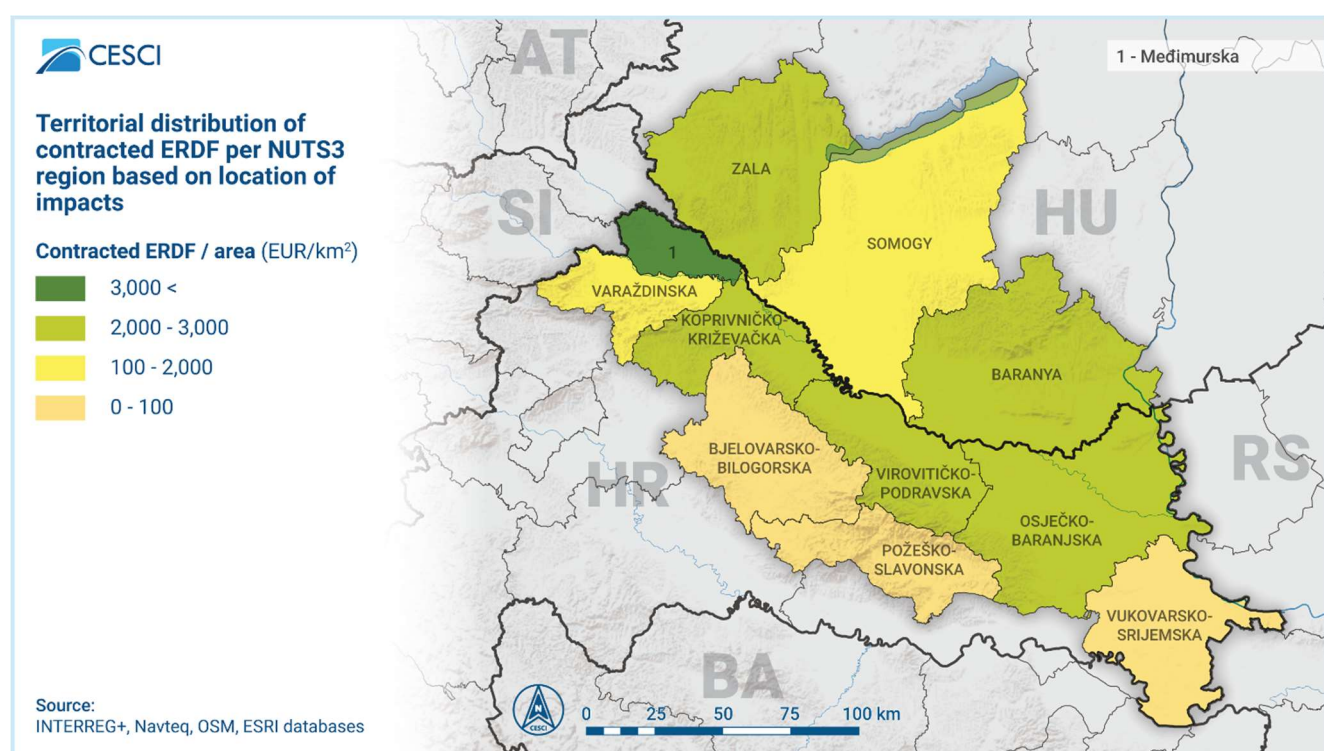
Figure 60: Territorial distribution of contracted ERDF based on length of shared border and size of area per NUTS3 region



Based on the length of the shared border, Zala and Međimurska have been the most successful in receiving ERDF support. According to ERDF per km², Međimurska stand out notably, by far exceeding the rest of the programme area. In addition, the higher values characterise the regions situated next to the border excluding Somogy vármegye (Figure 61). On the Hungarian side the situation of Somogy is unfavourable despite of the medium level amount of ERDF allocation, as compared both to border length and territory size it performs the weakest of all regions.

In almost all border regions, the contracted ERDF is the highest regarding PA2 except for Koprivničko-križevačka županija. The sources allocated to PA2 are proportional to the allocation at programme level. For PA3 and PA4 in general, where the values of PA3 are higher the allocation for PA4 is lower, and vice versa. In Koprivničko-križevačka županija, the allocation considering PA4 is outstanding.

Figure 61: Territorial distribution of contracted ERDF per NUTS3 regions based on location of impacts



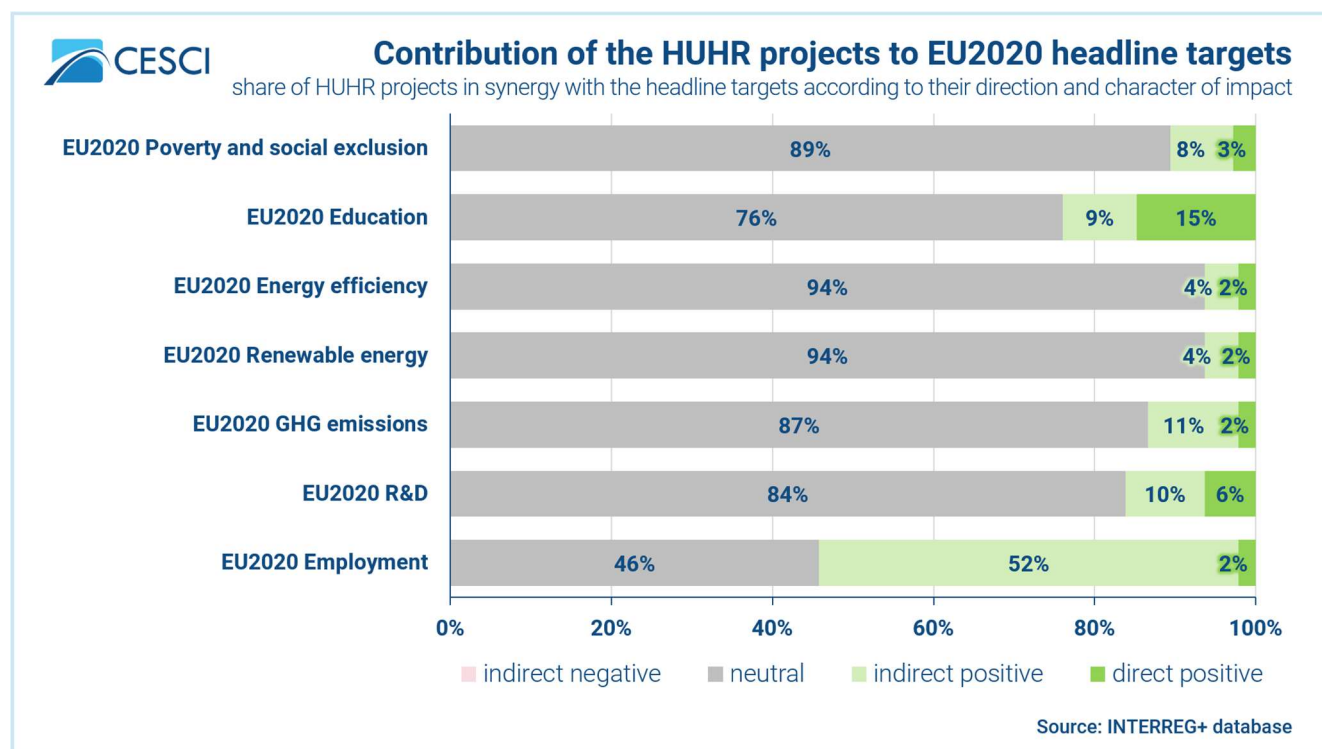
2.3.3 Synergies with relevant programmes and strategies

The chapter aims to assess the Programme's results in terms of their contribution to complement and enhance the effect of the territorially relevant policies and strategies. To this end, the results of the implemented projects are compared with the goals of higher-level international strategies:

1. the **EU2020**, which is the EU's ten-year strategy to develop a competitive and sustainable Europe that is able to adapt to the challenges of the 21st century;
2. the **EU Strategy for the Danube Region** (EUSDR), which includes the analysed border area of the HUHR Interreg Programme. The goal of this macroregional strategy is to address common challenges by the coordination of the existing initiatives and policies within the Danube Region.

The methodology of estimating the synergies between the HUHR and the mentioned strategies, developed by the evaluators, is based on two aspects. The HUHR projects were assessed by the direction (negative, neutral, positive) and the character of the given project's impact (direct/indirect) on the aforementioned strategies. As a result of this methodology, a four-scale classification system was designed, since there were no direct negative effects. The classification was carried out based on the project summaries and the activity descriptions provided by the beneficiaries in the application forms.

Figure 62: Contribution of HUHR projects to EU2020 targets



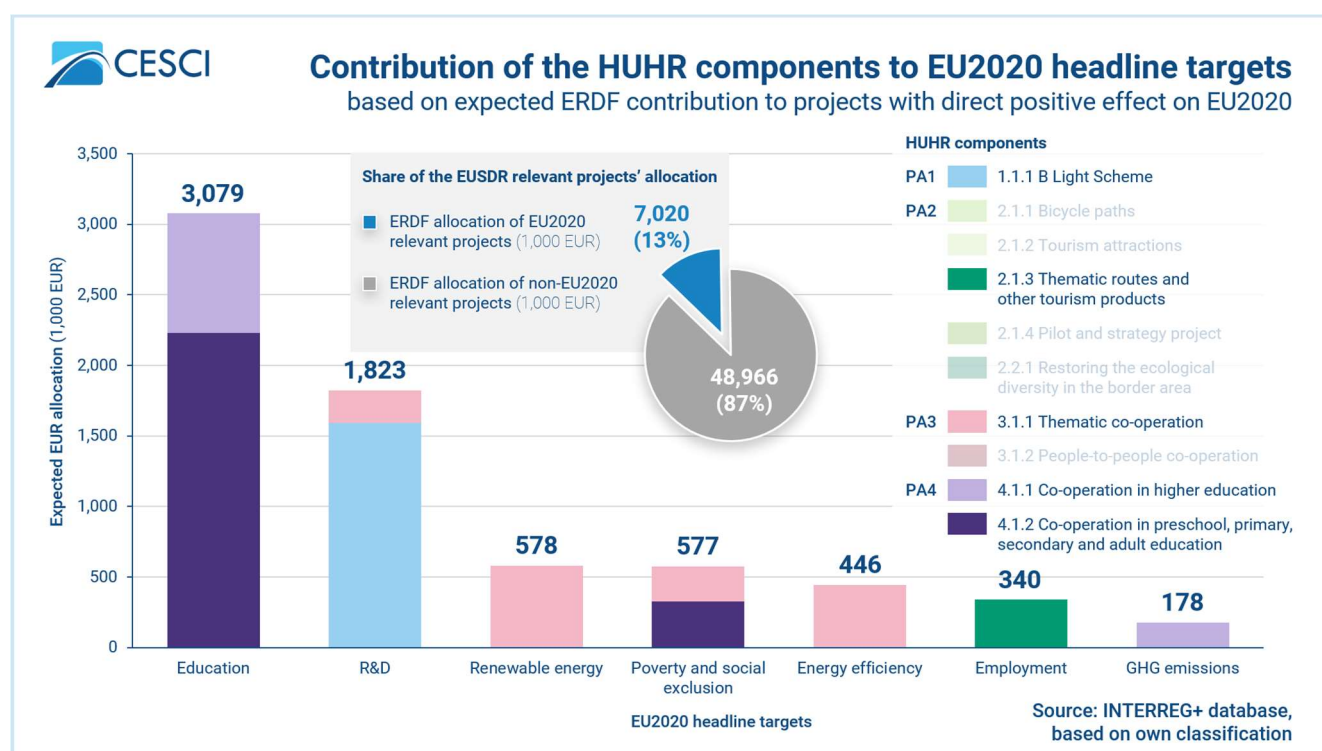
Out of the 7 targets of **EU2020 strategy**, there are two which indicate relevant level of synergies with the HUHR projects (*Figure 62*). Taking into account both direct and indirect positive changes 'Employment' goal is by far the one what is supported by the highest number and share of projects. However, it is worth mentioning that most of the projects were able to contribute to it indirectly. The PA1 with the B Light Scheme was especially supportive in reaching this EU-level goal (with 31 projects with indirect positive effect). In addition, many indirect job creating activities were supported by the Programme in the field of tourism (PA2: 21 projects with indirect positive effect) in particular. Since the Programme financed many forms of educational cooperation in the frames of PA4, under component '4.1.2 Cooperation in preschool, primary and secondary education and adult education' particularly, the other highly-affected EU2020 goal is 'Education' (direct connections: 17, indirect connections: 6). The level of contribution is the lowest for the 'Renewable energy' and the 'Energy efficiency', having the same results for both goals.

Based on their main focus, HUHR projects with direct positive connections to EU2020 headline targets cover around 13% of the expected ERDF allocation to all projects (*Figure 63*). It can be said that the Programme indirectly contributed to the EU2020 headline targets mainly through an amount of EUR 7 million. Education-related projects make up the highest share (EUR 3,079,120), followed by the amount

of projects connected to the 'R&D' headline target (EUR 1,822,955). For all other targets, the allocation of directly related projects is below EUR 600,000 per headline target.

Regarding the relevant HUHR components, '4.1.2 Cooperation in preschool, primary and secondary education and adult education' has an outstanding role in enhancing education, while in the case of 'R&D', the Component '1.1.1 B Light Scheme' makes up the vast majority of the relevant financial allocation. In the other cases, mostly the projects under the component '3.1.1 Thematic cooperation' were in connection with the EU2020 target headlines. Last but not least, as in the image below, not all of the HUHR components show direct synergies with the EU2020 headline targets.

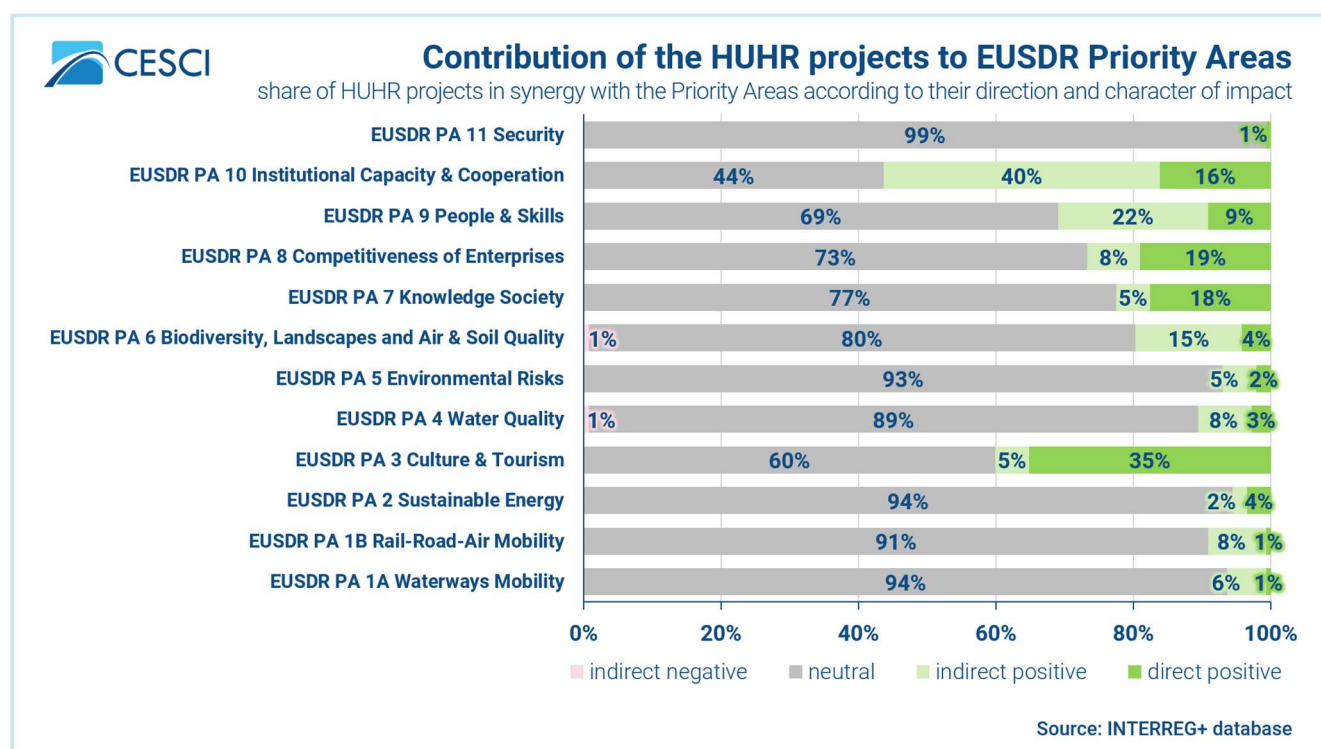
Figure 63: Financial contribution of HUHR projects to EU2020 headline targets



The **EUSDR** consists of 12 Priority Areas, 5 out of which are highly-affected by the HUHR projects (meaning that at least 20% of the projects have a positive effect on them) (Figure 64). Taking into account projects with direct connections 'PA 3 Culture & Tourism' leads the chart. On component level projects of '2.1.2 Tourism attractions' (16 projects with direct positive effect) and '2.1.3 Thematic routes and other tourism products' (11) contribute the most. The 'Culture & Tourism' EUSDR priority is followed by 'PA 8 Competitiveness of Enterprises' (27 projects with direct connection) and 'PA 7 Knowledge Society' (25) in case direct connections are taken into account. B Light Scheme is the tool that contributed the most to these priorities of macroregional significance. Considering the share of projects that enhanced both directly and indirectly the effects of EUSDR, 'PA 10 Institutional Capacity & Cooperation' stand out. Especially the share of projects that indirectly contributed to this EUSDR PA is notable (40%). Together with direct impacts (16%) by far more than every second HUHR project affected this Priority Area. On component level '4.1.2 Cooperation in preschool, primary and secondary education and adult education' (direct positive: 5 projects, indirect positive: 16), '3.1.1 Thematic cooperation' (8, 7) and '3.1.2 People-to-people cooperation' (5, 9) are the most relevant in this term. Another EUSDR Priority Area that could be highlighted, owing to the high number of projects with indirect positive

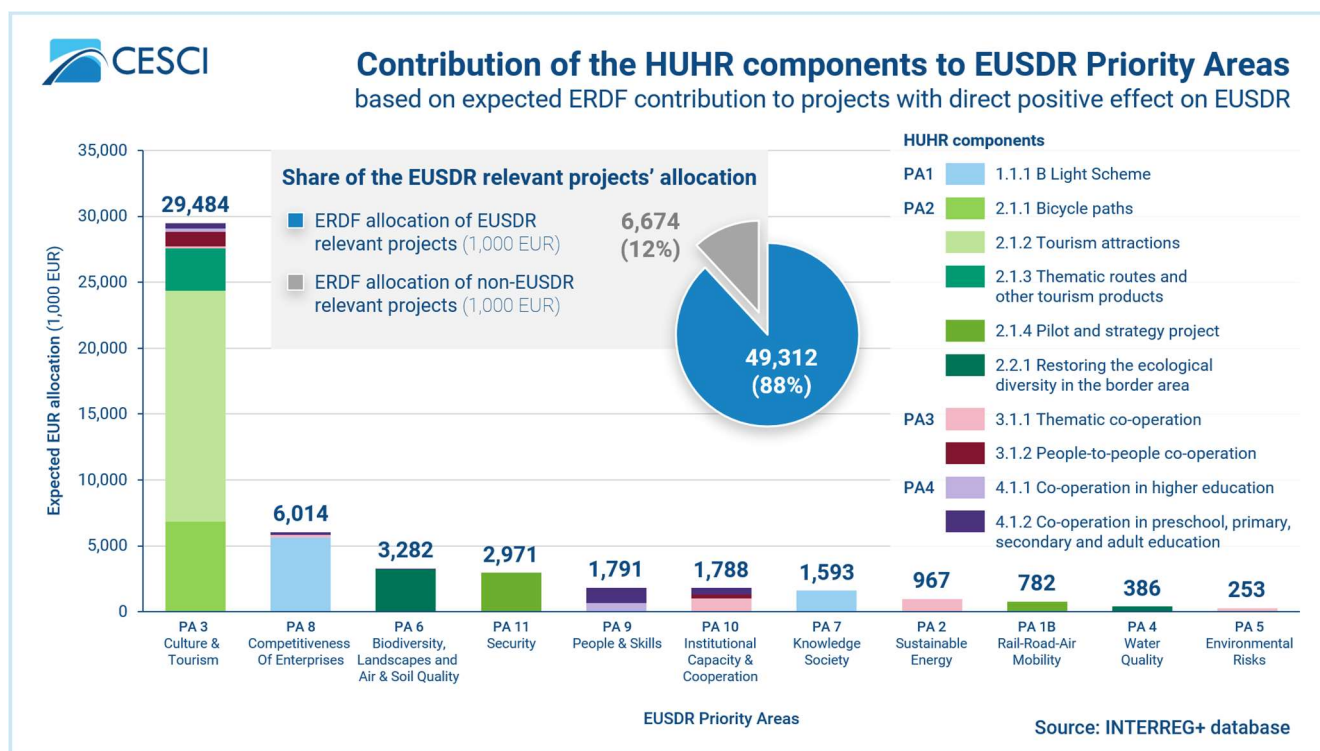
connection, is 'PA 9 People & Skills' (22%). Component '4.1.2 Cooperation in preschool, primary and secondary education and adult education' (direct: 8, indirect: 15) helps the most realising the goals of this EUSDR PA. At the same time, there are some Priority Areas, which are weakly supported by the HUHR projects. 'PA 1A Waterways Mobility' (direct: 1%, indirect positive: 6%), 'PA 1B Rail-Road-Air Mobility' (1%, 8.5%) and 'PA 11 Security' (direct positive: 1%) is supported by a single project directly.

Figure 64: Contribution of HUHR projects to EUSDR Priority Areas



Based on the analysis of the financial contribution (Figure 65), there is a much greater overlap between the thematic focus of the EUSDR and the HUHR Programme than in case of the EU2020. Nearly 88% of the total ERDF allocation is for HUHR projects with a direct positive impact on the EUSDR priorities. The most significant synergy is observed in the case of the priority 'PA 3 Culture & Tourism', with more than EUR 17.5 M allocation to the relevant projects under the HUHR component '2.1.2 Tourism attractions' and nearly EUR 7 M of ERDF allocation under the component '2.1.1 Bicycle paths'. HUHR projects with EUR 6,013,832.50 ERDF allocation are connected to the 'PA 8 Competitiveness of Enterprises', mainly within the '1.1.1 B Light Scheme' (7,243,029.75). Projects show synergy with other PAs as well, but with significantly less ERDF allocation in total.

Figure 65: Financial contribution of HUHR projects to EUSDR Priority Areas



2.3.4 Horizontal principles

In line with the EU regulations, the horizontal principles were included into the Interreg V-A Hungary-Croatia Cooperation Programme 2014-2020. As these principles cover the whole Programme as cross-cutting issues, the analysis was carried out at programme and project level as well. The data and information used in the analysis are taken from the INTERREG+ covering both the application and implementation phases of the projects, the interviews and the survey. According to the Articles 7 and 8 of Regulation (EU) No 1303/2013, three horizontal principles need to be taken into account, these are sustainable development, equal opportunities and non-discrimination, and equality between men and women.

2.3.4.1 Horizontal principles at programme level

At programme level, detailed information was secured in the CP and in the Guidelines for Applicants published for the calls for proposals that helped the applicants to interpret and comply with the Programme's expectations. The content of these guides did not change within the programming period, the following tables (*Table 23*, *Table 24* and *Table 25*) summarise the relevant aspects by principle.

Sustainable development

The main elements of sustainable development were based on environmental protection, resource efficiency, climate change mitigation and adaptation, disaster resilience, as well as risk prevention and management. As the programme area encompasses valuable and fragile river ecosystem and rich

natural heritage, the sustainable development was a key issue in all Priority Axes. The most relevant PA was PA2 that directly aimed to enhance the environmental sustainability in the programme area, while PA1 intended to increase the economic activity in the border region in line with the basic 'green business principals' (reduced resource consumption). The basic pillars of PA3 and PA4 was to handle the social challenges and to provide people and institution with skills for sustainable development.

Table 23: Expectations formulated in the CP and in the Call for Proposals' Guidelines for Applicants regarding the horizontal principle of sustainable development

Sustainable development			
PA1	PA2	PA3	PA4
Supporting climate protection (including reduction of greenhouse gas emission) and helping climate adaptation.			
Using of climate-friendly architectural solutions in case of projects involving building construction and renovation. The Programme requires cost-optimal levels of energy performance (projects beyond cost-optimal levels are given extra preference).			
Investment in infrastructure is accompanied by a solid Environmental Impact Analysis, where appropriate, in line with the national regulations of the Member States.			

Equal opportunities and non-discrimination

The specific actions of equal opportunities and non-discrimination were concentrated on promoting equal opportunities and prevent any discrimination based on sex, racial or ethnic origin, religion or belief, disability, age or sexual orientation. Any form of discrimination was not acceptable within the Programme, and special attention needed to be paid to various target groups who were at risk of such discrimination. Particularly, the situation of persons with disabilities and racial or ethnic minorities (such as Roma people, Croats in Hungary and Hungarians in Croatia) was highlighted.

Out of the different types of disparities (accessibility to health and social services, accessibility of urban centres etc.) the disparity between the education level of the population living in towns and in small villages was underlined by the CP, since the majority of the programme area is characterised by a scattered structure of small settlements.

However, the principle overarched the whole Programme, PA specific actions can be noted. Within PA1, the employment of individuals with disadvantaged background was a key target, while PA2 focused on to make the heritage sites accessible for different social groups. Regarding PA3 and PA4, such goals took place as the participation of disadvantaged people in different events and the creation of specific events to meet the needs of underprivileged people.

Table 24: Expectations formulated in the CP and in the Call for Proposals' Guidelines for Applicants regarding the horizontal principle of equal opportunities and non-discrimination

Equal opportunities and non-discrimination				
PA1	PA2		PA3	PA4
3c - Supporting the creation and the extension of advanced capacities for product and service development	6c - Conserving, protecting, promoting and developing natural and cultural heritage	6d - Protecting and restoring biodiversity and soil and promoting ecosystem services, including through Natura 2000, and green infrastructure	11- Enhancing institutional capacity and an efficient public administration by promoting legal and administrative cooperation and cooperation between citizens and institutions	10- Investing in skills, education and lifelong learning by developing and implementing joint education, vocational training and training schemes
Different social groups adequately informed of the availability of funding, with emphasis on proper information to be provided and proper channel to be used for disadvantaged groups.	Cultural and natural heritage sites accessible for different social groups and people with disabilities.	Participatory and inclusive principle applied in the selection of participants attending project events and activities.		
Equal access taken into account in the formulation of the selection criteria for projects.	Participation of women and disadvantaged groups in the programmes, events and other initiatives organised as part of the project to be ensured.		Specific events designed to the needs of disadvantaged groups (including Roma and people living in deep poverty) to convey information about the available support.	

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Equal opportunities and non-discrimination				
In the project selection process preference is given to SME's that employ or commit themselves to employ individuals who belong to disadvantaged groups.			Preference given to project proposals that demonstrate the involvement of individuals from the disadvantaged groups (including Roma and people living in deep poverty).	
Measure accessible for all, in terms of location within the border area.			Participation of women and disadvantaged groups in the programmes, events and other initiatives organised as part of the project to be ensured.	
Barrier free solutions for promotion to be elaborated.				
Relevant indicators set to demonstrate the fulfilment of equal opportunities' requirements.			Relevant indicators set to demonstrate the fulfilment of equal opportunities' requirements.	

Equality between men and women

Gender equality was a fundamental principle within the Programme, and this aspect was applied in all PAs. Equal access was ensured for women to take part in the Programme and in the implemented projects. Owing to this horizontal principle, the partners had to consider the representation of women and the equal treatment of genders.

Table 25: Expectations formulated in the CP and in the Call for Proposals' Guidelines for Applicants regarding the horizontal principle of equality between men and women

Equality between men and women			
PA1	PA2	PA3	PA4
All projects are obliged to avoid discrimination of any kind, and to ensure that their activities comply with the principles of equality between men and women.			

2.3.4.2 Horizontal principles in project implementation

As the application of horizontal principles was a mandatory requirement, all projects had to insert these aspects to their development plans. In order to measure the compliance of horizontal principles, the Programme has introduced altogether 6 horizontal indicators, out of which 2 related to the usage of renewable energy, another 2 to awareness raising events and 1 to marginalised communities and 1 to equal opportunities and gender equality. The list of these indicators and the correlation with the principles are listed in [Table 26](#).

Table 26: Correlation between horizontal indicators and horizontal principles

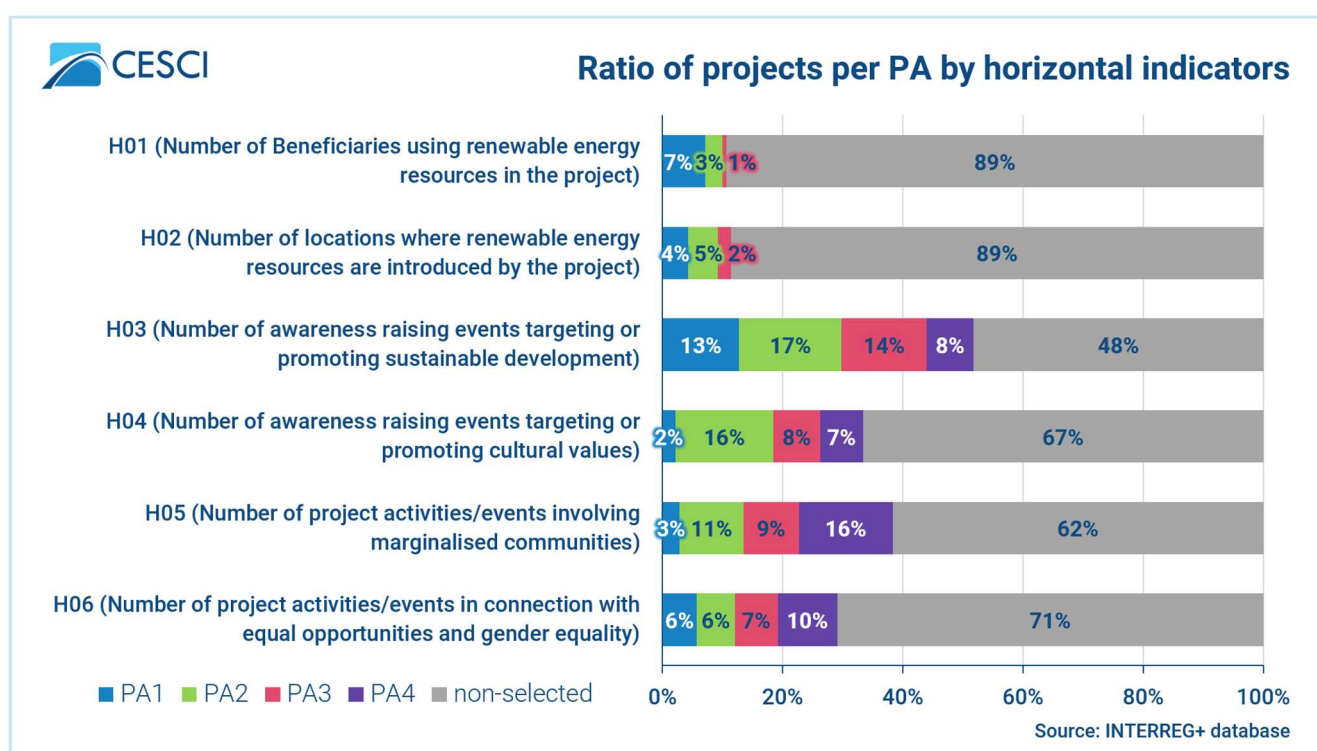
	Sustainable development	Equal opportunities and non-discrimination	Equality between men and women
H01 Number of beneficiaries using renewable energy resources in the project	x		
H02 Number of locations where renewable energy resources are introduced by the project	x		
H03 Number of awareness rising events (workshops, trainings, educational programmes) targeting or promoting sustainable development, environmental education and natural assets	x		
H04 Number of awareness rising events (workshops, trainings, educational programmes) targeting or promoting cultural values in the border region		x	
H05 Number of project activities/events involving marginalised communities (minorities, Roma people, disadvantages people, refugees, and/or people with disabilities)		x	

	Sustainable development	Equal opportunities and non-discrimination	Equality between men and women
H06 Number of project activities/events in connection with equal opportunities and gender equality		x	x

Beside the horizontal principles, some output indicators also had some kind of horizontal aspect (for example 4.1 – SO6 Number of involved marginalised persons in training programmes), but these indicators were evaluated in the *2.1.1 Quantification of the performance* chapter.

Every project could choose as many horizontal indicators as relevant to their activities, but it was obligatory to choose at least 1. In many cases the projects exceeded this requirement. (For instance, PA2 projects chose 2 horizontal principles by average¹⁰⁶, and there were 9 projects in the CP that selected 4 horizontal principles at the same time). The ratio of projects per PA by horizontal principles is presented on *Figure 66*.

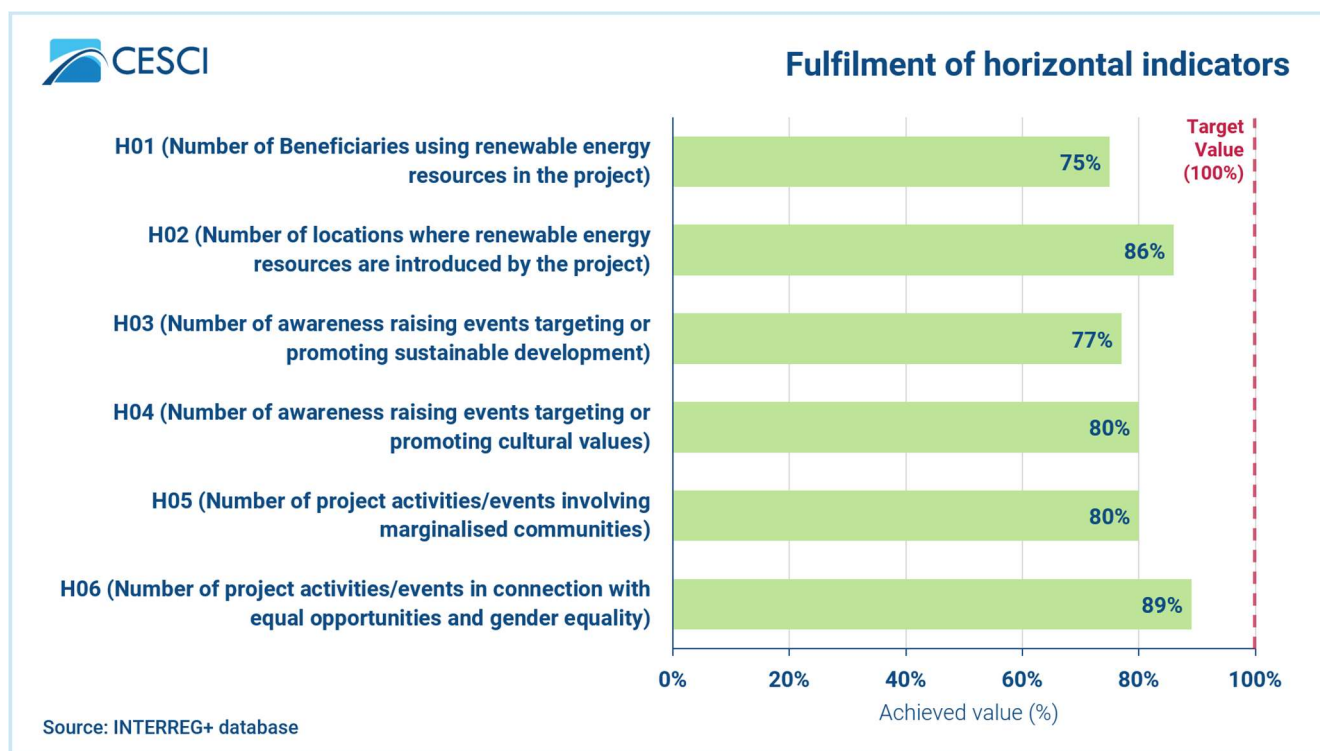
Figure 66: Ratio of projects per PA by horizontal indicators



Based on the INTERREG+ system, the achievements of the indicators could be assessed. Until the cut-off date, none of the indicators completed the target values, but 75-90% of the goal have already been fulfilled.

¹⁰⁶ In other cases, the average number of horizontal indicators per project is 1.6 (PA1) and 1.7 (PA3, PA4).

Figure 67: Fulfilment of horizontal indicators



Sustainable development

According to the six horizontal indicators, the horizontal principle of sustainable development was demonstrated by the number of awareness raising events¹⁰⁷ organised by the projects. This horizontal principle fitted mostly into the thematic field of the projects and was the most preferred indicator, since more than half of the projects directly chose this horizontal aspect. Out of the concerned 73 projects, 70% (51 projects) successfully implemented their undertaken horizontal goals. In contrast, the indicators related to renewable energy¹⁰⁸ were less effective, as only a few projects selected to contribute to them.

In order to enforce the sustainable development, the implemented activities usually aim to reveal the natural and cultural values of the border area, familiarise the attendances with the eco-friendly methodologies and enhance the efficient work (with reduced consumption) of institutions and economic actors. In many cases, the sustainable use of materials and energy efficient equipment was taken into account in the procurement procedures (such as purchasing electric vehicles), but less focused and meaningful measures – namely the less paper use, two-sides printings, developing digitalisation – also contributed to the horizontal principle.

However, there were other approaches that also successfully promoted the principle of sustainable development. Many conferences, workshops, festivals and round tables dealt with the notion of sustainable development, covering topics such as environment protection, selective waste collection,

¹⁰⁷ H03 Number of awareness rising events (workshops, trainings, educational programmes) targeting or promoting sustainable development, environmental education and natural assets

¹⁰⁸ H01 Number of beneficiaries using renewable energy resources in the project, H02 Number of locations where renewable energy resources are introduced by the project

water efficiency and sustainable tourism. Furthermore, initiatives that promoted the idea of sustainable development through physical activities (trips and sport events) should also be highlighted as good example.

All in all, the sustainable development was the most popular horizontal principle, that was chosen mainly by PA1 and PA2 projects. Many of these projects were characterised by successful and effective activities which formed organic part of the joint interventions. At the same time, there were also some less justified actions (such as less paper use) that only partially promoted the horizontal principle. The activities show that the horizontal theme is not relevant for all projects.

Equal opportunities and non-discrimination

The horizontal principle of equal opportunities and non-discrimination was addressed by more indicators, but their relation to the horizontal theme was not the same. The indicator of *H04 Number of awareness rising events targeting or promoting cultural values in the border region* only indirectly contributed to this horizontal principle, while the *H06 Number of project activities/events in connection with equal opportunities and gender equality* can also be linked to another horizontal principle. The correlation is much stronger for the indicator of *H05 Number of project activities/events involving marginalised communities*. Nearly 40% of the projects (altogether 54 projects) undertook the commitment to pay special attention to the involvement of target groups who were at risk of discrimination. 65% of these projects could have fulfilled the previously determined target goals, while 19 projects have not reached the adequate number of marginalised persons yet.

The involvement of disadvantaged people was carried out in different degree. Making events accessible to disadvantaged people was a basic expectation, but there were projects that went beyond this by organising specific activities that were dedicated for people at risk of poverty or social exclusion. Minority round table, awareness raising event and different types of workshops tried to foster and introduce marginalised groups of the border area.

People with fewer opportunities were invited not just to certain cultural events (such as festivals and concerts), but they had the chance to take part in the planning and development processes as well. Singing competition, therapeutical riding, table tennis tournaments, camps and other activities gave the opportunity to strengthen the social contacts with disadvantaged people.

As the disadvantaged status is a sensitive issue, the measurability of the indicators is uncertain. The concrete involvement of disadvantaged people is a good step to enforce the principle of equal opportunity. Many of the projects used this approach and implemented specific activities for disadvantaged people (such as camps, competitions, trips, student exchanges etc.). On the other hand, there were projects that could not adequately align the horizontal principle with the theme of their projects. In such cases, the emphasis was mainly on ensuring the barrier-free mobility of people with disabilities (the location of events, tourism infrastructure and attractions were adapted for them). As most of the relevant projects belonged to PA4, the schools and educational institutions played an important role in this horizontal principle.

Equality between men and women

However, separate horizontal indicator was not devoted to measure this principle, one of them (*H06 Number of project activities/events in connection with equal opportunities and gender equality*) introduces usable information to evaluate the gender equality within the projects. Altogether 29% of the projects selected this indicator, therefore it was put in fourth place among the horizontal indicators. The fulfilment of this indicator was advanced, since 73% of the related projects have already achieved the previously determined goals. As this horizontal principle is closely linked to the mindset of the locals, soft activities (especially in relation to education, training and learning) were at the forefront of gender balance, therefore PA4 projects could adapt this principle well.

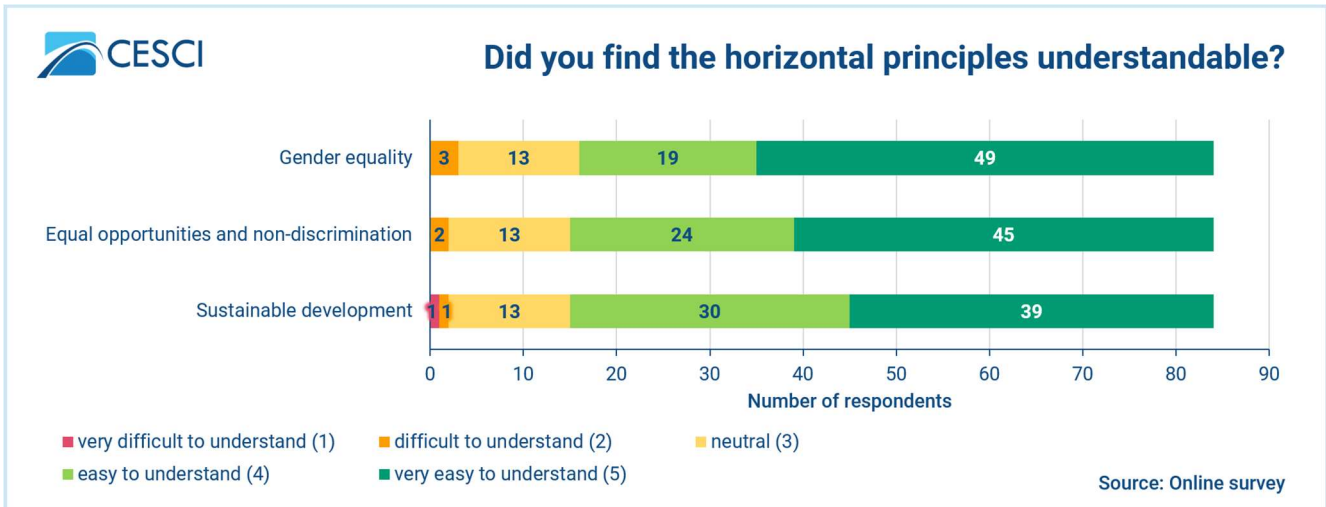
The equality between men and women has been respected in all cases, at least by the equal accessibility of the events and activities. The beneficiaries who implemented sport events highlighted that the participants did not have to be professional, and boys and girls were welcomed equally. The gender-neutral communication was another tool to ensure the equality, while some of the projects determined the number of female participants to be involved. In other cases (such as companies), workshops were held to promote the gender equality within the organisations, gender-balanced project teams were set up or female leaders were involved in project implementation. Furthermore, the existence of Gender Equality Plan was also a good basis to enforce the horizontal principle.

Among the three horizontal principles, the gender equality was the hardest to implement and measure, as the projects' development intentions were rarely focused on gender equality, and no separate horizontal indicator was linked to this principle. The majority of beneficiaries took this principle as evidence, therefore did not necessarily take specific steps to enforce it (common example is the equal accessibility of events). All things considered, the horizontal principle of equality between men and women was rarely an integral part of projects.

The evaluator assessment is consistent with the results of the questionnaire and interviews. According to the interviews, the interpretation and justification of the horizontal principles caused difficulties for the beneficiaries, but there were exemplary exceptions too where projects organised specific professional events on the subject. Many project partners have made commitments lightly and recklessly, without paying much attention to their proper implementation. The involvement of marginalised people was the easiest commitment to implement, but demonstrating the achievements was more problematic (due to the fact that the ethnicity or minority membership of the people could not be asked, recorded and stored). No additional aspects were proposed for inclusion in the horizontal principles.

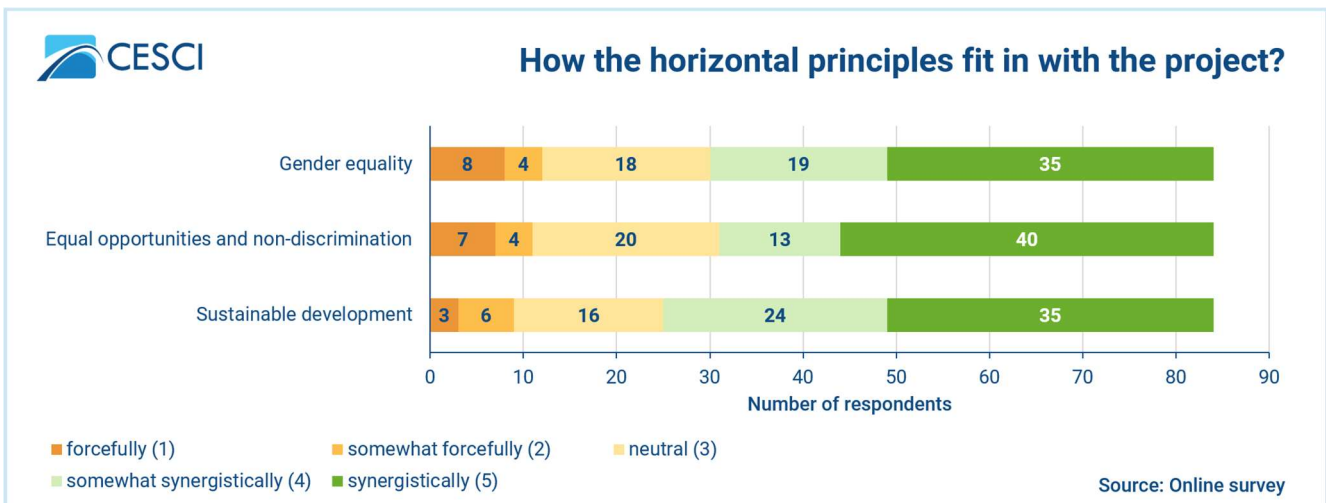
Based on the survey, the understandability of horizontal principles (see [Figure 68](#)) did not cause difficulty for the respondents. According to the majority (more than 46% of the respondents), it was very easy to understand the content and importance of the horizontal principles, while less than 4% of the respondents (maximum 3 votes per principle) had any difficulties with the interpretation. Among the principles, only the sustainable development was identified as very difficult to understand by 1 vote.

Figure 68: Assessment of the understandability of horizontal principles



The relevance of the horizontal principles (see *Figure 69*) shows a more complex picture, as the thematic focus of the projects does not necessarily match with these principles. Nevertheless, in the majority of cases, synergy and coherence are ensured, especially in the case of non-discrimination (48% of the respondents). However, there are also projects where the adaption of horizontal principles was difficult to ensure, and this was only done in a forced way. The gender equality was the hardest to achieve, since only a fraction of projects concentrates directly on this objective. The majority tried to resolve this contradiction by making the events, trainings and other programmes accessible for all (regardless of gender).

Figure 69: Relevance of the thematic focus of the horizontal principles



2.3.5 The Programme's borderscape impact

This subchapter gives an overview on the results of the analysis, how the Programme has shaped the borderscape within the programming region. For the methodological background to the analysis, see the subchapter entitled 'Applied methods' in the chapter '*1.1 Introduction to the evaluation document*'.

The table below (*Table 27*) gives an overview on the analysed factors (presented vertically) by providing a short definition of the indicators, the impacts attributed to the Programme and its activities; and the impact vector of change.

Table 27: The Programme's impact on the borderscape

Factors	Indicators	Role of the CP (Main results and projects with great impact)	Estimated impact-vector
Aspect 1: Cross-border flows factors			
Cross-border mobility	Number of commuting students across the border	<ul style="list-style-type: none"> Events involving students for short-term commuting, event organisation for the youth, carrying out extracurricular programmes mostly for primary and secondary school students (e.g. exchange programmes in robotics, bicycle and boat trips, sport contests and cultural competitions, thematic workshops, summer and training camps, festivals, environmental education activities). Indirect effect of transport developments (bicycle roads and new possibilities for crossing the border). <p><u>Projects with great impact:</u> CHEC¹⁰⁹; VEC Sharing; SHARE MUSIC¹¹⁰; HU-CRO EXPLORE AND LEARN¹¹¹.</p>	3
	Number of registered residents originating from the other side of the border	<ul style="list-style-type: none"> Cultural and tourism events attracting visitors from the other side of the border (indirect effect). <p><u>Projects with great impact:</u> none.</p>	0
Cross-border services	Frequency and aims of cross-border service practices	<ul style="list-style-type: none"> Supporting jointly developed educational and training services, exchange events for primary and secondary school children. Networking with the involvement of service providers in the field of tourism in particular. New services and cooperation in the field of tourism (tourist information, wine tourism, bicycle tourism, accessible tourism services mostly). Indirect impact of skills development for service providers in tourism. Development of cross-border public administration and service procedures. 	1

¹⁰⁹ CHEC: HUHR/1601/4.1.2/0022, Croatia-Hungary Educational Cooperation

¹¹⁰ SHARE MUSIC: HUHR/1901/3.1.2/0053, Sharing music and connecting people in the cross-border area

¹¹¹ HU-CRO EXPLORE AND LEARN: HUHR/1901/4.1.2/0015, EXPLORE AND LEARN gastronomic tradition, sharing knowledge

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Factors	Indicators	Role of the CP (Main results and projects with great impact)	Estimated impact-vector
		Projects with great impact: <i>CATCH</i> ¹¹² ; <i>ADOBE</i> ¹¹³ .	
Aspect 2: Cross-border cooperation factors			
Cross-border institutions	Number of cross-border cooperation initiatives and governance entities and their members	<ul style="list-style-type: none"> • Pannon EGTC managed to support establishing stakeholder groups thematic / spatial to carry out joint strategy as a basis for the upcoming Programme. • Mura EGTC helped putting inter-municipal cooperation on a higher level with active involvement of each of its local members. • Popularisation of the Mura Region EGTC, as a new institutional tool for initiating people-to-people cooperation. • Elaboration of a Joint Nature Conservation Management Policy for the Transboundary Biosphere Reserve Mura-Drava-Danube. • Joint studies to be used by nature conservation managers and authorities, suggestion of potential solutions and management practices. • Interinstitutional cooperation among schools and flood protection bodies. <p>Projects with great impact: <i>CBJointStrategy</i>; <i>MR-EGTC Heritage</i>; <i>Riverside</i>.</p>	1
	Average annual turnover, number of employees of cross-border cooperation initiatives and governance entities	<ul style="list-style-type: none"> • Mura EGTC and Pannon EGTC stand out: increase in the average annual turnover and number of employees by actively participating in the Programme as LBs and Bs. • Pannon EGTC: assessing the human capital of EGTC, identifying organisational / HR gaps, internal capacity building, exploring and involving external experts. <p>Projects with great impact: <i>CBJointStrategy</i>; <i>MuKoBridge</i>; <i>MR-EGTC Heritage</i>.</p>	2
	Number and total value of the projects implemented by the cross-border cooperation initiatives and governance entities	<ul style="list-style-type: none"> • Significant contribution to the number and total value of the projects implemented by EGTCs. • Mura EGTC was involved in a strategic project regarding the new Mura bridge with a total EU contribution of EUR 782,335.15. 	2

¹¹² CATCH: HUHR/1601/3.1.1/0003, Co-operation between Public Administration in Cross-Border regions of Croatia and Hungary for Serving Citizens Better

¹¹³ ADOBE: HUHR/1901/3.1.1/0102, ACCESSIBLE TOURISM DESTINATIONS AND SERVICES IN BORDER AREAS

Factors	Indicators	Role of the CP (Main results and projects with great impact)	Estimated impact-vector
		<u>Projects with great impact:</u> <i>MuKoBridge; CBJointStrategy; MR-EGTC Heritage; Two Rivers one Goal¹¹⁴; Two Rivers one Goal II.</i>	
	Number of cross-border institutions, networks and clusters + their projects	<ul style="list-style-type: none"> • Short supply chain: four institutional cooperation models are identified, forming of an association. • Efficient and real-time flood cooperation between Hungarian and Croatian bodies in the frames of the flood alarm and forecast system of the Mura. • Mura and Pannon EGTCs: further institutionalisation, popularisation and extended partnership networks. • Higher educational institutions: building stronger connections between academic community, business support institutions and private sector. <p><u>Projects with great impact:</u> <i>AgriShort¹¹⁵; ForMURA; MR-EGTC Heritage; IC4HEDS¹¹⁶; CBJointStrategy.</i></p>	2
Social connectivity	Number of citizens participating in cross-border activities and projects	<ul style="list-style-type: none"> • The CP is characterised with a relatively strong representation of children and youth especially in the frames of SO2.1 and SO4.1. • Activities and types of projects include environmental education, cultural and gastronomy e.g. wine festivals, sports competitions, cycling events, programmes based on cultural diversity and ethnic minorities, folk programmes. <p><u>Projects with great impact:</u> <i>Preradović & Csokonai¹¹⁷; Tourism 4 All¹¹⁸; CulturCo¹¹⁹; CHP; MR-EGTC Heritage.</i></p>	3

¹¹⁴ Two Rivers one Goal: HUHR/1601/2.1.2/0004, Sustainable water tourism along Mura and Drava River

¹¹⁵ AgriShort: HUHR/1601/3.1.1/0018, Establishing short food supply chains and competitive agricultural sector in the cross-border region through institutional cooperation

¹¹⁶ IC4HEDS: HUHR/1901/4.1.1/0052, Intensive Courses for Higher Education Students

¹¹⁷ Preradović & Csokonai: HUHR/1601/2.1.2/0011, Preradović & Csokonai - celebration of romantic poets of the cross-border area

¹¹⁸ Tourism 4 All: HUHR/1601/2.1.2/0014, Common tourism development of natural and cultural assets of Suhopolje-Noskovačka Dubrava-Zselic Starry Park

¹¹⁹ CulturCo: HUHR/1901/3.1.2/0017, Preservation of Intangible Cultural Traditions by Connecting People in the Cross- Border Area

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Factors	Indicators	Role of the CP (Main results and projects with great impact)	Estimated impact-vector
	Number of joint cultural events based on the performers' nationality	<ul style="list-style-type: none"> Limited change but the results are directly generated by the Programme except for few mostly twinning and minority programmes. Events focused on heritage related to Šokci, gastronomy, music and dance. Mutual learning of each other's cultural values, folk customs, and language. Increased awareness of cultural programmes, events organised within the programme area. <p><u>Projects with great impact:</u> <i>Sokci</i>¹²⁰; <i>BRIDGES BETWEEN COMMUNITIES</i>¹²¹; <i>SHARE MUSIC</i>; <i>Eat Green</i>; <i>Preradović & Csokonai</i>.</p>	3
Aspect 3: People factors			
Perceptions of otherness	Mediascapes of the neighbouring countries	<ul style="list-style-type: none"> The news and reports as well as the posts at social media related to the CP projects have broadened the scope of mutual understanding. Bilingualism in communication has been widely embraced by projects. Some projects aimed at activating the role of media and minority associations as communication catalysts. Elaborated and publicly available CBC media actors' database. Cultural Communication Strategy developed. <p><u>Projects with great impact:</u> <i>Cross-Cultural Tool-Kit</i>¹²²; <i>PART</i>¹²³; <i>BRIDGES BETWEEN COMMUNITIES</i>.</p>	2
Ownership of the shared territory	Reasons and motivations of border crossings	<ul style="list-style-type: none"> Compared to other changes outstanding improvement in relation to permeability of the border in relation to tourism. Positive change mostly owing to the Programme in the frames of school and youth exchanges along with development of tourism infrastructure, heritage tourism infrastructure in particular. 	2

¹²⁰ Sokci: HUHR/1601/2.1.2/0006, Converting the region's Sokci cultural heritage assets to tourism attractions

¹²¹ BRIDGES BETWEEN COMMUNITIES: HUHR/1901/3.1.2/0092, MINORITIES AS BRIDGES BETWEEN COMMUNITIES

¹²² Cross-Cultural Tool-Kit: HUHR/1901/3.1.2/0159, Jointly development of new, innovative joined structures and shared processes to ensure the continuity of co-operation in the field of Culture and Tourism in the cross-regions

¹²³ PART: HUHR/1901/3.1.2/0131, Promotion of Contemporary Art Across the Border

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Factors	Indicators	Role of the CP (Main results and projects with great impact)	Estimated impact-vector
		<u>Projects with great impact:</u> <i>Cross-Cultural Tool-Kit; CulturCo; Attractour; Preradović & Csokonai.</i>	
	Geographic scope of cross-border mobility	<ul style="list-style-type: none"> • Profound change along certain routes and destinations, focused on heritage tourism including natural heritage and cultural exchange mostly. • New destinations appeared, former uncovered areas got more known by border people. <u>Projects with great impact:</u> <i>Via Saint Martin¹²⁴; ADOBE; CulturCo; SHARE MUSIC; CHP; MuKoBridge.</i>	2

¹²⁴ Via Saint Martin: HUHR/1901/2.1.3/0138, Supporting the promotion and development of transnational pilgrimage routes linked to sustainable and cultural tourism

2.3.6 Factors influencing the Programme's impact

The chapter touches upon the following guiding question: to what extent does the Programme add benefits to cross-border regional development and how does it complement and enhance the effect of other related policies or strategies? Consequently, in this chapter the evaluation tries to capture certain factors that influence the impact of the HUHR. First, the contribution of mainstream national programmes to the HUHR is assessed, then that of the cross-border programmes is evaluated. The factors that are taken into account are the territorial as well as the thematic (based on the allocated EU contribution to the thematic objectives and intervention fields) influence of the relevant programmes to the HUHR CP's impact in the border area. The links between the CP and the respective programmes are shown in the analysis below.

2.3.6.1 Contribution of mainstream national programmes

In this subchapter, it is analysed how the territorial and sectorial national operational programmes contribute to the impact of the CP on the programme area. To this end, the Cohesion Open Data Platform¹²⁵ of the European Commission (DG Regio) was used, which contains data on the ERDF/ESF/Cohesion Fund programmes. Out of the eight data dimension codes¹²⁶, which represent different ways of categorising the EU support, two will be used in the evaluation:

- (1) codes for the intervention field dimension (supported activities);
- (8) codes for the location dimension (region or area where operation is located).

These two dimensions provide an opportunity to evaluate the territorial and thematic influence of the EU contributions offered by a total number of 8 mainstream national operational programmes in the border region. The majority of them have a sectorial focus; 4 from the 6 OPs of Hungary, and one of the two analysed ones of Croatia is also sectorial. There are significantly more programmes designated in Hungary, while in Croatia all the related funds are divided between two OPs.

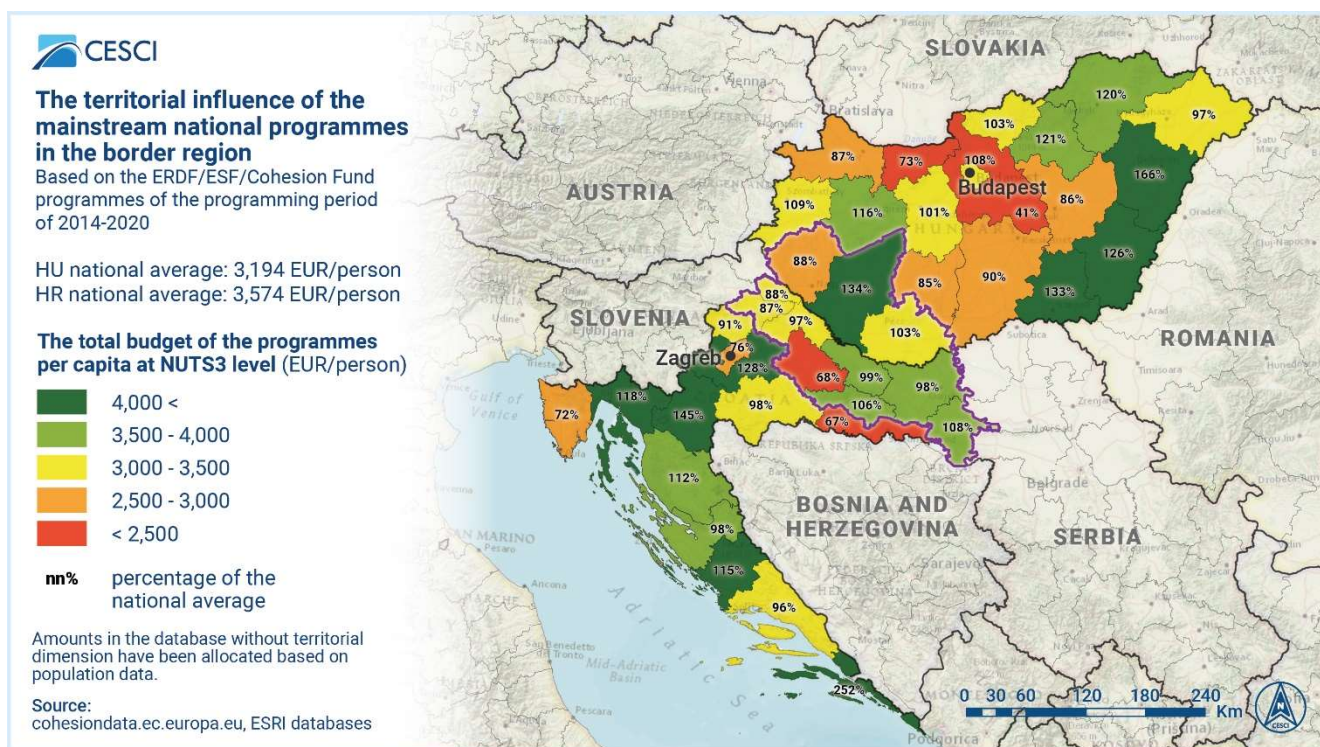
First, it is worth addressing the **territorial aspects** of these programmes. Based on the codes of region or area where the supported operations are located, the territorial distribution of the EU support from mainstream programmes can be mapped (*Figure 70*). On the Croatian side of the HUHR programme area, the financial contribution per capita to regional development remained below the national average (EUR 3,574 per person) except for two regions situated further away from the Hungarian border, which absorbed an amount close to the average level of support (Požeško-Slavonska županija 106%, Vukovarsko-Srijemska županija 108%). Bjelovarsko-bilogorska got less than 70% of the national average level of intensity (68%), but the two westernmost regions received relatively low level of EU support as well (Varaždinska županija: 87%, Međimurska županija 88%). On the Hungarian side the three regions gained different amount of support per capita; Zala (88%) got below the average level (EUR 3,194 per

¹²⁵ The actual information source that served as the basis for investigation can be found under the link as follows: <https://cohesiondata.ec.europa.eu/2014-2020-Categorisation/ESIF-2014-2020-categorisation-ERDF-ESF-CF-planned-/3kx-ekfq> (Last update: 14th of March 2023).

¹²⁶ The categorisation systems are defined in Implementing Regulation 215/2014 with 8 dimensions in total (<http://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A32014R0215>).

person), Baranya is around the average (103%), and Somogy (134%) has outstanding level of support compared to the national average (EUR 3,194 per person). The westernmost regions of the whole programme area were the least affected by EU contribution from the mainstream programmes.

Figure 70: The territorial influence of the mainstream national programmes



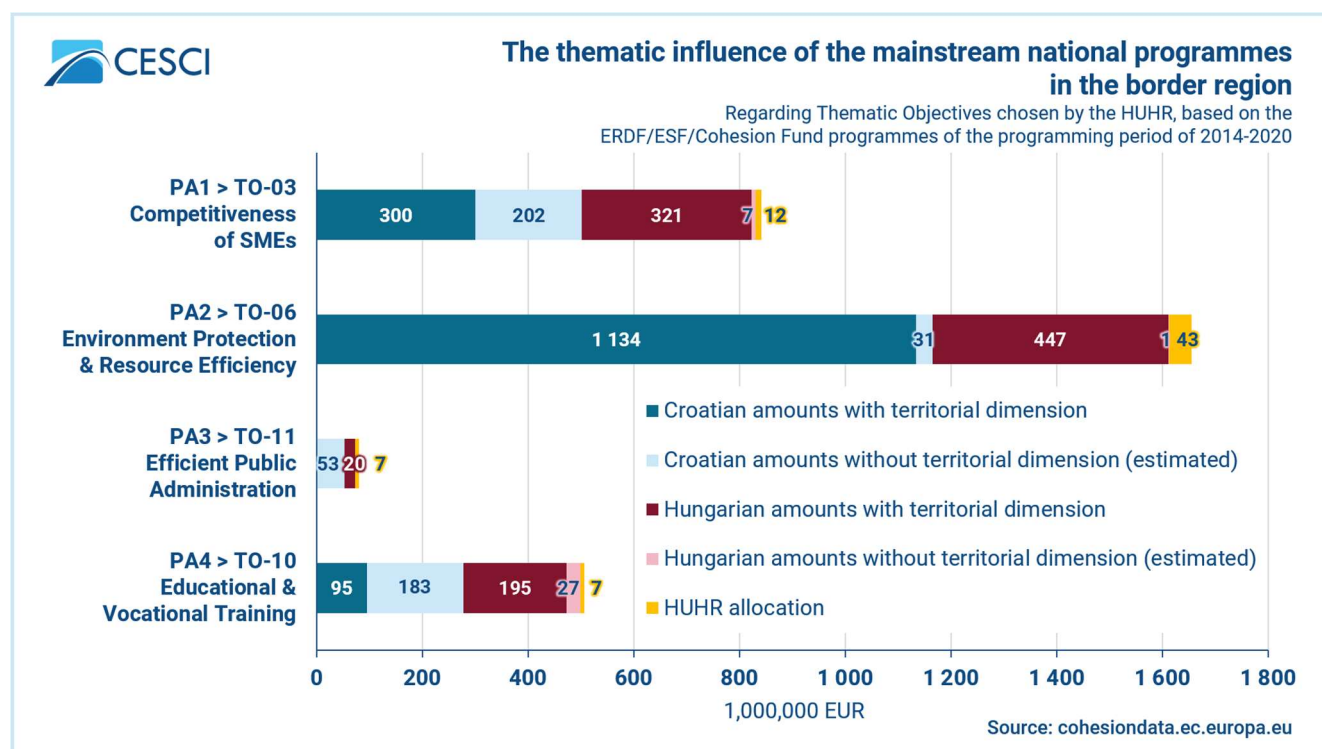
It can also be stated that the allocation of the mainstream programmes was roughly in proportion to the population. The proportion of the population living in the programme area in relation to the total population of the two countries is 14.25%. In line with this, 14.72% of the EU contributions came to the region. Furthermore, it is worth underlying that the total amount of such EU contribution counts for EUR 6.73 billion, while the HUHR Cooperation Programme contributed by around EUR 60 million to the development of the respective border area. As a conclusion, there has been a magnitude difference between the (potential) impacts of these differing programmes.

Addressing the **thematic aspects** of the national OPs' contribution to the CP's impacts, the spendings of mainstream programmes in the programme area related to the relevant thematic objectives can be analysed. The database makes it possible to create a figure showing the thematic focuses of the given programmes (Figure 71). Taking into account the contributions to the TOs supported by the Cooperation Programme, the mainstream programmes allocated the highest amount for TO-06, but significant support has been allocated to TO-03 and TO-10. The scale of the allocations of the mainstream programmes related to TO-11 is much smaller than to the aforementioned thematic objectives.

Mainstream programmes with NUT3 territorial dimension (dedicating funds to the county-level) are the most decisive, especially in the case of Croatian programmes, in case of the TO-06 belonging to PA2, while under PA4, programmes without territorial dimension (allocating funds to the NUTS1, national level) are almost as important as their counterparts.

The HUHR allocation (EUR 60 million) is marginal compared to mainstream programmes (almost EUR 3 billion) in relation to almost all TOs that are chosen by the HUHR. The HUHR Programme contributed only around 2% to achievements regarding three TOs, and slightly more to TO-11 (9.54%).

Figure 71: The thematic influence of the mainstream national programmes



Going beyond the TOs, the database used so far does not make it possible to point out which programme supported the specific intervention fields addressed by the HUHR CP. The Cohesion Open Data Platform stores the data for the different dimension codes (see the beginning of the chapter) separately, so it is not possible to analyse or compare data related to location and intervention fields at the same time. However, the table below (Table 28), complements the figure above and makes it visible which HUHR intervention fields have been influenced by which programmes. Based on the table, some findings can be formulated. For example, although the Competitiveness and Cohesion OP of Croatia significantly contributes to the TO belonging to the HUHR PA4, the targeted intervention fields of the two programmes are not the same. This means that the developments financed by the two programmes have a different thematic focus, thus their impacts are synergetic only in an indirect manner. This obviously points out the limited possibility to draw far-reaching conclusions based on Figure 71.

Table 28: Links between HUHR intervention fields and the mainstream programmes

HUHR-PAs	Intervention fields	HR-OPKK	HR-OP ULJP	HU-GINOP	HU-KEHOP	HU-EFOP	HU-IKOP	HU-KÖFOP	HU-TOP
PA1	001 - Generic productive investment in SMEs	x		x					
	066 - Advanced support services for SMEs	x		x					

HUHR-PAs	Intervention fields	HR-OPKK	HR-OP ULJP	HU-GINOP	HU-KEHOP	HU-EFOP	HU-IKOP	HU-KÖFOP	HU-TOP
PA2	032 - Local access roads (new build)								
	034 - Other reconstructed or improved road	x					x		x
	085 - Biodiversity, nature protection & green infrastructure	x			x				x
	086 - Protect, restorat & sustainable use of Natura 2000 sites	x							
	087 - Adapt to climate change & prevent & manage climate risks	x			x				x
	089 - Rehabilitation of industrial sites and contaminated land	x			x				x
	090 - Cycle tracks and footpaths								x
	091 - Develop & promote tourism potential of natural areas	x		x					x
	092 - Protect, develop & promote public tourism assets			x					
	094 - Protect, develop & promote public cultural assets	x							
PA3	119 - Investment in institutional capacity		x					x	
	120 - Capacity building for ESF stakeholders		x						
PA4	117 - Enhancing equal access to lifelong learning		x	x		x			
	118 - Strengthening vocational education & training		x	x					

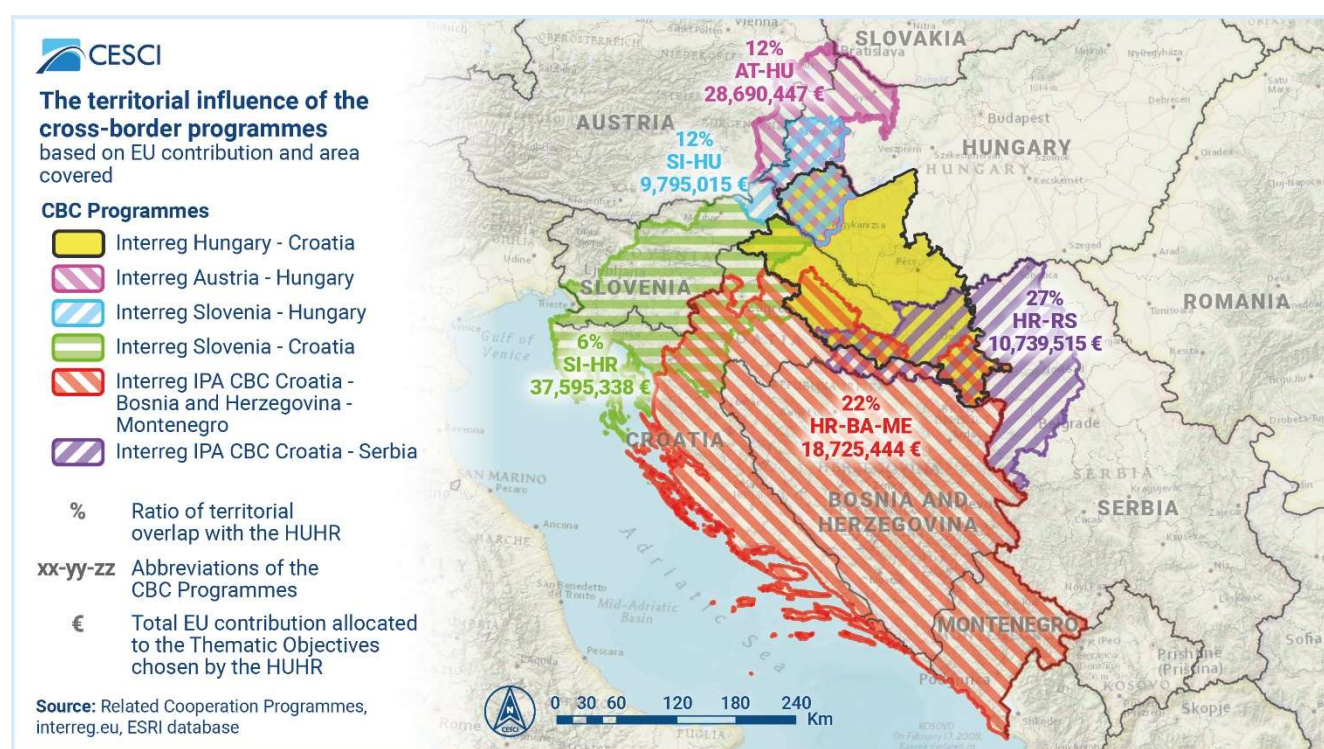
2.3.6.2 Contribution of cross-border programmes

The following map (*Figure 72*) was created in order to show the **extent of territorial and financial influence** of the surrounding cross-border cooperation (Interreg V-A) programmes. The figure illustrates the spatial overlap of the cross-border programmes covering at least some parts of the HUHR area. Among the given programmes, the highest degree of overlap occurs with the Interreg IPA CBC Croatia – Serbia (8,322 km² overlap, 27% of the total HUHR area), but the Interreg IPA CBC Croatia –

Bosnia and Herzegovina – Montenegro (6,898 km², 22%) also shares a significant proportion of the HUHR area. Interreg Slovenia – Croatia has the smallest joint area with the HUHR (1,990 km², 6%).

Zala vármegye from the western programme area, furthermore Požeško-Slavonska and Vukovarsko-srijemska županija from the eastern programme area are regions which are also eligible territories of two other programmes along with the HUHR. The central part, especially on the Hungarian side, is left out from other CBC programmes (namely Somogy and Baranya vármegye, Koprivničko-križevačka and Virovitičko-podravska županija).

Figure 72: The territorial influence of the cross-border programmes



For the purpose of showing the **thematic contribution** of other CBC programmes, a matrix similar to the mainstream one (Table 30) is compiled. It shows overlaps in relation to the EU contribution allocated by the other programmes to the intervention fields selected by the HUHR. In order to better illustrate the influence of the other CPs based on the amount of EU support allocated to the chosen intervention fields, the following colour coding has been applied:

Table 29: Level of contribution by colour coding

	Level of contribution	Amount of the allocation (EUR)
dark red	low level of contribution,	below 1 million
light red	below average level of contribution,	1-2.5 million
light green	above average level of contribution,	2.5 million – 5 million
dark green	high level of contribution,	over 5 million

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Table 30: Links between HUHR intervention fields and the CBC programmes

HUHR-PAAs	Intervention fields of HUHR	CBC programmes (territorial overlap)					Total EU contribution
		SI-HR (6.4%)	AT-HU (12.2%)	HR-RS (26.8%)	HR-BA-ME (22.2%)	SI-HU (12.2%)	
PA1	001 - Generic productive investment in SMEs						0
	066 - Advanced support services for SMEs		894,788	1,010,886	2,400,000		4,305,674
	075 - Development and promotion of tourism services in or for SMEs	1,204,461		1,028,795	1,500,000		3,733,256
PA2	032 - Local access roads (new build)					500,000	500,000
	034 - Other reconstructed or improved road		4,284,238			500,000	4,784,238
	085 - Biodiversity, nature protection & green infrastructure	3,200,000	2,134,031	1,164,454	1,400,000		7,898,485
	086 - Protect, restorat & sustainable use of Natura 2000 sites	4,800,000	2,134,031	1,164,454	1,183,899		9,282,384
	087 - Adapt to climate change & prevent & manage climate risks	10,026,557	1,422,688	1,341,258	1,900,000		14,690,503
	089 - Rehabilitation of industrial sites and contaminated land						0
	090 - Cycle tracks and footpaths	1,605,949	500,000	1,257,416	2,000,000	1,500,000	6,863,365
	091 - Develop & promote tourism potential of natural areas	3,011,154	1,523,880	1,257,416	3,341,545	1,500,000	10,633,995
	092 - Protect, develop & promote public tourism assets	2,007,436		1,257,416	2,300,000		5,564,852
	094 - Protect, develop & promote public cultural assets	8,230,486	3,047,760	1,257,420	2,700,000	2,500,000	17,735,666
PA3	119 - Investment in institutional capacity	1,503,983	4,249,677			1,000,000	6,753,660
	120 - Capacity building for ESF stakeholders	2,005,312	8,499,354			2,295,015	12,799,681
PA4	117 - Enhancing equal access to lifelong learning						0
	118 - Strengthening vocational education & training						0
Sum		37,595,338	28,690,447	10,739,515	18,725,444	9,795,015	

High level of synergy can be detected at intervention fields as follows:

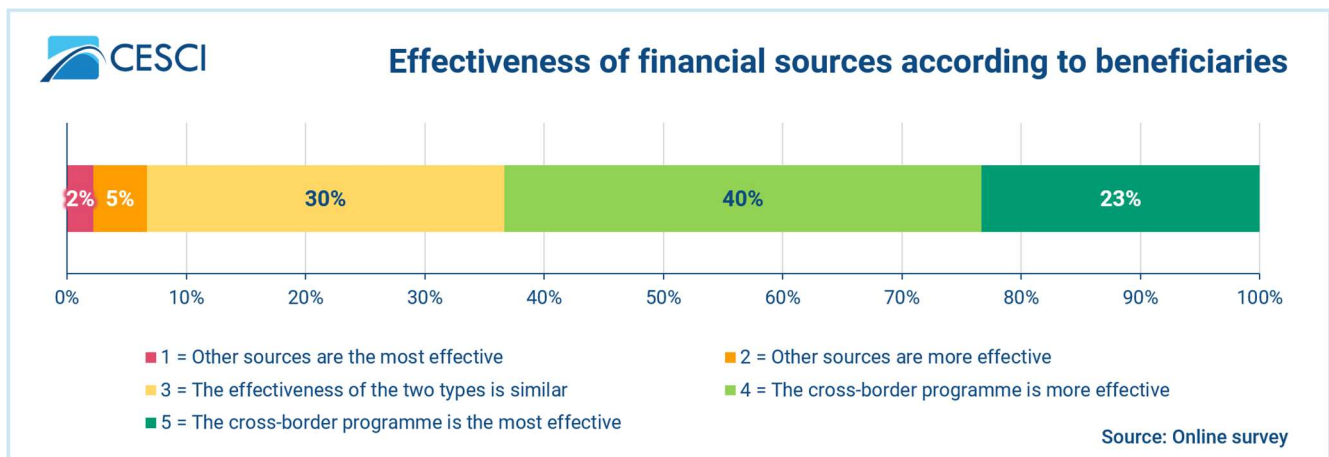
- 087 - Adapt to climate change & prevent & manage climate risks
- 091 - Develop & promote tourism potential of natural areas
- 094 - Protect, develop & promote public cultural assets
- 120 - Capacity building for ESF stakeholders

As it can be seen in the table, many of the PA2-related intervention fields got significant EU contribution. At the same time, there are also topics which are less impacted. PA4 fields were not chosen by any of the concerned CBC programmes.

At programme level, Interreg Slovenia-Croatia and Interreg Austria-Hungary programmes support the most the HUHR intervention fields, however the shared parts of their programme areas are rather limited.

Focusing on the **financial sources influencing the effectiveness of achieving the goals of beneficiaries**: there is a clear justification of the relevance of the Programme as the majority (40%) thinks that the HUHR Programme is more effective in realising their goals compared to other sources. Based on the interviews and survey answers, the Programme offers additional opportunities that certain EU and national funding sources do not have, and the range of supported activities is wider than in the case of mainstream programmes. Many respondents mentioned that the focus of the Programme was well suited to local needs. In addition, the proportion of opinions thinking other sources are more effective (4%) or are the most effective (2%) is very low.

Figure 73: Effectiveness of financial sources according to beneficiaries



According to the survey results **the beneficiaries are familiar with the financial sources that can support their projects' goals the most** regarding the various EU sources and funds. Many of the respondents highlighted programmes with a specific sectoral focus managed directly by the European Commission, as well as ETC programmes, mostly transnational ones. The most frequently mentioned concrete financial sources were the Erasmus+, the Horizon and the Central Europe Programme. The second most relevant group which is seen by the respondents as potential source for their project goals consists of national or lower territorial level programs such as EU operational programmes, national programmes targeting specific areas and sectors, or local funds. In this regard, the applicants were less clear, poorly detailed answers were registered. Some of the respondents named the Territorial and Settlement Development Operational Programme (TOP) from Hungary in particular. Other international

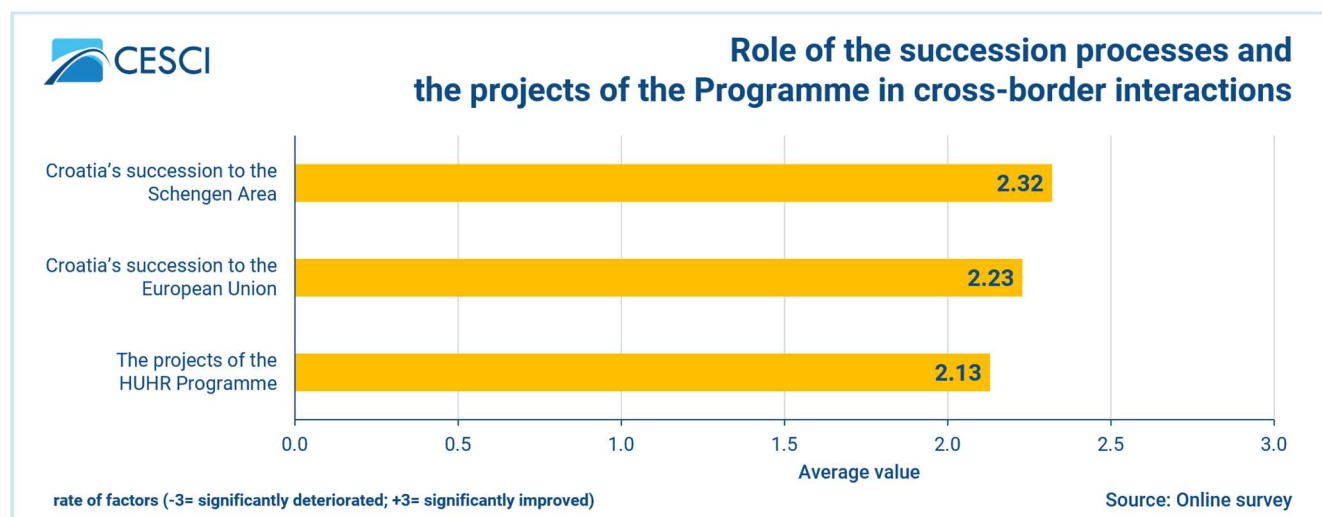
(not EU funded) funds and private capital were mentioned occasionally as financial sources known for supporting the project partners' CBC aims.

2.3.6.3 Impacts of accession to the European Union and the Schengen Area

European integration of Croatia has been an ongoing process that has already managed to affect cross-border cooperation and thus the impact of the present Programme. Therefore, it is worth analysing the main effects of the dual process of succession to the EU and the Schengen Area.

Within the framework of the 2013 enlargement of the European Union, Croatia joined the EU as its 28th Member State. Consequently, by the time of starting the implementation of the current Programme, the Republic of Croatia enjoyed full membership. The accession to the Community, that took place officially on the 1st of July 2013, has brought some relevant changes along with the long-awaited Schengen Area enlargement. Croatia is officially a Schengen state as of 1st of January 2023; however, due to the later date of the Schengen accession, bigger impacts could be felt only in the very last years of the current Programme. The impacts are expected to be even more significant in the years to come, during the programming period of 2021-2027. The result of the survey also underline why it is worth addressing the integration process. **The accessions are seen as factors that significantly improved the interactions** across borders. Schengen is perceived to be having an even greater influence on the interactions compared to the EU accession. It should also be mentioned that the effects are so great that many think it exceeds the role of the Programme's projects.

Figure 74: Role of the succession processes and the projects of the Programme in cross-border interactions



Going into details, the whole integration agenda gave the Croatian side, beneficiaries included, a special new impetus in cross-border cooperation. Their mentality and capacities were aimed at supporting EU integration with the help of Interreg tools, among others. Interviewees and survey respondents expressed that the process made stakeholders easier to cooperate and communicate with the Hungarian side. European Union and Schengen integration have enabled faster, better quality and more efficient cross-border cooperation with a greater and easier possibility of project realisation. It could also be mentioned that knowledge transfer and mutual learning of best practices could be an even more obvious form of cooperation.

In the field of a couple of areas (e.g. water management, renewable energy and green transition), cooperation got more feasible and impactful as legal harmonisation and adaptation of legislation exercised in the EU has been carried out in Croatia. Tourism was also highlighted as an area where cooperation could reach an even greater level along with cross-border mobility. Especially in the upcoming years, cross-border traffic, more frequent daily and short trips across the border, higher turnovers and more tourists can be envisaged thanks to becoming an internal border.

2.4 Efficiency

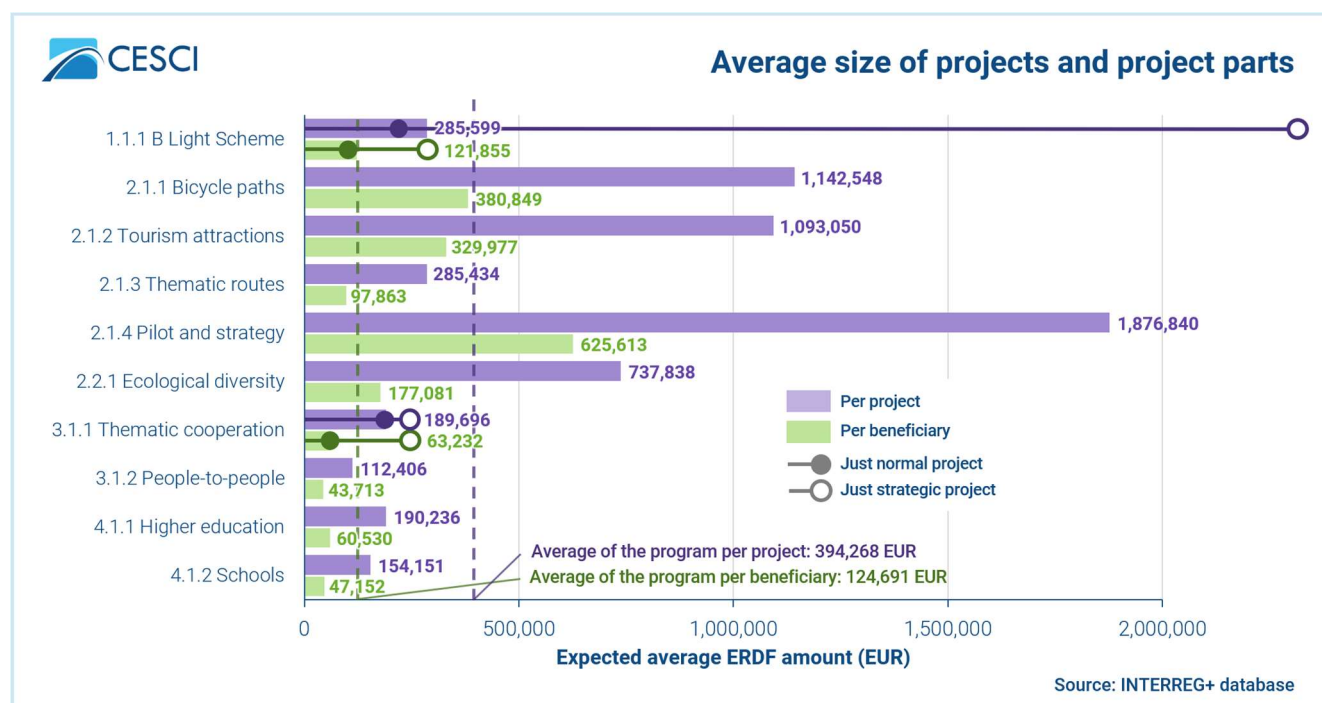
This chapter analyses the cost-efficiency of the projects, the tools applied by the Programme, as well as the programme management based on the data extracted from the INTERREG+ system and the results of the interviews with the programme management bodies.

2.4.1 Cost-efficiency of the projects

This subchapter aims to give an overview on the cost-efficiency of reaching the projects' and CP's objectives measured by the selected indicators. The assessment is based on the analysis of the projects' budget and the specific features of budget allocations. In order to indicate the differences even within the PAs, the evaluators analysed the average budget by components (*Figure 75*).

The average size of projects was nearly EUR 400,000, which was surpassed only by 4 components (all of them belonged to PA2). Components linked to bicycle paths, tourism attractions and strategic and pilot projects had the highest value, with an average project budget of more than EUR 1 million. As under PA3 and PA4 the projects involved small-scale activities, their budget sizes were also the smallest one (less than EUR 200,000). This trend is also reflected in the average budget per beneficiary. Compared to the previous programming period, the current Programme has implemented higher scale projects, as in the 2007-2013 period the average project size (euro per project) was EUR 321,806.

Figure 75: Average size of projects and project parts



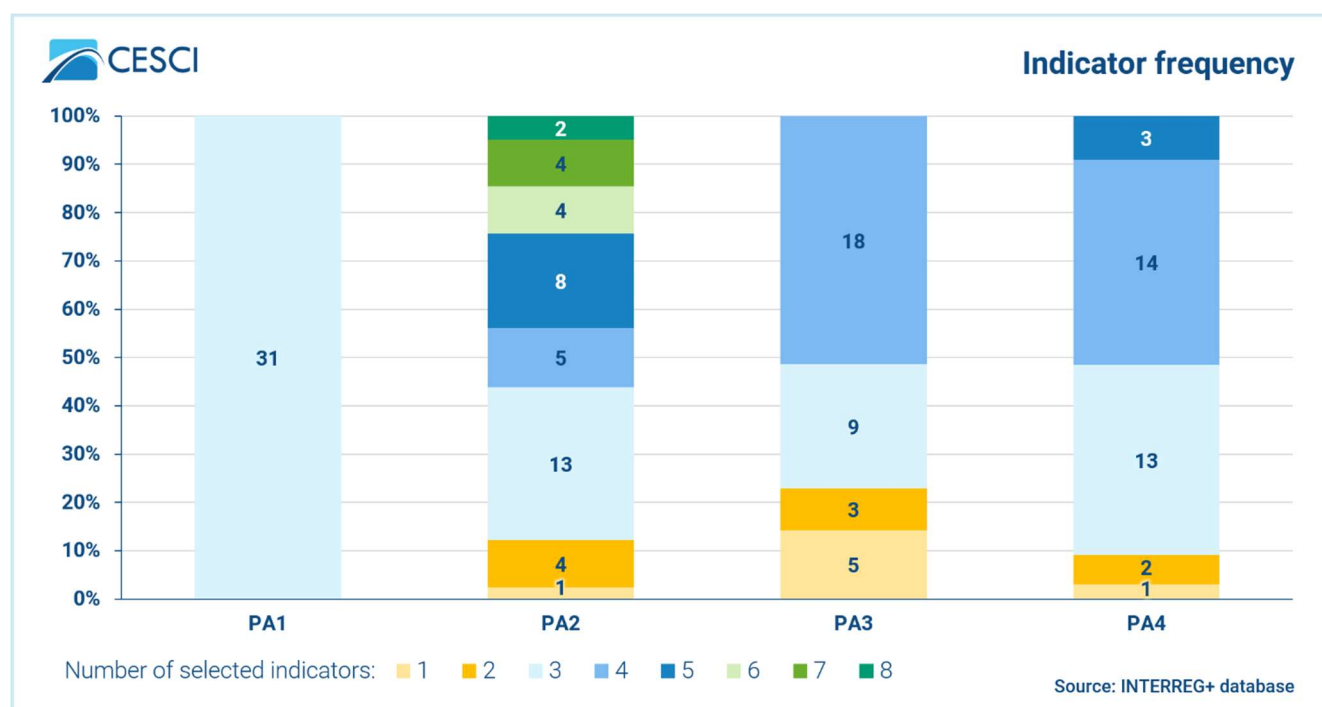
Regarding the financial volume of beneficiary support, pilot and strategic projects' partners received the greatest amount of EU contribution (EUR 625,613) by average. As PA2 projects implemented some large-scale developments with a relatively small number of beneficiaries, these components had the highest values among the traditional projects. In contrast, averagely less than EUR 125,000 were

received by partners within the programming period, and the slightest average amount of ERDF support was utilised by beneficiaries of people-to-people and primary and secondary education projects (less than EUR 50,000).

The cost-efficiency was assessed based on the targeted and achieved indicator values, and the aggregated ERDF allocations to the projects. Due to the large number of output indicators, the evaluators took into consideration only the programme and some component specific indicators, which were selected jointly with the JS. In *Table 31*, the planned indicator values and the ERDF amounts were aggregated, then the cost of the achievement of one measurement unit of the indicators were calculated. In order to handle the discrepancy caused by the ongoing projects with no or incomplete achievements, the indicators' expected value and expected ERDF allocations were introduced. In the case of the aforementioned projects with no final report, the planned amount of EU support and the indicators' target values were taken into account. For the projects with final report, the validated ERDF amounts and achieved indicator values were considered.

The calculation of the budget per indicator was problematic, as one project could select more than one indicator in parallel. As most of the component specific output indicators belonged to PA2, the average number of indicators per project was the highest in this PA. On average, a PA2-related project chose 4 indicators, compared to 3 for other PAs. In the case of PA1, only light projects facilitated the indicators' fulfilment, but all of them selected the maximum number of programme indicators (3 indicators).

Figure 76: Indicator frequency



To avoid distortion, four main approaches (and their combinations) were introduced when calculating the budget per indicator:

1. In some cases, the disaggregation was unnecessary or not feasible. For example, the correlations among PA1-related programme indicators were so strong that the division of the projects' budget between the different indicators seemed to be unreasonable.

2. The budget was broken down by project activity, if the activities could be clearly linked to certain indicators. This approach was used for instance under 2.2 - *SO4 Number of joint international studies*.
3. In case of those projects where the certain indicator target was undertaken by only one or some of the project partners, it gave the basis for dividing the projects' budget between the indicators. There were no indicators where the division was based on clearly this approach, instead it was complemented by the inclusion of activities-based division (e.g. 2.1 - *SO2 Total surface area of rehabilitated land*).
4. The last option was the division by budget headings that could facilitate the identification of indicators' cost items. This approach was used only under 4.1 - *SO3 Number of educational premises refurbished* and 4.1 - *SO4 Number of educational premises upgraded with technical equipment*, where the budget headings on equipment and infrastructure development were considered.

The values of the table can be interpreted as follows: in terms of 2.1 - *SO2 Total surface area of rehabilitated land*, according to the project proposals, EUR 33,861.25 was planned to allocate the rehabilitation of one hectare, which in practice will change to EUR 27,784.16 until the end of the programming period. In light of these results, the achievement of the indicator is more cost-efficient than it was planned by the CP, since the indicative amount of ERDF per hectare (based on the CP) is EUR 37,607.23. To make the *Table 31* more readable, the evaluators have used colour coding. The green colour indicates that the achievement of the certain indicator target is more cost-efficient in practice than it was expected by the CP, while the red colour shows those where the CP's planned values were not met. Colour coding is missing in case of those indicators, which were not incorporated into the CP.

In case of the B Light Scheme, as a specific tool, fewer enterprises received grants than planned by the CP, but the expected amount of ERDF allocation is also lower. According to the specific expected value, the amount of grant per SME was EUR 388,878.39, while the CP envisaged EUR 438,487.56, therefore the cost-efficiency is ensured.

According to the planned budget of B Light Scheme, 18% of the total amount was dedicated to the management of the scheme (strategic project), while it is expected that this ratio will change to 20% by the end of the programming period. Considering the SPF regulation, which presumes similar grant scheme (naturally for other purposes than involving SMEs) the optimal share of allocation to management purposes is defined as 20%. In light of this, the management structure of the B Light Scheme was efficient enough from a financial point of view.

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Table 31: Achieved and target values of output indicators

Indicator ID	Indicator name	Unit	A - Indicative value designed by the CP (sum)	B - Projects' target value (sum)	C - Projects' expected value (sum)	D - Planned ERDF amount (EUR)	E - Expected ERDF amount (EUR)	Specific indicator value based on the CP (D/A)	Specific indicator value based on the projects target (D/B)	Specific indicator value based on the projects' expected value (E/C)
1.1 - SO2	Number of enterprises receiving support	enterprises	80.00	80.00	74.00	35,079,004.81	26,054,852.20	438,487.56	438,487.56	352,092.60
1.1 - SO3	Number of enterprises receiving grants	enterprises	80.00	80.00	67.00	35,079,004.81	26,054,852.20	438,487.56	438,487.56	388,878.39
1.1 - SO4	Number of enterprises receiving non-financial support	enterprises	80.00	80.00	587.00	35,079,004.81	26,054,852.20	438,487.56	438,487.56	44,386.46
2.1 - SO2	Total surface area of rehabilitated land	hectares	450.00	499.78	541.82	16,923,254.22	15,053,996.60	37,607.23	33,861.25	27,784.16
2.1 - SO3	Increase in expected number of visits to supported sites of cultural and natural heritage and attractions	visits/year	60,000.00	159,492.00	185,426.00	98,809,357.93	81,953,220.82	1,646.82	619.53	441.97
2.1 - SO4	Number of tourism facilities / service providers being certified by an environmental sustainability scheme	number	40.00	31.00	31.00	1,711,230.24	1,613,313.73	42,780.76	55,200.98	52,042.38
2.2 - SO2	Surface area of habitats supported to attain a better conservation status	hectares	5,400.00	3,145.37	27,980.37	12,799,081.29	10,783,040.76	2,370.20	4,069.18	385.38

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Indicator ID	Indicator name	Unit	A - Indicative value designed by the CP (sum)	B - Projects' target value (sum)	C – Projects' expected value (sum)	D - Planned ERDF amount (EUR)	E - Expected ERDF amount (EUR)	Specific indicator value based on the CP (D/A)	Specific indicator value based on the projects target (D/B)	Specific indicator value based on the projects' expected value (E/C)
2.2 - SO3	Number of participants in joint education training schemes and awareness raising programmes	number	1,000.00	4,586.00	4,700.00	438,864.45	436,210.32	438.86	95.70	92.81
2.2 - SO4	Number of joint international studies	number	10.00	30.00	29.00	1,543,934.34	1,531,146.87	154,393.43	51,464.48	52,798.17
3.1 - SO2	Number of institutions participating in joint capacity building actions	number	33.00	183.00	243.00	14,897,907.57	11,859,032.69	451,451.74	81,409.33	48,802.60
3.1 - SO3	Number of harmonised processes, shared initiatives, coordinated policies and projects developed jointly	number	66.00	88.00	87.50	16,864,187.17	13,484,132.14	255,517.99	191,638.49	154,104.37
3.1 - SO4	People participating in joint actions and events	number	810.00	48,692.00	49,349.00	18,348,283.76	14,614,436.38	22,652.20	376.82	296.14
4.1 - SO2	Training courses developed and delivered (formal and informal)	number	40.00	164.00	168.00	5,969,080.45	4,677,710.70	149,227.01	36,396.83	27,843.52
4.1 - SO3	Number of educational premises refurbished	number	15.00	13.00	12.00	614,796.70	608,028.32	40,986.45	47,292.05	50,669.03
4.1 - SO4	Number of educational premises upgraded with technical equipment	number	15.00	87.00	84.00	1,618,408.36	1,537,402.39	107,893.89	18,602.39	18,302.41

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Indicator ID	Indicator name	Unit	A - Indicative value designed by the CP (sum)	B - Projects' target value (sum)	C - Projects' expected value (sum)	D - Planned ERDF amount (EUR)	E - Expected ERDF amount (EUR)	Specific indicator value based on the CP (D/A)	Specific indicator value based on the projects target (D/B)	Specific indicator value based on the projects' expected value (E/C)
4.1 - SO5	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	3,193.00	5,043.00	15,603,160.21	12,132,555.21	18,143.21	4,886.68	2,405.82
4.1 - SO6	Number of involved marginalised persons in training programmes	number	200.00	615.00	686.00	13,424,380.24	10,562,662.74	67,121.90	21,828.26	15,397.47
2.1 - C01	Length of bicycle path paved (and designated) newly	km		110.67	110.34	4,070,646.23	3,894,656.60		36,782.17	35,295.91
2.1 - C02	Length of existing bicycle paths designated by signs	km		239.30	251.60	2,676,481.25	2,572,842.14		11,184.63	10,225.92
2.1 - C07	Number of newly established/renovated tourist attractions, sites	pcs		98.00	96.00	15,911,382.25	15,473,991.76		162,361.04	161,187.41
2.1 - C08	Number of thematic routes in the project	pcs		21.00	21.00	15,817,977.81	13,245,978.65		753,237.04	630,760.89

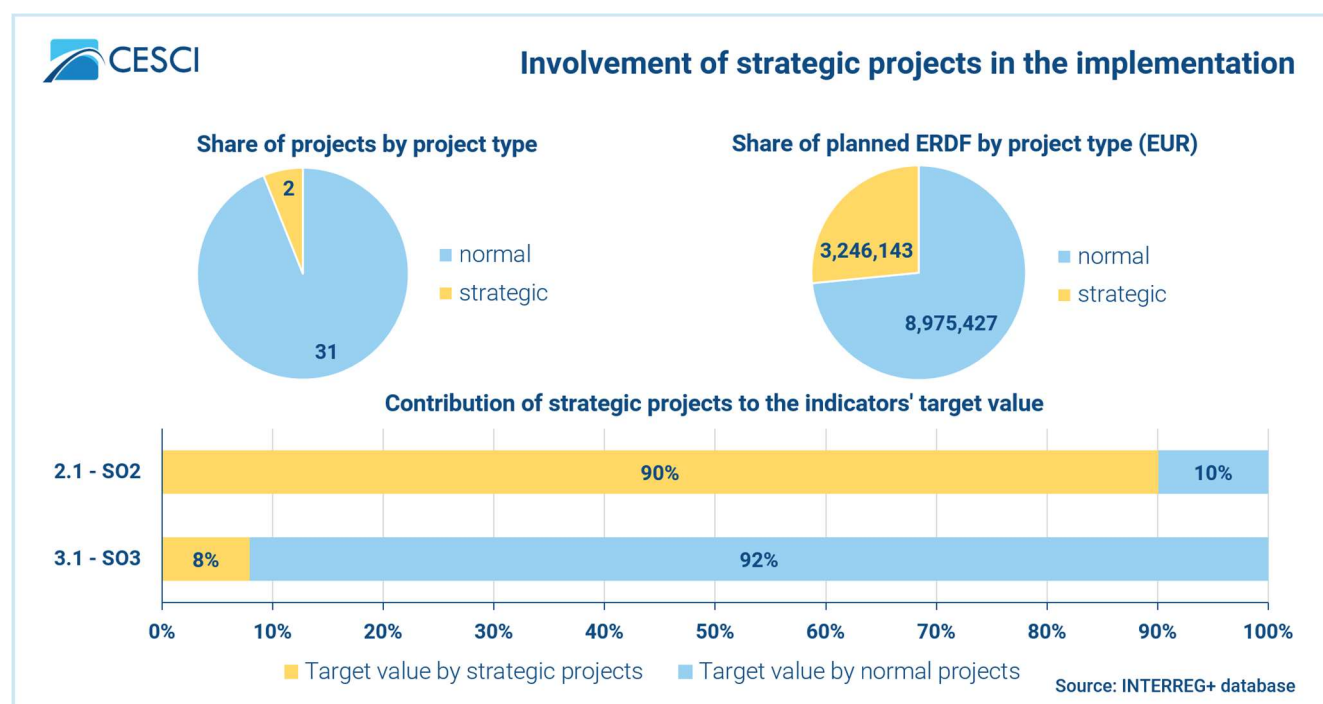
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Indicator ID	Indicator name	Unit	A - Indicative value designed by the CP (sum)	B - Projects' target value (sum)	C - Projects' expected value (sum)	D - Planned ERDF amount (EUR)	E - Expected ERDF amount (EUR)	Specific indicator value based on the CP (D/A)	Specific indicator value based on the projects target (D/B)	Specific indicator value based on the projects' expected value (E/C)
2.1 - C09	Length of thematic routes newly established/developed by the project (e.g. bike, greenways, hiking paths, pilgrim, gastro, wine, equestrian etc.)	km		1,209.08	1,103.66	12,069,461.34	10,337,193.80		9,982.33	9,366.26
2.1 - C12	Number of new/developed cultural events in the project	pcs		82.00	81.00	888,908.80	862,796.18		10,840.35	10,651.80
2.1 - C13	Number of locations where new/developed cycling tourism services are to be established	pcs		48.00	48.00	4,598,174.17	4,550,639.73		95,795.30	94,804.99
2.1 - C18	Number of trainings to promote environmental consciousness of visitors and/or local tourism service providers	pcs		69.00	70.00	341,283.93	327,005.47		4,946.14	4,671.51
3.1 - C07	Number of capacity building training and educations for stakeholders delivering social services (e.g. education, sport, healthcare etc.)	pcs		75.00	77.00	471,446.47	417,992.59		6,285.95	5,428.48

Figure 77 introduces the involvement of strategic projects in the programme implementation. As strategic projects were distinct from normal project in terms of indicators, thereby only a simple comparison was possible. The methodology for selecting the involved indicators was the same as interpreted above¹²⁷. Altogether 2 indicators¹²⁸ were chosen by both strategic and normal projects: 2.1 - SO2 Total surface area of rehabilitated land (chosen by *De-mine HU-HR II*) and 3.1 - SO3 Number of harmonised processes (by *CBJointStrategy*). Overall, 33 projects contributed to the fulfilment of these indicators, out of which 2 were strategic and 31 were normal projects. Considering the target values, the strategic relevance was the most significant in 2.1 - SO2 Total surface area of rehabilitated land, since 90% of the planned value linked to *De-mine HU-HR II*. In contrast, *CBJointStrategy* took only 8% of the contribution to the relevant indicator's fulfilment.

However, only 6% of the two indicators' projects were strategic, they absorbed 27% of the planned ERDF. According to the planned and analysed ERDF amount, the strategic projects absorbed more than EUR 3.2 million, while normal projects EUR 8.9 and 8.6 million. All things considered, the strategic projects have fulfilled nearly half of the two indicators, but they used only quarter of the EU contribution, that confirms the cost-efficiency and the strategic relevance of these projects.

Figure 77: Involvement of strategic projects in the implementation



According to the interviews the Programme Bodies make efforts to enhance the cost-efficiency of the projects. During the evaluation phase, two experts check the reasonability of the budgets and could make suggestions to deduct particular budget items in order to avoid overpricing. At the time of contracting, a consultation opportunity is offered to each LB (by the JS) and each beneficiary (by the

¹²⁷ Only those output indicators that were not horizontal indicator and chosen by the jointly selection of the JS and the evaluators.

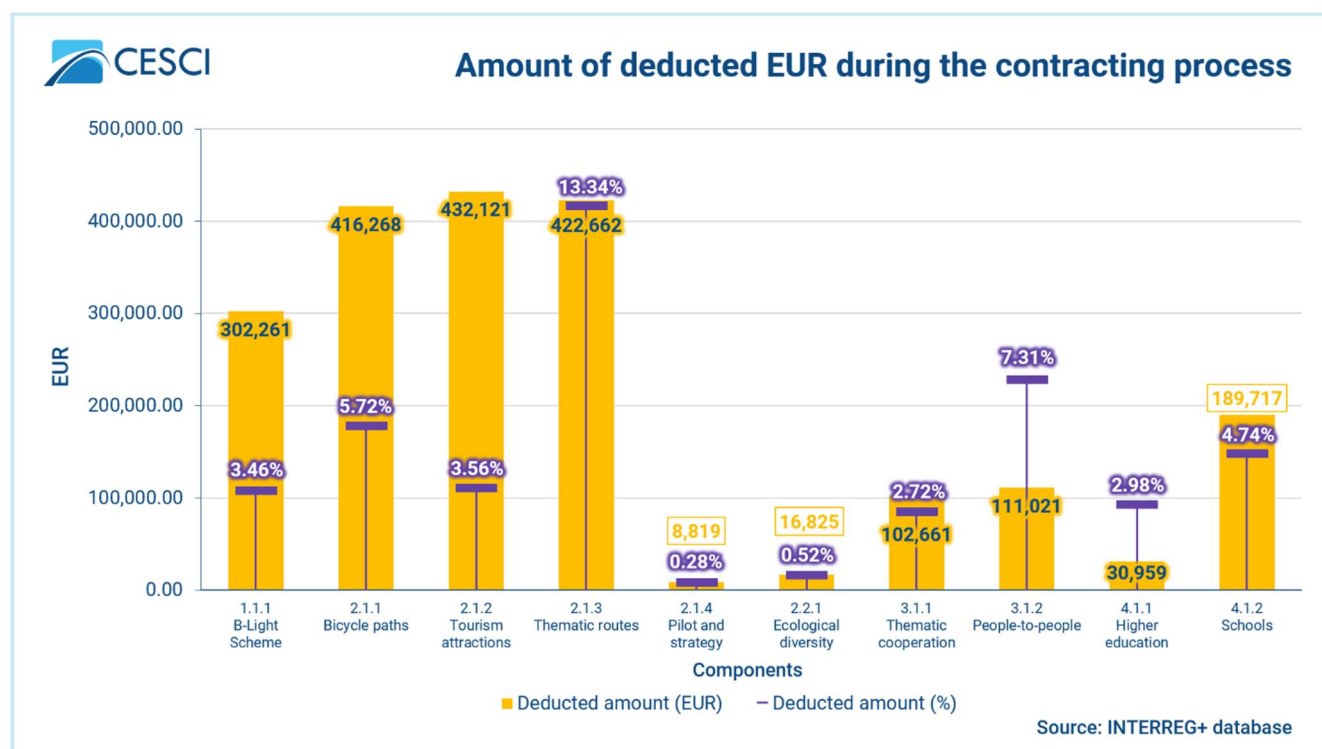
¹²⁸ None of the programme indicators matched the theme of the fourth strategic project and therefore no programme indicator was selected under MuKoBridge.

Hungarian FLC body), where the issue of cost-efficiency used to be on the table. In the implementation phase, the FLC bodies are responsible for monitoring the efficient use of the funds. To this end, on-site visits and the check of the project activities and the related budget items are carried out on a four-month basis.

Figure 78 introduces the amount of cost deduction by the FLCs per components. The change in project size because of the reductions mainly affected PA2 projects (especially the components of bicycle paths, tourism attractions and thematic routes), as the reported value per components decreased by more than EUR 400,000. The average reduction per component was 4.4%, but for the components of thematic routes it exceeded 13%. At the same time, it must be noted, that the financial progress of the projects under the certain components is heterogenous. For instance, the pilot and strategic projects lag behind the normal projects in terms of submitting their project reports (and validation of their costs), which could be a reason of the relatively low amount of deducted ERDF allocation.

Furthermore, due to the high inflation, cost-efficiency of projects was a common criterion, as beneficiaries needed to leave out the less relevant project items during implementation. Because of the COVID-19 pandemic, some new practices in the project implementation became regular: for instance, project partner meetings, some professional events tend to be organised online, which also led to the reduction of the related cost items. These new practices are worth keeping for the next programming period in those cases, where the lack of the on-site interactions did not affect the project results' and impacts' negatively.

Figure 78: Amount of deducted EUR during the contracting process



The involvement of SMEs with a business-oriented mindset basically contributed to the enhancement of cost-efficiency. According to the colleagues of the JS, the B Light Scheme projects had involved fewer unnecessary actors into the partnerships than it happens in case of normal projects. At the same time,

similarly to the traditional projects, SMEs implemented such activities (market researches, publication of certain documents), the justification of which can be assessed on a longer run: hopefully, these expenditures will be utilised by the SMEs in the near future.

2.4.2 Cost-efficiency of the programme management

The management of the Programme operates and is financed within the framework of the fifth Priority Axis (Technical Assistance, TA) of the CP according to a project-based approach. It means that each programme management body submitted a project proposal covering their operation for the seven-year period which were approved by the Monitoring Committee. The details of the TA projects are illustrated by the following *Table 32*.

Table 32: Detailed information about the TA projects

Project ID	Project Acronym	Beneficiary	Start date	End date	Total budget (EUR)	EU contribution (55%) (EUR)
HU-HR TA/01	JS	Széchenyi Programme Office Consulting and Service Nonprofit Limited Liability Company	01/01/2015	31/12/2023	3,786,750.00	2,082,712.50
HU-HR TA/02	MA	Ministry of Foreign Affairs and Trade	01/01/2015	31/12/2023	0.00	0.00
HU-HR TA/03	CA	Hungarian State Treasury	01/01/2016	31/12/2023	100,400.00	55,220.00
HU-HR TA/04	AA	Directorate General for Audit of European Funds	01/01/2017	31/12/2023	350,000.00	192,500.00
HU-HR TA/05	HR FLC	Ministry of Regional Development and EU Funds of the Republic of Croatia	01/01/2015	31/12/2023	825,441.00	453,992.55
HU-HR TA/06	HU FLC	Széchenyi Programme Office Consulting and Service Nonprofit Limited Liability Company	01/01/2015	31/12/2023	951,986.03	523,592.31
HU-HR TA/07	HU NA	Ministry of Foreign Affairs and Trade	01/01/2015	31/12/2023	47,033.84	25,868.61
HU-HR TA/08	HR NA	Ministry of Regional Development and EU Funds	01/01/2015	31/12/2023	173,578.00	95,467.90

Project ID	Project Acronym	Beneficiary	Start date	End date	Total budget (EUR)	EU contribution (55%) (EUR)
HU-HR TA/09	JS CP CK	Széchenyi Programme Office Consulting and Service Nonprofit Limited Liability Company	01/01/2015	31/12/2023	400,200.00	220,110.00
Total					6,635,388.87	3,649,463.87

In line with the Article 17 of Regulation (EU) no 1299/2013, 6% of the total ERDF amount (EUR 3,649,463.87) was allocated to Technical Assistance that was fully contracted within the framework of the TA projects (100% allocation rate). The rate of ERDF contribution (co-financing rate) for the technical assistance was set as 55%, while the remaining 45% was ensured by national contribution in Croatia (EUR 449,558.55) and Hungary (EUR 2,536,366.45) as well.

According to the stakeholders, the implementation of TA projects is going smoothly and the reporting is ongoing. No significant problem has occurred, but reallocation was carried out among the TA projects because of

1. the need for developing a new monitoring system: instead of the MA, the JS carried out the procurement, and
2. the COVID-19: the meetings and events were held online or delayed, while the procurement of external services was re-scheduled.

The absorption rate of the PA is 65% at the cut-off date (see [Table 33](#)), which seems to be a bit low taking into consideration that the programming period terminates in less than a year.

Table 33: Absorption rates of TA projects' total cost

Project ID	Project acronym	Contracted TA budget (EUR)	Amount of validated TA costs (EUR)	Absorption rate
HU-HR TA/01	JS	3,786,750.00	2,436,513.71	64%
HU-HR TA/02	MA	0.00	0.00	0%
HU-HR TA/03	CA	100,400.00	87,667.97	87%
HU-HR TA/04	AA	350,000.00	166,497.00	48%
HU-HR TA/05	HR FLC	825,441.00	519,856.08	63%
HU-HR TA/06	HU FLC	951,986.03	825,199.09	87%
HU-HR TA/07	HU NA	47,033.84	9,090.96	19%
HU-HR TA/08	HR NA	173,578.00	44,139.05	25%
HU-HR TA/09	JS CP CK	400,200.00	236,327.12	59%

Project ID	Project acronym	Contracted TA budget (EUR)	Amount of validated TA costs (EUR)	Absorption rate
Total		6,635,388.87	4,325,290.98	65%

In terms of the indicators, according to the approved project reports, the number of guiding documents addressed to applicants and beneficiaries and the number of selected projects for financing have already outperformed the TA output indicators' target values. The electronic monitoring system, the Programme communication plan and the Programme evaluation have also been created until the cut-off date. Only the number of publicity events and the number of FTE employees lag behind the final target goals. The lower number of employees is due to the lower number of projects at the end of the programming period and the unknown start date of the next Programme. In a similar manner, due to the uncertain start of the next programming period and the COVID-19, only part of the events was held. The closing event of the current programming period have been planned to be combined with the presentation of the next Programme. As the new Programme has not been introduced yet, these events have been postponed.

Table 34: Performance of TA indicators

ID	Indicator name	Measurement unit	Baseline value	Target value	Achieved value
TA - SO1	Projects selected for financing	number	0	100	111
TA - SO2	Electronic monitoring system established	number	0	1	1
TA - SO3	Guiding documents addressed to applicants and beneficiaries	number	0	3	4
TA - SO4	Programme communication plan prepared (and approved by the MC)	number	0	1	1
TA - SO5	Publicity events	number of events	0	10	5
TA - SO6	Number of employees (FTEs) whose salaries are co-financed by technical assistance	number of FTEs	0	9	8.2
TA - SO7	Programme evaluation plan prepared (and approved by the MC)	number	0	1	1

The evaluation of the programme management's cost-efficiency could be evaluated based on two indicators. The staff cost/budget ratio quantifies the labour intensity of the programme implementation, while the administrative cost ratio indicates the unit cost of one project's administration.

The staff cost/budget ratio was calculated based on the data registered in the INTERREG+ system. The total planned staff costs for the whole programming period are more than EUR 4.3 million, that accounts for 5.93% of the whole CP budget and 66.07% of the TA budget. In case the validated TA cost is taken

into consideration, the values are 5.68% and 74.33%. The values of the staff cost ratio depend on the financial progress of the TA projects, which expectedly lags behind the normal projects, but at the moment it is hard to estimate the final numbers.

Due to the lack of data, the indicator cannot be compared with the values of the previous programming period (2007-2013), only with the values of another Interreg programme area. The ratios under the Interreg V-A Slovakia-Hungary Cooperation Programme are 67.4% and 4.04% which are similar to the earlier described values.

Table 35: Specific administrative cost ratio in the previous and the current programming period

	2007-2013	Planned total value	Actual values of total costs
TA budget (EUR)	3,861,460	6,635,388.87	4,325,290.98
Number of closed and on-going projects	169 projects	111 projects + 31 LPP + 8 TA	111 projects + 31 LPP + 8 TA
Administrative cost ratio (all projects)	23,545.49	44,235.93	28,835.27
Administrative cost ratio (without LPP)	-	55,759.57	36,346.98

The planned and actual values were also used for the calculation of the administrative cost ratio. However, the JS calculated only with 111 (non-LP) projects, the 31 light projects implemented within the framework of the B Light Scheme also caused significant amount of works for the JS, therefore these projects should also be involved into the assessment (see [Table 35](#)).

The administrative cost ratio of the previous programming period was EUR 23,545.49 that lags behind the current planned values (especially if the LPs are not counted). Regarding the actual values (validated costs), the difference is smaller (EUR 28,835.27 in the case of all projects), but still ahead of the previous programming period. By contrast, the administrative cost ratio under Interreg V-A Slovakia-Hungary Cooperation Programme is even higher, since the expected value is EUR 61,788.10, the actual value is EUR 39,785.82.

The significant mismatch between the current and previous programme period is reasonable, as lower number of projects were implemented in the 2014-2020 programming period, but now a new innovative tool (B Light Scheme) has been introduced. The design and implementation of the new scheme and attracting a new target group (SMEs) required more time and new skills of the management bodies.

2.5 Applied mechanisms and tools

2.5.1 B Light Scheme

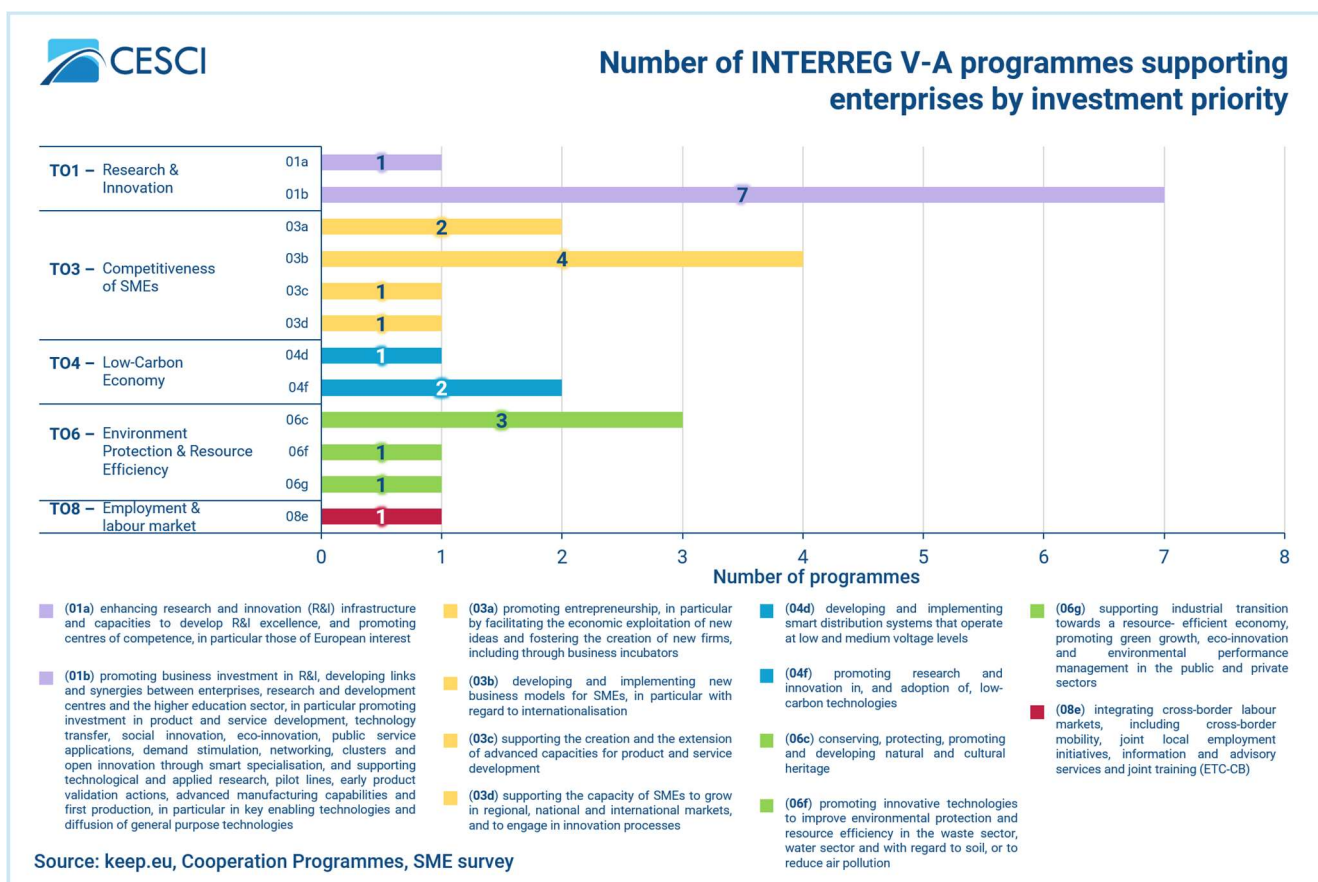
First time in history, the HUHR Cooperation Programme offered financial support directly to small and medium sized enterprises of the border region according to the model of the so called Beneficiary Light Scheme. Within Priority Axis 1 Enhancing the Competitiveness of SMEs, the Programme aimed at 'fostering value added business cooperations between SMEs operating on different sides of the border'.

2.5.1.1 Snapshot on the tools supporting cross-border small projects in Europe

During the 2014-2020 programming period, the Programme made an effort to actively involve the SMEs in cross-border developments, which was unprecedented in the Hungarian-Croatian Programme's history. Similar initiatives have already been carried out in Europe: in the 2007-2013 programming period 8% of the programmes provided support to SMEs.¹²⁹ Furthermore, our research indicates that 37 out of the 60 Interreg V-A 2014-2020 cooperation programmes focused on enterprises as potential beneficiaries. A handful of these programmes provided an opportunity to invite enterprises as a group of the relevant stakeholders, to implement sector-specific developments in areas such as tourism, transportation, environment or cultural heritage, which essentially serve public interest. In many cases, being involved in the business sector was optional rather than a mandatory criterion. In the case of other programmes, the primary emphasis was on supporting enterprises, particularly SMEs, within the framework of Thematic Objective (TO) 3 (Competitiveness of SMEs) and TO1 (Research and Innovation).

¹²⁹ INTERACT (2020) - How do Interreg programmes attract SMEs? Repository of Interreg programme management practices, <https://www.interact-eu.net/download/file/fid/21476>

Figure 79: Number of Interreg V-A programmes supporting enterprises



During the analysis of the 'keep.eu' database on those Interreg CBC programmes of the 2014-2020 period, which provided financial support to enterprises, the evaluators filtered the information based on three relevant output indicators:

1. Number of enterprises receiving grants (Enterprises);
2. Private investment matching public support to enterprises (grants) (EUR);
3. Number of enterprises receiving financial support other than grants (Enterprises).

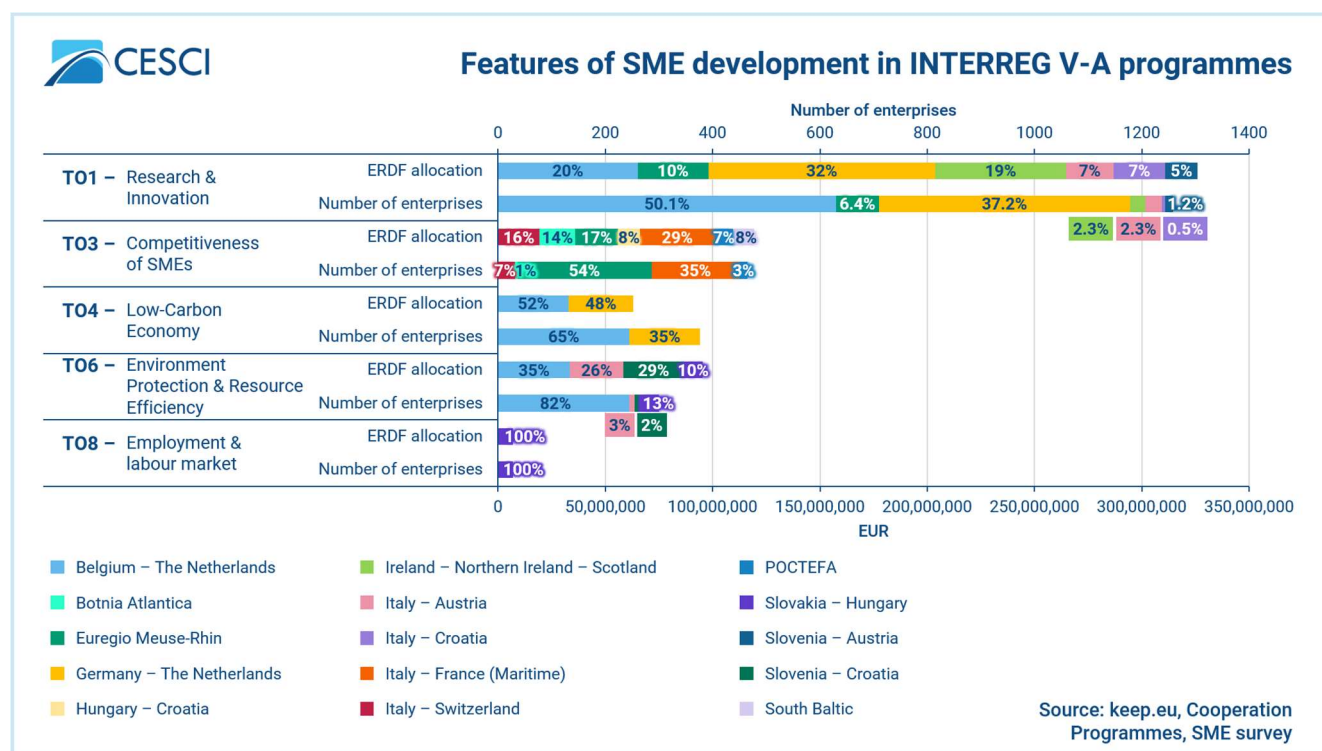
It is important to highlight that the accuracy of the database may be unreliable, given that the responsibility for providing data lies with the particular programmes. This led to certain relevant output indicators not being included in the database, such as the 'Number of enterprises receiving grants' in the case of the Slovakia – Hungary Programme. Therefore, the evaluators added the missing indicator. Similar inaccuracies may be present in the case of other programmes as well.

In order to handle this issue, CESCO conducted research through an online survey between 2nd and 12th of May 2023: all the Interreg V-A programmes were invited to report on their activities concerning direct support to enterprises (of any kind). Out of the 60 programmes, the representatives of 10 responded the invitation, out of which 3 pointed at further mistakes in the keep.eu database.

After integrating the data coming from different sources, the result indicates that a total of 18 programmes provided direct financial support within the framework of 5 TOs and 12 investment priorities. According to the Cooperation Programme documents, the 17 OPs (the indicator was not incorporated into the CP in the case of the Interreg V-A Poland - Denmark - Germany - Lithuania – Sweden) aimed to involve 2,543 enterprises. This means that an average of 150 enterprises per

programme were planned to be included. It is to note that 2 CPs (the Interreg V-A Belgium - Germany - The Netherlands and the Interreg V-A Belgium - The Netherlands) provided grants to 1,450 enterprises, while the remaining 15 programmes targeted a total of 1,093 enterprises.

Figure 80: Features of SME development in Interreg V-A programmes



Among the programmes involved, the highest amount of ERDF support targeted TO1, as, in addition to SMEs, numerous other actors from the quadruple helix can receive funding for their projects. Moreover, 8 programmes dedicated over EUR 126 million (an average of EUR 14 million per programme, and EUR 201,000 per beneficiary) to enhance the competitiveness of SMEs (TO3). Under this thematic objective, it is anticipated that the proportion of SME beneficiaries is higher compared to the other thematic objectives.

The process of involving SMEs into the CBC programmes is not unambiguous due to the State Aid rules of the European Union, and the comprehensive set of criteria and procedures within the Interreg framework.

Firstly, enterprises as beneficiaries pose an additional burden and risk to the Programme Bodies:

- compliance with the 'de minimis'¹³⁰ and 'GBER'¹³¹ rules;
- the challenge to address the new target group;
- as a distinct legal characteristic, SMEs may cease to exist without legal successor.

¹³⁰ Commission Regulation (EU) No 1407/2013 of 18 December 2013 on the application of Articles 107 and 108 of the Treaty on the Functioning of the European Union to de minimis aid

¹³¹ Commission Regulation (EU) No 651/2014 of 17 June 2014 declaring certain categories of aid compatible with the internal market in application of Articles 107 and 108 of the Treaty

Secondly, SMEs are a sensitive target group. The following characteristics of the CBC programmes undermine their appeal to enterprises:

- lead partner principle,
- mandatory cooperation criteria,
- pre-financing requirement in regions with substantial structural credit market failures,
- multi-lingual environment,
- lengthy and complicated administrative procedures (such as application, selection and reporting, public procurement, etc.) for actors operating in rapidly changing markets.

Despite these challenges, it is still reasonable to involve enterprises in cross-border developments. Business actors have the potential to make efficient contributions to more sustainable, cost-efficient, innovative developments and their up-scaling. This, in turn, can create a greater impact in the border regions. In light of the above, the management bodies of some programmes have taken additional measures to simplify and facilitate the involvement of SMEs from an administrative perspective, as well as mitigate the aforementioned risks.

An INTERACT study¹³² identified three solutions in response to these challenges:

1. Sub-partner scheme: the sub-partners (without financial capacity to be a beneficiary and having limited involvement in 1-2 activities) must be involved in the project through one specific beneficiary. These responsible partners may sign agreements with each sub-partner and ensure the sub-partner's financial contribution to the project. Sub-partners can seek reimbursement of costs through their respective responsible partners.
2. Voucher schemes: voucher may be allocated from beneficiaries to recipients, including (SMEs). It could be used to purchase services such as training opportunities, advisory services of external experts or partners' staff, or the use of partner's infrastructure.
3. Open projects / Beneficiary Light Scheme: this model comprises of a small key partnership with open light partner positions and a financial framework for SMEs being established in a single project. During the later stages of project implementation, the key beneficiaries will select light partners for funding. Thanks to the light partner position, SMEs are partially relieved from administrative burdens, since all administration and reporting responsibilities are handled by the key partnership.

The HUHR Programme followed the aforementioned third option.

2.5.1.2 B Light Scheme in the HUHR Programme

During the programming phase of the 2014-2020, the territorial analyses pointed out that the SMEs of the border region:

- had low fundraising and innovation capacities,
- suffered from the lack of entrepreneurial skills,
- had weak cross-border and international business relations.

¹³² INTERACT (2020) - How do Interreg programmes attract SMEs? Repository of Interreg programme management practices, <https://www.interact-eu.net/download/file/fid/21476>

As a complex response to the joint challenges, within the framework of PA1 (focusing on TO3 under the investment priority *3c - Supporting the creation and the extension of advanced capacities for product and service development*) the Programme's main aim was to improve the financial background of small and medium sized enterprises and strengthen cross-border business cooperation in order to boost SME development with a special focus on their capability of creating value added new products and services. Eligible activities were set as joint product, technology and service development, establishment of new supply chains, ICT development, common marketing. As supplementary activities investment in basic infrastructure, purchase of intangible fixed assets (licence, protection), organisation of trainings and seminars, employment of existing and new employees were also allowed.

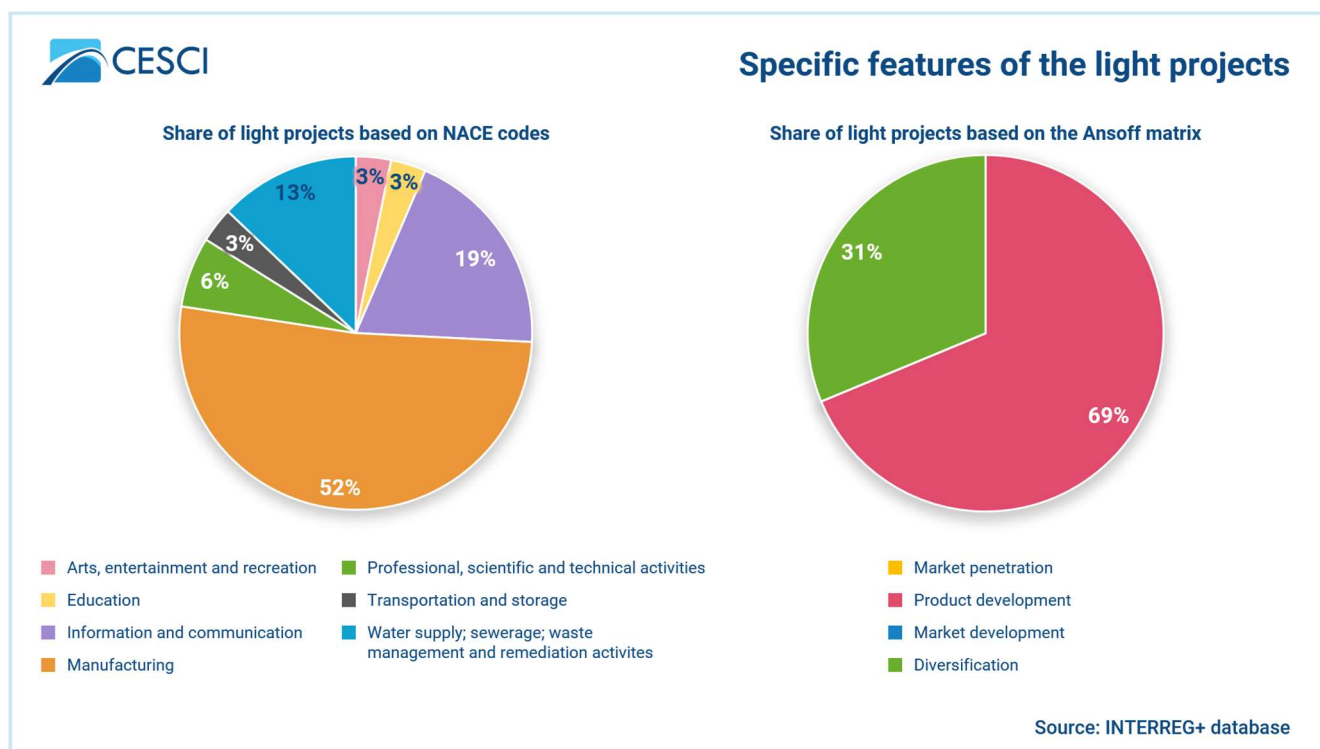
Eligible sectors of business cooperation were narrowed based on the NACE codes¹³³. According to the intention of the programme planners, the scope of activities was left as wide as possible in order to generate high quality cross-border projects: only those activities were excluded which are in contradiction with the 'de minimis' rules¹³⁴. As a result, primary production, processing and marketing of agricultural products was not eligible for funding. According to some interviewees, this limitation was problematic, because many SMEs on both sides of the border deal with such activities in line with the endogenous potential of the region.

When programming the B Light Scheme, experts tended to expect that tourism would be the most targeted field of action. At the same time, the data of INTERREG+ show that half of the selected projects have focused on manufacturing activities, in addition the IT and water-related developments have been more numerous.

¹³³ NACE Rev. 2 Statistical classification of economic activities in the European Community, Eurostat, European Communities, 2008

¹³⁴ Commission Regulation (EU) No 1407/2013 of 18 December 2013 on the application of Articles 107 and 108 of the Treaty on the Functioning of the European Union to de minimis aid Text with EEA relevance

Figure 81: Specific features of the light projects



According to the guiding documents, the following levels of business cooperation intensity defined by the so called Ansoff matrix¹³⁵ needed to be reached, where:

- green colouring means the eligible level of cooperation;
- red colouring means an ineligible level of cooperation.

Table 36: Application of the Ansoff matrix in measuring the level of cooperation of light projects.

		Product	
		Present	New
Market	Present	MARKET PENETRATION Placing an existing product/service to an existing market	PRODUCT DEVELOPMENT Introduction to a new product/service to an existing market
	New	MARKET DEVELOPMENT Introduction to an existing product/service to a new market	DIVERSIFICATION Development of a new product/service to a new market

¹³⁵ Guidelines for Light Partner Applicants 'B Light Scheme' (Version 4.0 2020) - <https://www.dropbox.com/s/6bxolstwj923c/Guidelines%20for%20Light%20Partner%20Applicants%20CfP%29.docx?dl=0>, downloaded on 9/5/2023

In line with these, two **result indicators** were required to be met by each light project:

1. signed **contractual business agreement with third parties** for selling the commonly developed new or upgraded product, technology or service by either or all of light partners within the sustainability period;
2. reaching the minimum value of **selling of commonly developed new or upgraded product, technology or service** by either or all of the light partners, required minimum value is **20% of the total grants allocated** to the project within the sustainability period.

The CP and the manuals of the B Light Scheme expressed that light projects must have an innovative character. At the same time, the preference of projects targeting the category of diversification (new product/service to new market) was included in the documents. The interviewees also confirmed that the interpretation and assessment of this aspect caused difficulties during the project cycle: the management bodies of the scheme were not able to give clear advice on innovativeness to the SMEs when planning the projects, while in the selection phase, the assessors evaluated this aspect based on their personal views, which enhanced the subjectivity of the procedure. In addition, it was also highlighted in the interviews that it does not seem reasonable to focus on innovation in a rather peripheric, less developed border region dealing with low SME density and fundraising challenges. This is confirmed by the fact that only one third of the light projects planned to develop new product or service to new markets. Furthermore, it is still questionable that even these projects have been able to achieve these goals in practice. The interviewees indicated that many of the projects have just terminated and it is hard to evaluate the financial viability and the potential widespread of these developments either on the existing or on the new markets.

2.5.1.3 Assessment of the management structure of the B Light Scheme

The design of the Beneficiary Light Scheme followed the PP Light model of the Dutch-German Interreg V-A Programme. Its name derived from this initial idea: to have 'light' projects in terms of administration. To this end, a built-in project generation and management assistance mechanism was included into the scheme. In practice, it means that one single open project is implemented by a key or heavy (not light) partnership with the participation of expert organisations such as development agencies and enterprise development foundations operating on the two sides of the border (lead beneficiary and beneficiaries). Then SMEs are included in the partnership as light beneficiaries at later stages by signing a partnership agreement with the lead beneficiary of the original project.

During the programming period, the programme management bodies decided to delegate the management of the B Light Scheme to professional SME development organisations within the framework of a strategic open project. The involvement of the beneficiaries was carried out within the framework of a closed procedure. The programming Task Force agreed on involving county-level development agencies from each NUTS3 regions along the border. For the lead beneficiary position, each country was allowed to nominate an organisation, and it was the responsibility of the Monitoring Committee to select the best option. At the 1st meeting in 2015, the MC unanimously decided to postpone the decision and called upon the Joint Secretariat to organise a separate consultation meeting dedicated only to this issue. Then, in the beginning of 2016, the two agencies – Hrvatska agencija za malo gospodarstvo, inovacije i investicije (HAMAG-BICRO) from Croatia and the Dél-Dunántúli

Regionális Fejlesztési Ügynökség (DDRFÜ) from Hungary – presented their capacities, competencies and approach towards the implementation of the B Light Scheme to the Monitoring Committee. However, the Monitoring Committee could not reach a decision because of equality of votes. As a consequence, the MA invited the already selected NUTS3-level beneficiaries to decide themselves about the LB.

In February 2016, the Bs held a meeting in Virovitica, Croatia, where they agreed – with a 5 to 2 ratio – that the LB organisation recommended by the project partnership is the HAMAG-BICRO. The partnership of the B Light Scheme project was set-up as follows¹³⁶:

- LB: HAMAG-BICRO (Hrvatska agencija za malo gospodarstvo, inovacije i investicije)
- B1: ZMVA (Zala Megyei Vállalkozásfejlesztési Alapítvány)
- B2: SMVKA (Somogy Megyei Vállalkozói Központ Alapítvány)
- B3: BMFÜ (Baranya Megyei Fejlesztési Ügynökség Nonprofit Kft.)
- B4: REDEA (Javna ustanova za razvoj Međimurske županije REDEA)
- B5: PORA (PORA Regionalna razvojna agencija Koprivničko-križevačke županije)
- B6: VIDRA (VIDRA Agencija za regionalni razvoj Virovitičko-podravske županije)
- B7: JU-Osječko-baranjske (Javna ustanova Županijska razvojna agencija Osječko-baranjske županije)

HAMAG-BICRO¹³⁷, the Croatian Agency for SMEs, Innovation, and Investments, was established in 2014. Its mission is to support the development of small and medium-sized enterprises (SMEs), foster innovation, and encourage investments. They provide a comprehensive range of services, including financial support, professional advisory services, assistance in innovation and internationalisation, business assistance, provision of facilities, knowledge transfer, professional education, and mentoring. HAMAG-BICRO together with the Ministry of Economy and Sustainable Development (Croatia) participates in the preparation and implementation of grant allocation (mainly from national OPs).

The Hungarian beneficiaries are enterprise development organisations (Zala and Somogy County) and a regional development agency (Baranya County) founded by the county assemblies. The latter one focuses on spatial planning, project development and implementation, while the other two offer services to small and medium-sized enterprises. These include providing soft loans, business advisory, project management, supporting participation in trade fairs, fostering networking within the business sector.

The Croatian heavy beneficiaries are public development institutions founded by the regional governments. JU ŽRA OBŽ and VIDRA, similarly to the Hungarian counterpart, deal with regional planning, project generation and coordination. The other 3 agencies go beyond this approach by also offering advisory, project management, investment support and educational services to enterprises, including SMEs.

In parallel with the selection of the beneficiaries, the elaboration of the B Light Scheme's implementation plan started with the help of the previously contracted external experts. Then the beneficiaries joined

¹³⁶ In Croatia only the directly bordering counties' (Koprivnica-Križevci, Međimurje, Osijek-Baranja, Virovitica-Podravina) SME development agencies are involved as beneficiaries. The responsibility of coordinating activities in the further eligible counties (Bjelovar-Bilogora, Požega-Slavonia, Vukovar-Srijem and Varaždin) were divided among the Croatian beneficiaries.

¹³⁷ <https://en.hamagbicro.hr/about-us/>

the process at a later stage, when the selection was completed. The LB signed the subsidy contract with the Managing Authority in the second half of 2017, in addition the LB and the Bs parallelly signed a partnership agreement (PA) with each other. This strategic partnership (the so called heavy beneficiaries) set the basis for the management of the scheme.

The strategic project has been operated as an open project all over the programming period: SMEs were allowed to enter the scheme after a specific selection procedure as light partners by signing the partnership agreement with the LB. Financial allocation for light partners was included in the budget of the B Light Scheme strategic project as lump sum (as if light partners would be one single project partner). Later, as SMEs entered the partnership, this lump sum was gradually allocated to them.

The application and selection procedures of the light projects were coordinated by the heavy beneficiaries of the strategic project, while the decision on the selection was made by the Selection Board established within the B Light Scheme. The Selection Board consisted of the 7 heavy beneficiaries as voting members, the Joint Secretariat and the National Authority as non-voting members, as well as the Managing Authority as non-voting members with right of veto.

During the project implementation, an EPSF, a consortium composed of external SME development experts both from Hungary and Croatia financed by the LB, provided different kind of business support and consultancy services to SMEs.

The heavy beneficiaries together with the EPSF were responsible to ensure the lightening of the administrative burdens of the enterprises.

The following table summarises the tasks of the stakeholders participating in the implementation of the B Light Scheme.

Table 37: Actors and their responsibilities in the B Light Scheme

Stakeholder	Responsibilities
Monitoring Committee (MC)	<ul style="list-style-type: none"> • decides on the content of the calls for light project proposals, including the evaluation system; • supervises the B Light Scheme implementation and progress, especially in terms of meeting the indicators and absorption of funds available; • approves the changes on level of the scheme; • approves the parts of the Annual Implementation Reports which deal with the progress of the B Light Scheme;
Managing Authority (MA)	<ul style="list-style-type: none"> • bears overall responsibility for the implementation of the scheme; • signs the subsidy contract with the heavy LB; • supervises the selection procedure delegating non-voting member with the right of veto to the Selection Board;
National Authority (NA)	<ul style="list-style-type: none"> • prepares, implements and monitors the scheme on national level; • supervises the selection procedure delegating non-voting member to the Selection Board;
Joint Secretariat (JS)	<ul style="list-style-type: none"> • monitors the scheme from an administrative point of view; • approves the progress and final reports of the strategic and the light projects; • endorses changes on level of the scheme;

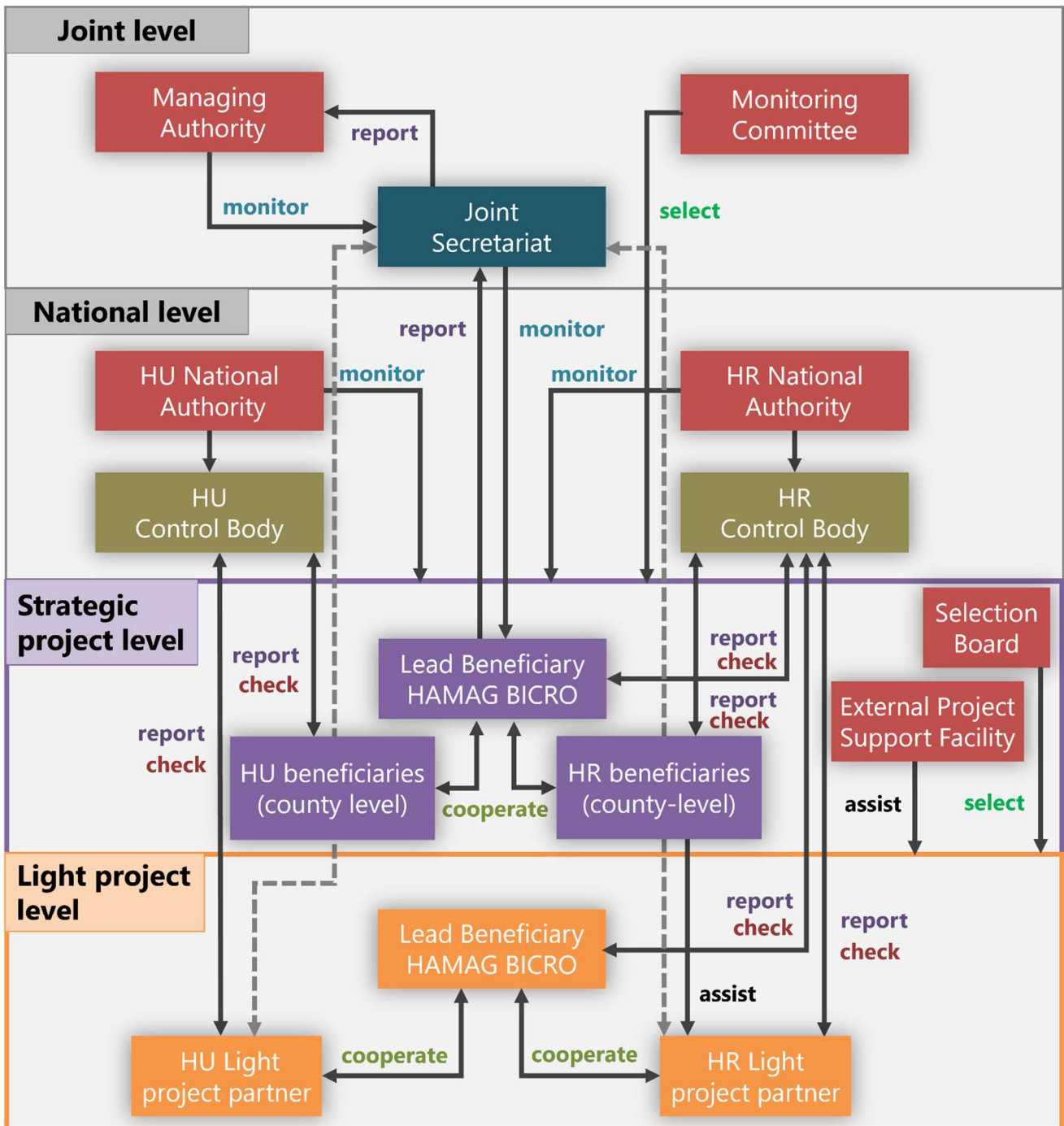
Stakeholder	Responsibilities
	<ul style="list-style-type: none"> • <i>takes part in the evaluation of the light concepts and proposals;</i>¹³⁸ • supervises the selection procedure delegating non-voting member to the Selection Board;
Lead Beneficiary (LB): HAMAG-BICRO	<ul style="list-style-type: none"> • bears responsibility for overall coordination of the implementation of the scheme; • signs the subsidy contract with the MA and the partnership agreement with the heavy beneficiaries; • coordinates the implementation of the scheme and the projects; • manages the call for proposals and the selection of the light partners; • takes part in the selection of light projects as voting members of the Selection Board; • signs the partnership agreement with light partners; • signs the service contract with the External Project Support Facility; • maintains the databases; • operates the online B Light Platform as the official web portal of the scheme; • submits the project level progress and final report (both for the strategic and light projects), accompanied with the payment claims to the JS; • transfers the grant amounts verified to the beneficiaries and to the light partners;
County-level beneficiaries	<ul style="list-style-type: none"> • promote and raise awareness about the scheme among SMEs; • play an active role in project generation; • organise promotion events, B2B meetings and consultations; • assist the SMEs in partner search; • participate in evaluation of light project concepts and proposals; • take part in the selection of light projects as voting members of the Selection Board;
Selection Board: <ul style="list-style-type: none"> • 7 heavy Bs as voting members; • JS and NA as non-voting members; • MA as non-voting member with right of veto. 	<ul style="list-style-type: none"> • selects the light projects;
Light partners: SMEs	<ul style="list-style-type: none"> • sign a partnership agreement with the LB; • implement joint investment projects to establish new business cooperation; • submit partner level progress and final reports to the territorially responsible FLCs; • provide in-depth information on their activities to the project level progress and final report;
External Project Support Facility	<ul style="list-style-type: none"> • provides project management assistance to SMEs in coping with the administrative and financial requirements and the language barrier;

¹³⁸ It was added to the responsibilities of the JS during the programming period.

The Programme Bodies not listed in the table (the Audit Authority, the Certifying Authority and the First-level Control bodies) took part in the implementation of the scheme in the same way as they do in case of the traditional projects. The role of the several actors in the implementation of the B Light is summarised in *Table 37*.

In theory, the design of B Light institutional structure (*Figure 82*) seems to be reasonable, however the cooperation of the many different actors has generated some problems during the implementation. First of all, the MA and JS delegated many crucial tasks to the HAMAG-BICRO, as coordinator of the scheme. However, the HAMAG-BICRO was seemed to be qualified to manage a strategic project such as the B-Light Scheme (since it has had professional experiences in management), the Interreg framework was a new sphere for the organisation. In practice, as a new actor, the HAMAG-BICRO did not have adequate experiences in supporting cross-border business cooperation and underestimated the human resource need of the implementation. According to the interviewees, the delegated staff members were not able to completely fulfil their tasks in the beginning. Furthermore, the set-up of the management structure and the design of the procedures started even before the selection of the LB, thus HAMAG-BICRO needed to start the operation of a partly-known system. Later on, the capacity shortages were partly compensated and the operation of the scheme became more stable, but redesigning the system of competencies and the procedures was necessary to this end, which, in fact, meant the better involvement of the Joint Secretariat into the management, the forms of which will be detailed in the followings. This unplanned connection between the JS and the SMEs is marked by dashed line on *Figure 82*.

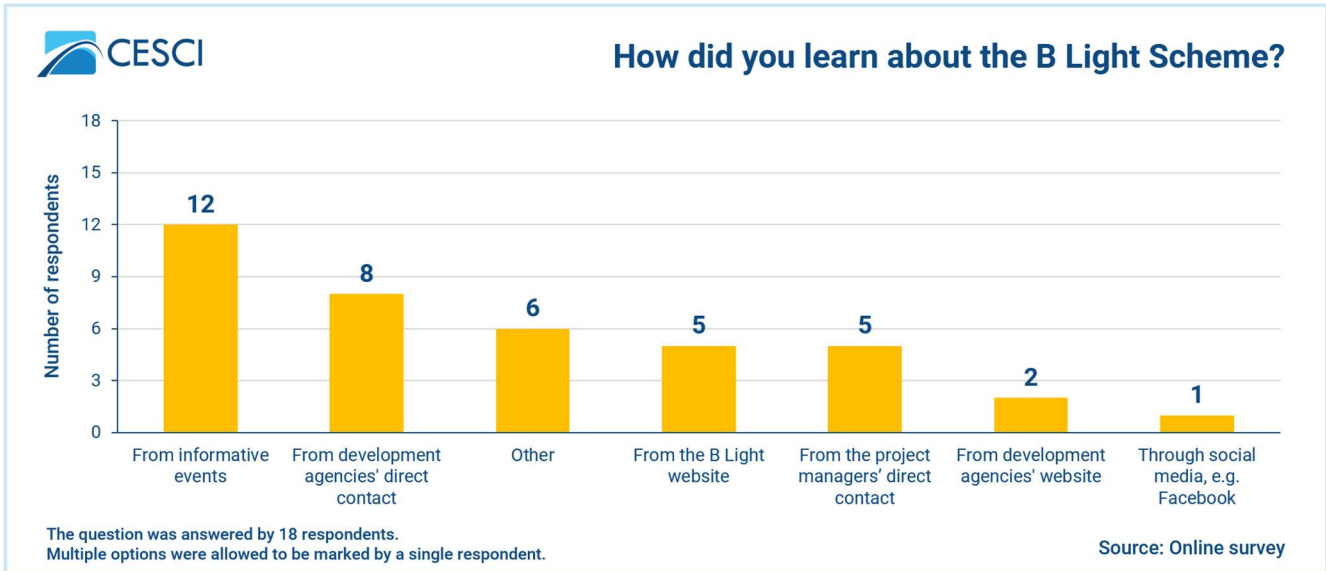
Figure 82: Management structure of the B Light Scheme



Taking into consideration the heavy beneficiaries (NUTS3-level actors), their role was wide-ranging in the implementation of the scheme. Their main responsibility was to target and involve the enterprises. According to the interviewees, the heavy beneficiaries made great efforts to inform about and attract the enterprises in the scheme. They used their websites, newsletters and social media platforms as main communication channels, but also organised different kinds of business events (partly financed from other projects) and involved their partners (e.g. accountants, the Enterprise Europe Network, etc.) in the popularisation activities. According to the online survey, 44% the respondents were informed directly by the heavy beneficiaries about the scheme while many of them were reached through information events (67%), the website of the B Light Scheme (28%), or the development agencies (11%). 28% of the

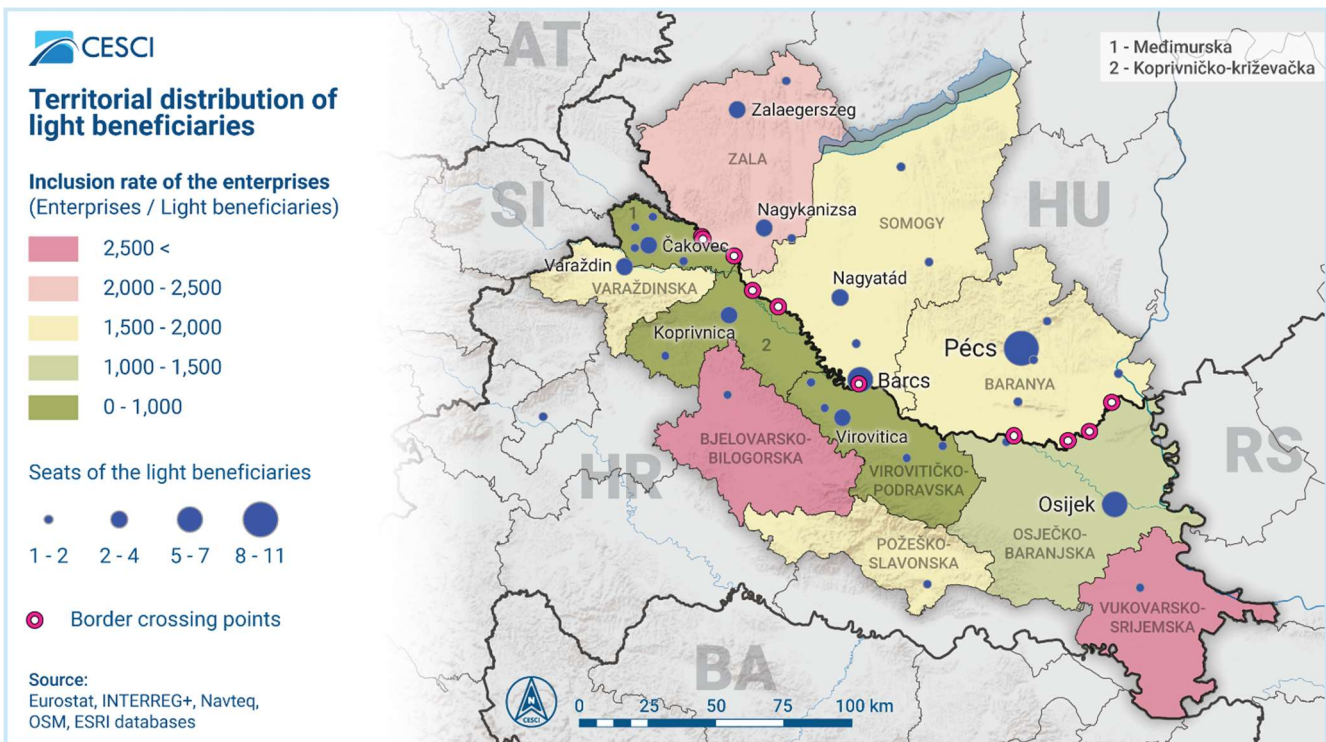
light beneficiaries were invited by project management service providers and 33% of them selected the other option, which included the invitation of a partner across the border and the territorially competent Chambers of Commerce.

Figure 83: Answers to the question: How did you learn about the B Light Scheme



In addition, according to some of the interviewees, the heavy beneficiaries were able to efficiently target the SMEs in their already existing networks, but the involvement of new enterprises was less successful. This approach tends to negatively affect the quality of the project and the impact of the programme on the SME sector.

Figure 84: Territorial distribution of light beneficiaries



Regarding the territorial distribution of the light beneficiaries, it can be considered uneven. The larger urban and economic centres, as well as areas of higher development level tend to outperform the rest of the areas. The inclusion rate of the enterprises indicates how the number of enterprises in the NUT3 unit compares to the selected SMEs. Reddish areas show those regions where relatively (to the total number of operating enterprises) low share of enterprises received support from the Programme.

There are only few beneficiaries located in typical rural areas and small towns, underlying a strong urban-rural divide. Apart from the Pécs–Osijek axis, the coverage can be regarded good in Zala, Međimurska and Varaždinska. The most business-related and impactful projects were initiated in areas with already strong entrepreneurial potentials, i.e. in and around Varaždin and Čakovec. Weakly covered areas include microregions from north of Nagyatád in Somogy vármegye, in the Pécs–Osijek–Barcs triangle, furthermore the non-bordering regions of Croatia excluding Varaždinska županija.

Besides the involvement of SMEs, the heavy beneficiaries were in charge of supporting the SMEs to generate high-quality business cooperation projects, as well as evaluating the project concepts and proposals, then make the funding decision via the Selection Board. In theory, the staff members involved in the evaluation phase should have been different from the persons involved in the generation of the light project proposals in order to avoid conflict of interest. However, according to the interviewees' experiences, the separation of the competencies was not completely successful in each case, and all the county-level actors were motivated to channel as much EU funds into their region as possible. All these risked the transparency of the light project selection and negatively impacted the quality of the projects.

In order to overcome this malfunction of the management structure, the quality assessment and decision-making procedures were finetuned accordingly:

1. instead of assessing the project proposals from their own county, the delegates of the heavy Bs evaluated those coming from the neighbouring region;
2. beside the heavy beneficiaries, the JS – as a completely new actor – was involved in the quality assessment: the experts of the Secretariat evaluated all the light project concepts and proposals;
3. the weighting of the scoring was modified: the average scores given by the 1 HU and 1 HR experts of the Bs were taken into consideration besides the scores of HAMAG-BICRO and the JS.

Furthermore, the project proposals with highly different scores were discussed in detail during the Selection Board meetings. According to the stakeholders, the objectivity and transparency of the selection procedure have been significantly improved, but there is still room for finetuning (e.g. to determine a minimum threshold at each evaluation aspect, as a rejection criteria or to avoid approving light projects with unjustifiably high scores that are difficult to implement).

The External Project Support Facility, as a pool of external experts has been contracted by the LB in order to support the light partners during the lifetime of their projects. The EPSF consisted of the experts of the PJR Consulting and the Deloitte Croatia (the latter has also a branch in Hungary). According to the experiences these experts are proficient in EU funded projects, but not within the Interreg-A environment. Furthermore, the procedure for their involvement into light projects' implementation was not appropriately designed: the LB has been formally in contact with the experts through the service contract, but coordination of the contacts between the EPSF and the light partners (managed by the LB) could have been more efficient, as some of the light partners did not utilise the 'free-of-charge' consultancy service. In addition, no feedback on the regularity and quality of their participation was

required from the light beneficiaries, which made their participation in the B Light implementation rather silent.

At the same time, the light beneficiaries needed the assistance from the programme management side in order to tackle the administrative difficulties. As a result, the intervention and deeper involvement of the Joint Secretariat became inevitable for the smooth management of the B Light Scheme, which obviously negatively impacted their workload.

The Managing Authority, bearing the overall responsibility over the operation of the scheme, tackled the B Light Scheme as a pilot test. However, it continuously monitored the implementation of the tool, that was slightly hindered by the fluctuation of the programme managers within the institution. The right to intervene was partly delegated to the Joint Secretariat, which strengthened the involvement of the JS compared to the initial idea.

The cooperation between the managing bodies was basically evaluated as good and smooth. The MA and the JS indicated that especially in first years of the operation, the information flow between the heavy beneficiaries and the programme authorities was not intensive enough, which has been gradually improved.

2.5.1.4 Assessment of the specific features of the light projects' implementation

The management structure of the B Light Scheme has been designed in light of the fact that SMEs represent a completely new target group in the Programme. These new actors do not necessarily have experiences in and capacity to build cross-border partnership, working in a multilingual environment, participating in complex and lengthy administrative procedures, which tend to not characterise the similar schemes financed from national sources. In order to attract the SMEs and overcome the aforementioned challenges, a special approach was necessary not just in case of the institutional structure, but when designing the framework of the light proposals and the procedures of their lifespan.

According to the CP, small and medium sized enterprises meeting the requirements of the EU level and national legislation¹³⁹, and having a seat or branch registered and acting in the eligible programme area for at least for one year were eligible for funding. Additionally, in order to decrease the risk undertaken by the programme, the stability of the enterprises have been also taken into consideration: SMEs needed to have at least one closed business year, at least one employee and a positive equity. In terms of the partnership, at least 2, but maximum 4 SME partners from the two sides of the border were required to participate in the implementation of a light project. Thus, partnership building between SMEs was crucial.

According to the online survey, the heavy beneficiaries and project management service providers were the most important actors in this field, but previous business relations were also important when

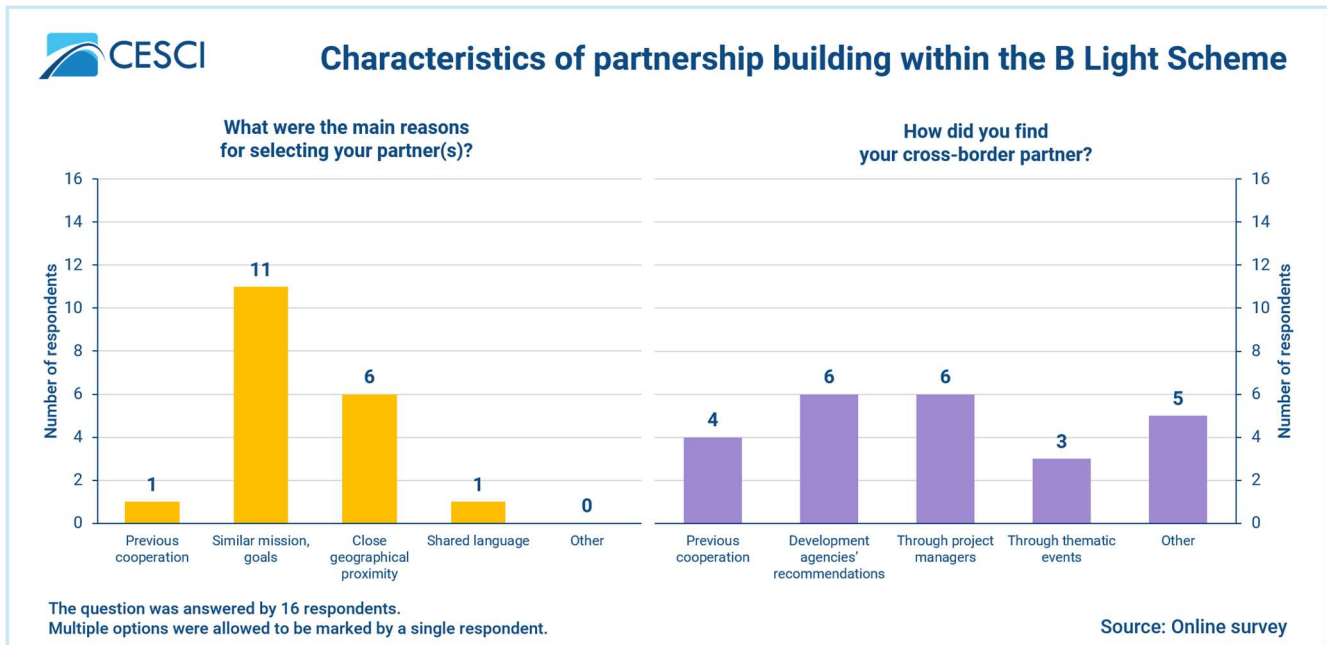
¹³⁹ Commission Regulation (EU) No 651/2014 of 17 June 2014 declaring certain categories of aid compatible with the internal market in application of Articles 107 and 108 of the Treaty (Text with EEA relevance) Text with EEA relevance

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building the partnerships. Those who selected the other option, mostly mentioned the B Light partner search tool available at the website of the scheme. The main reasons of the partner selection were the similar mission or goal of the concerned SMEs and the geographic proximity.

Figure 85: Characteristics of partnership building within the B Light Scheme

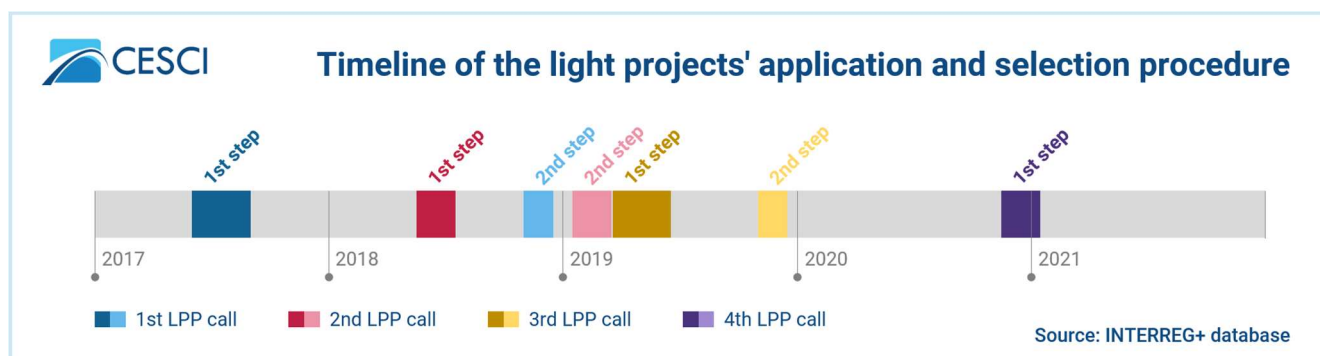


According to the interviewees, the heavy beneficiaries made significant effort to support the SMEs in building new partnerships, but the experiences show that those cooperation structures were the most successful during the implementation where previous business relations had already existed before.

The **application** was designed as a two-step procedure in order to lighten the administrative burdens of the partners: first, a broadly defined project concept had to be submitted, after which the selected applicants were invited to elaborate a more detailed project description with all the necessary annexes. In practice, the introduction of the two-step model made the application and selection procedure so lengthy, that the reasonability or sometimes even the financial viability of the projects became questionable because of the quickly changing market conditions. One of the survey respondents indicated that their construction bids being valid for 90 days had expired by the time the application had been approved. Due to the price increases, the supplier would have undertaken the work for an amount which was HUF 15 million higher than the original bid.

During the 1st LPP call for proposals, applicants needed to wait around 2 years for starting the implementation after submitting their project concept. This timeframe was gradually decreased during the 2nd and 3rd LPP calls to 1-1,5 year. Then for the last LPP call, a 1-step procedure was introduced which resulted in a 6-month waiting time, which proved to be more suitable and feasible for the enterprises.

Figure 86: Timeline of the light projects' application and selection procedure



The **contracting procedure** differed from that of the normal projects. From administrative and legal points of view, the B Light Scheme was one single project, concerning that the LB signed the subsidy contract with the Managing Authority. The light partners entered the scheme by signing a partnership agreement with HAMAG-BICRO, which was added to the original subsidy contract as an addendum. The steps of this procedure were the followings:

1. The original partnership agreement between the heavy beneficiaries was modified by an addendum to include the light partners' information, activities and outputs.
2. The partnership agreement addendum was signed by the LB (HAMAG-BICRO) and the light partners of the selected light project.
3. The partnership agreement addendum, together with the de minimis self-declarations from the light partners were sent to the JS.
4. The responsible programme manager of the JS prepared and sent a note on the compliance of the documentation to the MA and the funding automatically came into effect.

As for the **implementation**, SMEs were involved as light partners, while it was HAMAG-BICRO taking the lead in each light project. This lead beneficiary role without budget of HAMAG-BICRO was introduced due to technical reasons: in this manner

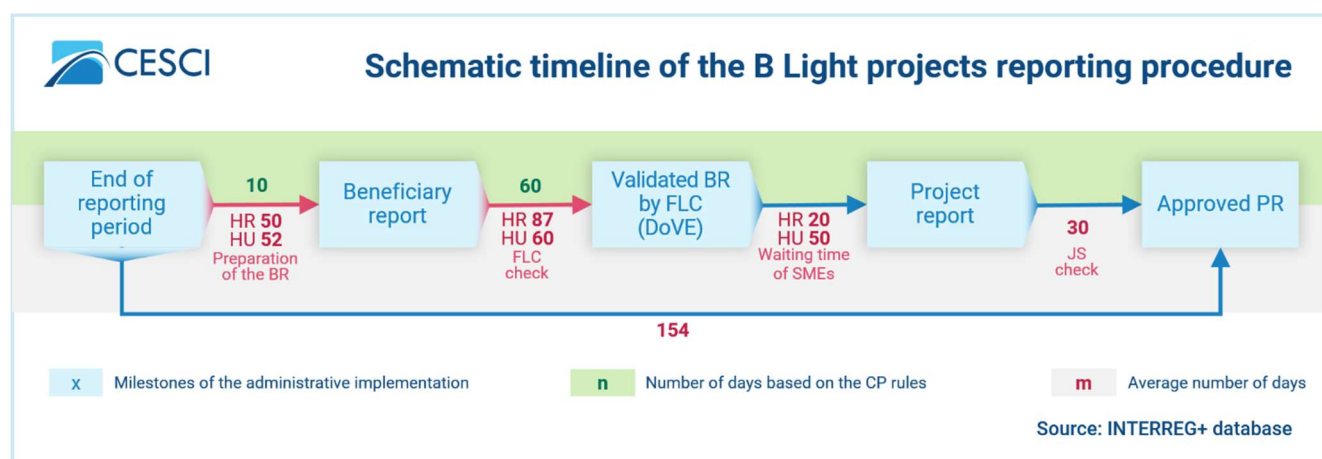
1. the LB as a business support organisation was directly concerned in each project, enhancing its commitment in their smooth and effective implementation;
2. the SMEs did not need to undertake the risk of being financially responsible for the activities of the partner SME(s);
3. each light project could be registered to the INTERREG+ system, which definitely simplified the administration (electronic administration instead of a paper-based solution), monitoring and ex-post evaluation of the projects.

During the interviews and the survey, stakeholders highlighted the language issue as a main difficulty of the implementation. Hungarian-Croatian bilingualism is not frequent in the region, in addition many of the entrepreneurs do not have an appropriate English language knowledge for being able to implement such projects. These shortages meant a challenge both during the administrative procedures, but also in terms of the communication and cooperation between the partners. It was the responsibility of the HAMAG-BICRO and the External Project Support Facility to bridge this gap. At the same time, there were language deficiencies at these actors too: the HAMAG-BICRO do not have a staff member speaking Hungarian, while the Hungarian members of the EPSF have left the organisation

during the implementation period. As a result, they were not able to efficiently fulfil this task during the everyday implementation of the light projects.

Regarding the procedures of the implementation, light projects did not significantly differ from the standard projects: the complex administration and the lengthy reporting and reimbursement procedures burdened the SMEs similarly to the standard beneficiaries. At the same time, the financial framework of the SME support was more disadvantageous: as a de minimis aid, up to EUR 160-180,000 were offered to each light partner. The co-financing rate was 75%, which is lower than the maximum determined by the concerned regulation (85%), but higher than those of the mainstream operative or national development programmes. The rate was set during the programming period in a way to attract SMEs in the B Light Scheme. The remaining 25% had to be provided by the SMEs from their own resources without national co-financing. The most problematic element of the financial framework was the lack of advance payment, which made pre-financing necessary for the SMEs. In many cases SMEs filled this financial gap from bank loans. In light of this, it is worth assessing the reporting procedure.

Figure 87: Schematic timeline of the B Light projects reporting procedure



According to the implementation manual of the B Light Scheme, payment of co-financing was expected to take place in approx. 120-150 days following the end of each reporting period. For evaluation purposes, the number of days between the end of the reporting periods and the approval date of project reports were calculated, based on the INTERREG+ database. The average value is 154 days (there is no significant difference between the Hungarian and Croatian side in this term), which only slightly exceeds the maximum of the indicated period. But it does not include the duration of the transfer from the programme authorities to the LB (HAMAG-BICRO), then the transfer to the light partners, which need additional 10-20 days. It should also be noted that the maximum waiting time for approving the project report was 505 days (almost 1,5 years), which is extremely long.

The reasons behind this phenomenon are diverse. First of all, the light partners tend to not be able to submit their project reports within the determined timeframe (only 25% of the beneficiary reports arrived in due time). It was the responsibility of the EPSF experts, the HAMAG-BICRO and the county-level agencies to assist the SMEs in the preparation of their reports. Many of the stakeholders reported that the EPSF could not efficiently assist the light partners in this sense partly because of the shortages in their Interreg-A related experiences and the low level of their involvement. In any case, the SMEs were motivated to carry on the administrative tasks because of the financial pressure, many of the beneficiary

reports were inappropriate which led to long completion procedures, and even requests for resubmission of the documentation. Furthermore, the time-consuming data transfer between the two monitoring systems could have also contributed to the prolongation of the reporting process.

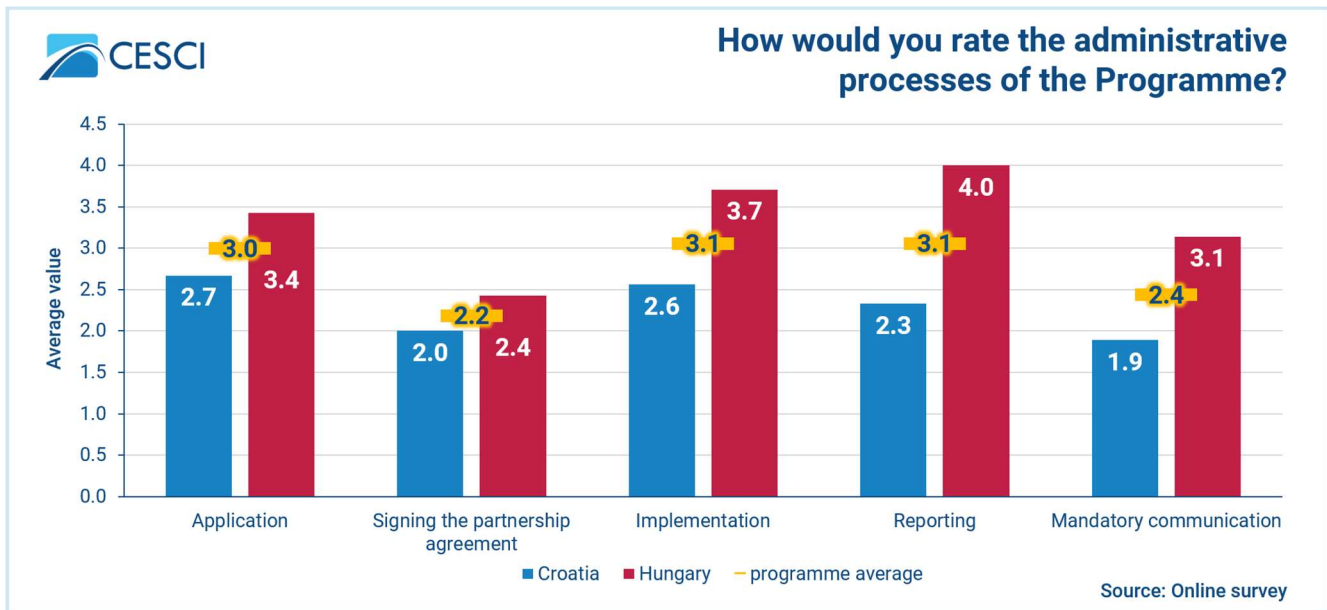
In many cases, significant mistakes in the administration were made by the light partners because of information shortages (e.g. inadequate procurements or event organisations), but sometimes even the major (cross-border) elements of the project plans were missing. This latter one can be explained by the fact, that the project applications were developed by external experts, who were able to ensure meeting the Interreg requirements on paper, but the light partners were not completely informed about these tasks. As lead beneficiary, it was the HAMAG-BICRO who should have put greater emphasis on continuously monitoring the SMEs' activities during the project implementation.

The duration of the FLC checks also reflects on these factors: the validation of the beneficiary reports needed 73 days on average instead of the 60 pre-defined by the CP rules. It is important to highlight that the FLC check was significantly more time-consuming on the Croatian side (similarly to the normal projects), which stemmed from the systematic differences in the operation of the FLCs on the two sides of the border. As a result, in 75% of the cases, the Hungarian SMEs needed to wait for the results of the Croatian FLC check over the Croatian beneficiary reports in order to submit the project report and claim for reimbursement by the LB. The longest waiting time was 440 days.

The project reports were submitted to the JS by the HAMAG-BICRO as the lead beneficiary of the light projects. According to the INTERREG+, the LB was able to quickly react after the approval of the last beneficiary report (either on the Croatian or the Hungarian side) and submit the project level documentation. At the same time, the JS noted that the project reports were created by merging the content of the beneficiary reports, without checking their completeness and appropriateness (unlike the conditions set in the partnership agreements). The FLC on-site visits shed light on these problems mainly on the Hungarian side, but in Croatia the checks tended to be missed even after the COVID-19 pandemic. In some cases, it resulted in the phenomenon that the Croatian part of the delivery followed the contract on paper, but not or only partly in reality, which came to light during the JS' checks of the project reports.

These shortages generated further burdens on the Joint Secretariat, which obviously further increased their workload and lengthened the reporting and reimbursement procedures. In order to overcome this problem, at the second round of the light projects' selection, similarly to the normal projects, the JS introduced the practice of mandatory consultation with each light partner, where the content of the projects and the requirements from the Programme's side were discussed. The HAMAG-BICRO was also involved in these meetings, in order to build their capacities in the field of assisting the SMEs in this way.

Figure 88: Answer to the question: How would you rate the administrative processes of the Programme?



According to the survey (Figure 88), the light beneficiaries found the scheme's procedures moderately difficult. The most problematic element of the project cycle was the project implementation and reporting, followed by the application procedure. At the same time, the signature of the partnership agreement or meeting the communication requirements of the CP did not cause significant difficulties to the light beneficiaries. Regarding the simplification measures, the respondents were satisfied with the use of electronic documents instead of the hard copies and the simplified cost option (an average of 3.69 points out of the 5 in both cases), while the public procurement process (2.94 points) and the State aid rules (3.19) were found the most dissatisfactory elements.

The assistance provided by the management bodies had been a crucial element of the B Light Scheme, because it would have ensured the alleviation of the administrative burdens of the SMEs. According to the survey (Figure 89), the light beneficiaries found the assistance provided by the HAMAG-BICRO acceptable or good concerning all phases of the project cycle. In terms of the cooperation with the management bodies (Figure 90), the External Project Support Facility (an average of 3.19 out of the 5) was found the least supportive, and the highest average score belongs to the HAMAG-BICRO (4.13 points).

Figure 89: Answer to the question: How would you rate the assistance provided by the HAMAG-BICRO?

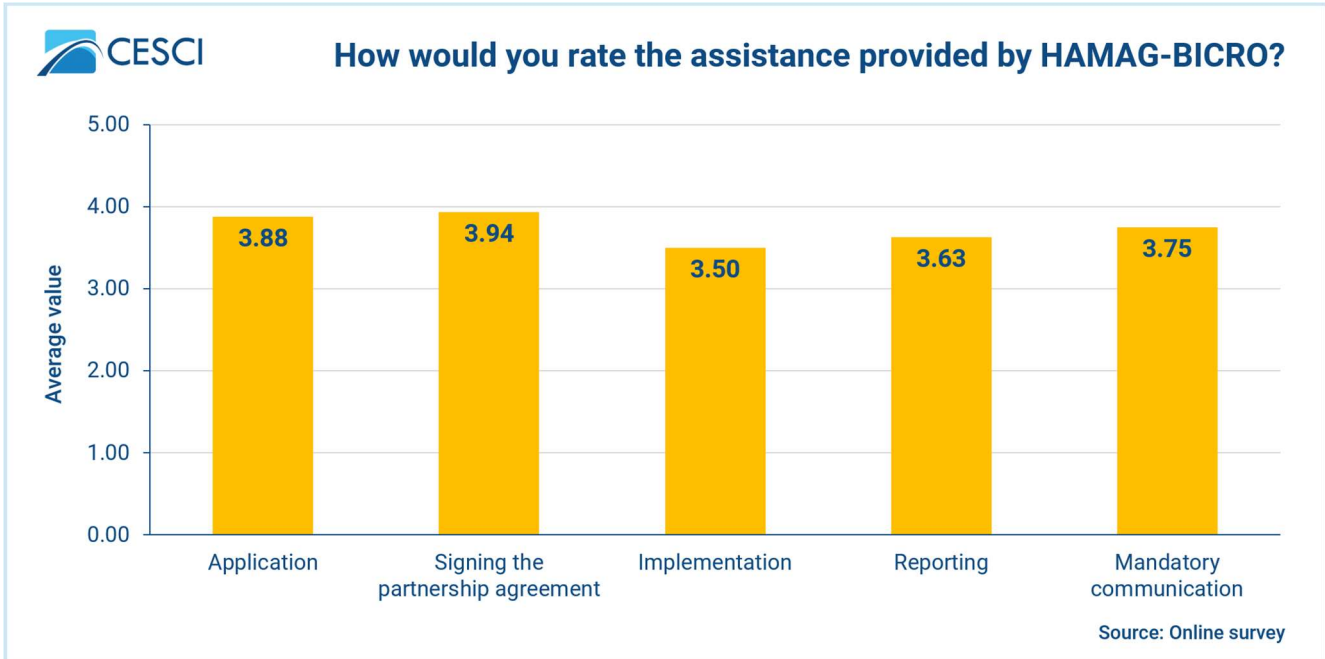
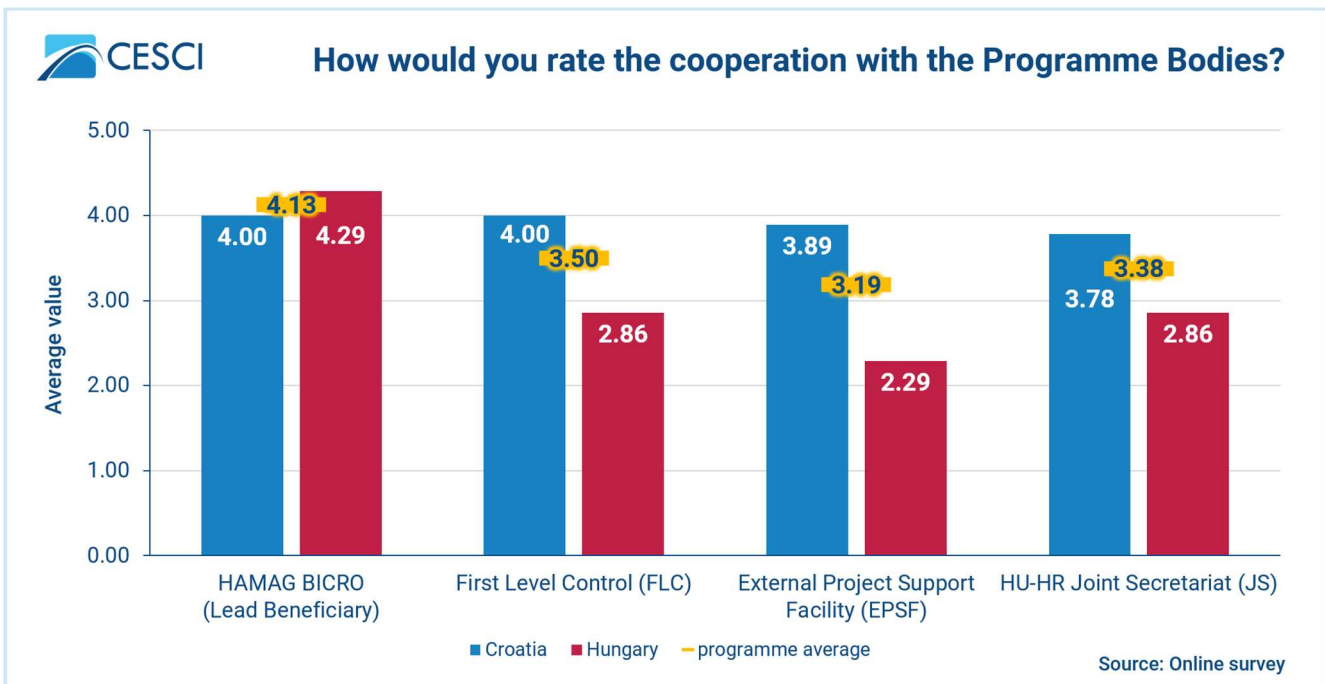


Figure 90: Answer to the question: How would you rate the cooperation with the Programme Bodies?



At the same time, the interviews and the expert assessment pointed out many problems in this field. First of all, the many actors, including the HAMAG-BICRO, the county-level agencies, the EPSF, the JS and the external managers contracted by the SMEs at later stages (mainly in the 4th round), were in charge of these assistance. At the same time, the exact competencies, roles and involvement of these many actors were not exactly clarified at least for the SMEs, which led to ad-hoc and inefficient solutions. From a financial point of view, the Programme offered 100% ERDF support to the heavy Bs to assist the

SMEs, allocated funds to the External Project Support Facility. After the partial failure of the system, the JS needed to undertake extra burdens and the SMEs started to contract external project managers more intensively. Hiring external project manager was possible (but not required) in all calls for proposals, but in most of the cases, the involvement of an external expert did not result better project management or higher quality reports. All these together raise cost-efficiency concerns. Accordingly, the validation of the expenditures concerning the ESPF by the Programme is still questionable.

2.5.2 Strategic projects

After having a so called priority project in the 2007-2013 programming period, the current Cooperation Programme supported 4 operations with strategic relevance. These strategic projects were not selected through open calls for proposals, instead the Task Force and the Monitoring Committee, as the decision-making bodies of the programming and implementation phase decided to support them. Two strategic operations (the '*De-mine HUHR II*' and the '*B Light Scheme*') were included into the Cooperation Programme as a result of the programming procedure, but the other two project have been initiated during the programming period.

Within the subchapter, strategic projects were assessed in terms of their contribution to stronger cohesion and wider citizens' involvement in cross-border activities with a qualitative approach. The decisions of the Monitoring Committee, the interviews, the results of the online survey, the INTERREG+ database, and technical description of the projects were used for the assessment.

2.5.2.1 De-mine HUHR II

'De-mine HUHR II', implemented under PA2, is the continuation of the earlier cooperation of the two Member States' authorities for the removal of landmines along the border. As a result of the homeland war that lasted from June 1991 until the end of 1995, some parts of the border have been still contaminated by mines. Some of the minefields reached even the Hungarian territory at the border line between River Drava and River Danube, causing direct life danger to the inhabitants. During the previous Project 'De-mine HU-HR I' 118 pieces of mines were found and destroyed. In addition, not only the mine-suspected areas were defined, but also data were collected on UXO (unexploded ordnance, such as hand grenades, mortar shells, etc.) suspected areas at both sides of the border. As a result of the project, it has become apparent that there were still mines and UXO suspected areas along the river Drava on Croatian territory and UXO suspected areas in Hungary close to the borderline in the vicinity of the Beli Manastir-Osijek corridor.

This operation of the last CP served as a starting point to the currently analysed strategic project. The preparation started even in the programming phase under the supervision of the Task Force. The full documentation, necessary for starting the contracting procedure, was received by the JS in February 2016, and the funding decision was made in the beginning of 2016. The strategic project has been an agenda point at all MC meetings organised until then, where the members receive the latest information about project preparation and implementation.

The *De-mine HU-HR II* was launched on the 1st of June 2016, with a 2,999,989.74 EUR amount of contracted ERDF support. It aimed to carry out a deeper survey than before, at a depth of at least 1.5 metres, and to clean the designated land from any residual war contamination. The experts identified the area along the river Drava on Croatian territory (covering the Municipality Draž and minefields along the river Drava from the D1 border stone to the Town of Belišće) and in Hungary covering the territory of the Danube-Drava National Park and other administrative areas of the municipalities of Old, Sátorhely, Udvar and Kölked. The bomb-disposal experts have compiled an information database of UXO suspected areas, which has resulted in that a third of the project's target area of 3.4 km², a border area of about 1.1 km², needs to be cleared. Within the project duration, 240 landmines and 66 UXOs were found and destroyed in Croatia, and 1,431 kg of metal contamination (bombshells, grenades, ignition devices, machine gun ammunition) was detected and destroyed, as well as environmental rehabilitation was carried out on the Hungarian side. Last but not least, the renovation of the official border stones could also be managed as part of the project. (Many of the old and removed stones still read 'Hungarian Peoples' Republic' and 'Federal Republic of Yugoslavia'.) The project was successfully closed on the 31st of May, 2018 with a 99% EDRF validation rate.

This strategic project could be assessed as a crucial basis and pre-requisite for strengthening the territorial cohesion in the border region since it was necessary for exploiting a significant share of the joint territorial capital. Without the two projects in a row, the border would stay hardly permeable and construction of cross-border infrastructure and the realisation of integrated economic developments won't be possible. Since the Hungarian territory was fully cleared during the programming period, the initiative will continue on the Croatian side, outside of the Interreg framework.

2.5.2.2 B Light Scheme

The PA1 was dedicated to the supporting of SME cooperation across the state border, based on the Project Partner Light model of the Dutch-German Interreg V-A Programme. The so called B Light Scheme partly functions like a strategic project and partly like a grant scheme. In the programming phase of the CP, it was decided to delegate the operation and management of the scheme to 8 project partners experienced in SME development within the framework of an operation of strategic relevance.

The project started on the 1st of February 2017 and finished at the end of April 2023. In-between, the beneficiaries of the strategic project were responsible for involving SMEs into the Programme and assist them in the successful applications and project implementation.

Detailed analysis on the operation of the B Light Scheme can be read in chapter [2.5.1 B Light Scheme](#).

2.5.2.3 MuKoBridge

The *MuKoBridge* project aimed at elaborating the technical documentation for the construction of a new Mura bridge, as well as the related road infrastructure at Murakeresztúr and Kotoriba. However there exists a railway bridge, it does not offer any infrastructure for road transport and it cannot be made accessible for road traffic because of its capacity. A new bridge would be necessary to increase the permeability of the border in this subregion. The idea was first included in the Concept for Muramente small region prepared in 1996, then in 2007, plans and studies were prepared for the

construction. In 2018, the long-term efforts of regional stakeholders resulted in reaching the next milestone: a joint political statement has been concluded reflecting on the commitment of municipalities on both sides to strengthen cross-border cooperation and developing direct road accessibility at the surroundings of Murakeresztúr and Kotoriba. Two years later, in 2020 a Memorandum of Understanding was signed by Hungary and Croatia, that expressed joint intention to cooperate and paving the way for concluding a Governmental Agreement between the two countries. In parallel, the National Authorities of the two countries, in line with the intentions of the local actors, initiated the *MuKoBridge* project, aiming at reviewing the existing version and developing of a new feasibility study for a new bridge for road transport to be established over the border river Mura.

The relevant authorities (NIF Zrt. and Hrvatske ceste d.o.o. responsible road transport infrastructure development), together with the Mura Region EGTC submitted the project documentation to the Monitoring Committee, which approved the proposal with the condition that the requested ERDF funding can be covered from the budget of the relevant investment priority after the decisions on funding according to the ranking list of the HUHR/1902 open call for proposals. Since the leftovers of the component 2.1.2 reached the requested EUR 782,335 ERDF support, the strategic project was approved in January 2020.

The project implementation started in the beginning of 2020 and was planned to last for 34 months. Due to the COVID-19 pandemic and the earthquake consequences in Zagreb, some delays occurred in the public procurement procedure on the Croatian side. The Croatian beneficiary found many obstacles and restrictions which needed to be considered, evaluated and analysed in order to find acceptable solution to the joint planning. The project needed an additional 3 months to finish the tasks, thus it finished at the end of March 2023. The latest project report was submitted in June 2022, after that the accumulated ERDF amount was only EUR 61,487 meaning an extremely low validation rate (below 8%¹⁴⁰). At the same time, according to the interviewees, beneficiaries managed to overcome the difficulties and achieve the planned goals.

As a result of the project, a review and update of the feasibility study plan and environmental documentation of the new bridge (1,595 m long, 2x1 lane cross-border road with 7.5 m pavement and 11.0 m roadway width), as well as a cycle path running alongside the bridge and the related road infrastructure was elaborated on the Hungarian side. On the Croatian side, a feasibility study plan for a new road with 2x1 lanes of approximately 800-1,200 m and the bicycle path is under preparation.

The project serves as the basis for establishing a new border crossing point which would enhance the elimination of territorial barriers and bottlenecks, thereby strengthening the socio-economic integration across the border. The territorial cohesive aspect of the new bridge is obvious, thanks to its contribution to the resolution of a missing link problem. The territorial impact of the project is microregional, because the neighbouring crossings are not so far (21 and 37 km), but the magnitude in this microregion is high (e.g. from Murakeresztúr to Kotoriba, the distance will be 6 km and 8 minutes, instead of 48 km and 50 minutes). The project itself prepared the aforementioned infrastructure developments by providing the technical plans for the future realisation, therefore the project's real cross-border integrating power

¹⁴⁰ At the time of compiling the present report, a legal succession process at the LB (from NIF Zrt. to Ministry of Construction and Transport) is hampering the reporting procedures, contributing to the abovementioned low percentage.

depends on the continuation. At the same time, this continuation is impossible without the implemented joint planning project.

2.5.2.4 CBJointStrategy

The issue of programming the next CP for the 2021-2027 period raised up at the 7th MC meeting in November 2018. The Managing Authority indicated that since the EGTCs are expected to have a more prominent role in the future at a European level, it is the intention of the MA to include them in the elaboration of the future programming document in line with the principle of subsidiarity. The Pannon EGTC is a regional actor of the programme area, bringing together NUTS3-level authorities: the counties of Baranya, Somogy, Tolna and Zala in Hungary, the counties of Virovitica-Podravina, Osijek-Baranya, Međimurje and Koprivnica-Križevci on the Croatian side, and the Prekmurje region in Slovenia.

The EGTC elaborated and submitted a detailed project proposal, which was followed by several rounds of commenting and consultations of the MA, Croatian NA, JS and the partnership. The EGTC presented the proposal at the 8th MC meeting (in May 2019), where the Croatian side expressed concerns and requested detailed answers from the applicants, in order to ensure the quality results of the project. The main questions were related to

- the role of the Slovenian members of the EGTC in the project,
- the expected results and the outputs of the project,
- the incorporation of the Croatian side in light of the fact, that external consultants were planned to be involved from the Hungarian side,
- the justification and sustainability of the capacity building of the EGTC (new employees) within the framework of the project,
- as well as the involvement of regional stakeholders.

The decision on the funding of the pilot project was postponed until answers were elaborated by the EGTC and incorporated into the Application Form. After the modifications, the project proposal was approved during a written procedure in July 2019.

The project started on the 1st of September 2019, with a EUR 246,154 amount of ERDF support contracted. The project's overall objective was to facilitate the efficient joint development of the HUHR region by analysing the current situation, the policy environment and assessing the impact of the current CP, as well as to provide a common strategy jointly formulated by the various participants of the programme area. In addition, the development of 5 strategic project ideas forming the basis for future development actions were planned. The central government bodies, local authorities, and territorial and economic development actors of both countries were involved into the process through surveys and events.

During the project implementation, the EGTC submitted 3 modification requests to the Joint Secretariat about extending the project duration due to unforeseen delays in the programming process and the adoption of crucial documents: the draft Interreg Programme document for the 2021-27 period was approved by the Programming Committee with a significant delay in March 2022, which also hindered the detailed elaboration of the strategic project ideas. After the adoption of the draft CP, there were still open negotiation among the two Member States on certain issues, and more time was needed for the

development of the strategic projects. As a result, the *CBJointStrategy* project was 20 months longer than originally expected and lasted 44 months.

At the same time, further amendment concerning the approval of the 5 complex strategic project ideas elaborated has been initiated by the Programme Bodies in order to avoid conflict of interest (strategic operations both programmed and to be implemented by the Pannon EGTC). According to this, instead of approving, the Programming Committee role was to discuss and give green light to the 5 complex strategic project ideas, however it is the future HUHR Monitoring Committee of the 2021-27 programming period to decide about the eventual approval and funding of any of those 5 conceptual ideas as strategic projects.

However the programming phase of the next CP is still in progress (since it has not been submitted to the European Commission yet), the strategic project was closed on 30th of April 2023.

The delegation of the programming of the next Cooperation Programme to a regional actor is a positive step towards increasing the ownership among local and regional stakeholders, as well as strengthening the embeddedness of the Pannon EGTC into the institutional landscape of the border region. At the same time, both the impact assessment and programming tasks used to be form part of the Technical Assistance Priority Area (PA5). In practice, it means, that instead of using the TA funds for delivering the aforementioned tasks, the budget of the thematic PA was burdened by the strategic project, the financial volume of which was 1.3 times larger than the average-sized projects under the 3.1.1. component.

In addition, the Pannon EGTC did initially not have the human capacity to deliver these tasks: besides involving subcontractors to the implementation, 4 new positions were established (a project leader, a financial manager, and two professional experts) at the EGTC for the project, 2 of them meant completely new employees. In case of the further ones, it was a change in their status: having an employment contract instead of being a temporary external service provider. Furthermore, the Programme massively contributed to the capacity building of the EGTC (the number of employees were increased from 5 to 9), but the sustainability of these new positions is questionable, especially considering the delay in the start of the new programme and the uncertain position of the operations with strategic relevance.

3 ANNEX

3.1 List of the projects

To ensure the clarity and readability of the evaluation, the abbreviations of the projects are used in the main text. At the very first mention of a project, a footnote helps the reader to identify the full name and ID code of the project. The complete list of projects is shown in the next table.

Table 38: List of the projects

Name of the Call for Proposals	Project ID	Project acronym	Project title
Strategic project (2015)	HUHR/1501/2.1.4/0001	De-mine HU-HR II	De-contamination of war-affected territories
1st Call for Proposals (2016)	HUHR/1601/2.1.1/0001	Cycle in a network 2.0	Cycle in a network 2.0 - Improved cycling connections of South-Zala and Međimurje across space and time
	HUHR/1601/2.1.1/0003	Bike&Boat	Cross-border cooperation in multimodal tourism
	HUHR/1601/2.1.1/0006	EV13 Gap	EV13 Gap: Filling the gap - completion of the cross-border section of EuroVelo 13 between Drávatamási and Virovitica
	HUHR/1601/2.1.1/0008	BYPATH	BicYcle PATH that connects Mailath castle and Siklos fortress
	HUHR/1601/2.1.1/0009	Happy Bike	Unlimited bicycle experience along the Mura and Drava rivers
	HUHR/1601/2.1.1/0011	Cyclo-Net	Extension of cross-border cyclotourism networks through development of capillary bicycle paths in Križevci and Zalakaros
	HUHR/1601/2.1.2/0004	Two Rivers one Goal	Sustainable water tourism along Mura and Drava River
	HUHR/1601/2.1.2/0006	Sokci	Converting the region's Sokci cultural heritage assets to tourism attractions

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Name of the Call for Proposals	Project ID	Project acronym	Project title
	HUHR/1601/2.1.2/0010	Attractour	Revitalisation of cultural heritage into tourism attractions in Međimurje and Letenye area
	HUHR/1601/2.1.2/0011	Preradović & Csokonai	Preradović & Csokonai - celebration of romantic poets of the cross-border area
	HUHR/1601/2.1.2/0013	HU-CRO Wine Stories II	Hungarian-Croatian Wine Stories II
	HUHR/1601/2.1.2/0014	Tourism 4 All	Common tourism development of natural and cultural assets of Suhopolje-Noskovačka Dubrava-Zselic Starry Park
	HUHR/1601/2.1.2/0016	Green Baranja / Baranya	Green Baranja / Baranya - greening the tourism through innovative products in joint nature and landscape heritage
	HUHR/1601/2.1.3/0008	Bee2Be	Cross-border touristic routes of honey & bees
	HUHR/1601/2.1.3/0010	DRAWA	Development of touristic navigation on Drava waterway between sections of 0+000 – 198+600 rkm
	HUHR/1601/2.1.3/0022	Eat Green	Sustainable table - Culinary traditions and innovations along Baranya Greenway
	HUHR/1601/2.1.3/0024	CultuREvive Tour	Sustainable development of eco - cultural tourism of Koprivničko-križevačka county, Međimurska county and Zala county
	HUHR/1601/2.2.1/0002	Oak protection	Protection of the English oak in the cross-border area
	HUHR/1601/2.2.1/0004	RED FAITH	Restoring Ecological Diversity of Forests with Airborne Imaging Technologies
	HUHR/1601/2.2.1/0016	Aljmaski rit&Boros Drava	Ecological revitalization of Boros-Dráva and Aljmaski rit branches to renew aquatic habitats, increase biodiversity and fishing tourism possibilities
	HUHR/1601/3.1.1/0003	CATCH	Co-operation between Public Administration in Cross-Border regions of Croatia and Hungary for Serving Citizens Better

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Name of the Call for Proposals	Project ID	Project acronym	Project title
	HUHR/1601/3.1.1/0004	EE SUN	Energy Efficient Sustainable Urban Neighborhood
	HUHR/1601/3.1.1/0012	EcoSmartCities	Ecological Smart and Sustainable Cities
	HUHR/1601/3.1.1/0014	ATDS II	Amusement Tourism Development Strategy II
	HUHR/1601/3.1.1/0015	EVcc	Electric vehicle competence and experience centre
	HUHR/1601/3.1.1/0016	RefurbCulture	Energy efficient refurbishment in cultural heritage buildings
	HUHR/1601/3.1.1/0018	AgriShort	Establishing short food supply chains and competitive agricultural sector in the cross-border region through institutional cooperation
	HUHR/1601/3.1.1/0023	Local products for the people	Thematic cooperation to make a joint method for more efficient use of local products
	HUHR/1601/3.1.1/0027	DESCO	Development of strategic cross - border cooperation between Letenye, Ludbreg and Prelog
	HUHR/1601/3.1.1/0030	SUECH	Sustainable energy use in CBC area of Croatia and Hungary
	HUHR/1601/3.1.1/0032	2Regions2Sustain	Cross-border Co-operation on Creating Sustainable Region and Source Efficient Society
	HUHR/1601/3.1.1/0033	RuRES	Renewable energy sources and energy efficiency in a function of rural development
	HUHR/1601/3.1.2/0002	Revive	REVIVE OLD WRESTLING STYLES THROUGH LONG -TERM AND SUSTAINABLE COOPERATION
	HUHR/1601/3.1.2/0004	CBC-ORIENT	Cross-border cooperation in Orienteering
	HUHR/1601/3.1.2/0013	SportOverBorders	Sport Cannot Stop at Borders
	HUHR/1601/4.1.1/0001	ISD Uni	Integrated Settlement Development Knowledge Centres in the HU-HR border zone
	HUHR/1601/4.1.1/0004	V-educa 2	Vocational education 2
	HUHR/1601/4.1.1/0009	ImproveMEd	Improved Medical Education in Basic Sciences for Better Medical Practicing

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Name of the Call for Proposals	Project ID	Project acronym	Project title
	HUHR/1601/4.1.2/0001	E.B.M.	Erasing Borders with Music
	HUHR/1601/4.1.2/0004	B.I.R.D.S.	Border Isn't Restriction for Developing Skills
	HUHR/1601/4.1.2/0005	4E4K	4 Elements 4 Kids from cross border co-operation and education adjusted for pre-school children
	HUHR/1601/4.1.2/0006	I-DARE	„Development of dual training and introduction of tertiary systems in the field of mechanical engineering and electrical engineering professions“
	HUHR/1601/4.1.2/0008	RE.M.I.S.E	Cross-border co-operation for the development of social and solidarity economy through the elaboration and implementation of a joint adult education training programme
	HUHR/1601/4.1.2/0011	RoboTech	Cross border development of robotics in primary schools
	HUHR/1601/4.1.2/0012	STILL	Sports, ICT and language competences in the service of conservation of craftsmanship and entrepreneurship tradition and competitiveness in the labor market of students from Slatina and Szigetvár
	HUHR/1601/4.1.2/0013	HU-HR Fruit Trees	The Forgotten Forest Fruit Trees
	HUHR/1601/4.1.2/0022	CHEC	Croatia-Hungary Educational Cooperation
	HUHR/1601/4.1.2/0029	JOLLIZ!	Joint Learning Legrad i Zákány
	HUHR/1601/4.1.2/0030	VEC Sharing	Cross-border Vocational Education Capacity Sharing
	HUHR/1601/4.1.2/0031	ECOTOP2	Life long learning programmes for increased growth capacity in ecotourism
	HUHR/1601/4.1.2/0032	DUO PACK	DUAL EDUCATION - Practical Approach to Concrete Knowledge
	HUHR/1601/4.1.2/0033	Phys-Me	Improving the educational system in Physics for general and vocational education in the Croatia-Hungary border region for secondary schools
	HUHR/1601/4.1.2/0035	EN-EFF	New concept training for energy efficiency

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Name of the Call for Proposals	Project ID	Project acronym	Project title
Strategic Project (2016)	HUHR/1602/1.1.1/0002	B Light Scheme	Fostering value added business cooperations between SMEs operating on different sides of the Hungary-Croatia
1st Call for Light Project Proposals (2018)	HUHR/1602/2018-LPP1-01	CTRouter	CTRouter (Computer Telephony Router)
	HUHR/1602/2018-LPP1-03	Furniture of Drava	Furniture of Drava
	HUHR/1602/2018-LPP1-07	Zinc anode	Design and development of new and more modern zinc anode
	HUHR/1602/2018-LPP1-09	Water cleaning	Development of a new water cleaning equipment
	HUHR/1602/2018-LPP1-10	METAL IS OUR PASSION	"METAL IS OUR PASSION - 'T' straight line"
	HUHR/1602/2018-LPP1-13	Herbas - Barcs Metál	Development of a mobile plug-and-play plant dryer for accessible and fast drying process (Herbas - Barcs Metál)
	HUHR/1602/2018-LPP1-14	Cost Effective Agricultural So	"A Cost Effective Agricultural Solution: Product Development of a Liquid Manure Tanker with a Multifunctional Chassis and a Connected Adaptor System
	HUHR/1602/2018-LPP1-17	LaMF	Production and new markets for laminated, prefinished multilayered floors (LaMF
2nd Call for Light Project Proposals (2019)	HUHR/1602/2019-LPP2-001	E-FAIRYTALE	E-FAIRYTALE - Joint development of an interactive application based on famous fairytale stories
	HUHR/1602/2019-LPP2-005	SMART ELITE TRAINING BOX	SMART ELITE TRAINING BOX INNOVATIVE NEW PRODUCT DEVELOPMENT AND DIVERSIFICATION FOR EUROPEAN MARKET EXPANSION
	HUHR/1602/2019-LPP2-006	DATA AND SOCIAL MEDIA ANALYTIC	INNOVATION BREAKTHROUGH WITH BIG DATA AND SOCIAL MEDIA ANALYTICS IN THE ENERGY SECTOR
	HUHR/1602/2019-LPP2-012	Tinker Labs	Tinker Labs - Scaling-up the Franchise Business Model for Launch in International Markets
	HUHR/1602/2019-LPP2-014	White acacia poles processing	Joint development of professional machinery for processing white acacia poles

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Name of the Call for Proposals	Project ID	Project acronym	Project title
	HUHR/1602/2019-LPP2_015	Common technology, common futu	Common technology, common future - development of a high capacity packaging machine
3rd Call for Light Project Proposals (2019)	HUHR/1602/2019-LPP3-001	Permeameter	Development of a universal high-pressure permeameter fitting to the SmartLab concept
	HUHR/1602/2019-LPP3-005	Ultrasonic System	Ultrasonic System for deterring wild animals
	HUHR/1602/2019-LPP3-008	SMART wastewater	SMART wastewater treatment plant
	HUHR/1602/2019-LPP3-009	DiaFoot	Diabetic footwear – best preventive to sensible diabetic feet
	HUHR/1602/2019-LPP3-020	TOUREX	TOUREX - Extension of the tourism market by family-run tourism service providers along the Drava and Mura (Tenkes csárda – Malo Selo)
	HUHR/1602/2019-LPP3-021	Digital signage	Digital signage with AI powered targeting and analytics software
4th Call for Light Project Proposals (2021)	HUHR/1602/2021-LPP4-001	IDENTYUM NOW	IDENTYUM NOW
	HUHR/1602/2021-LPP4-010	INO-WIN	Development and commercialization of innovative energy efficient windows and doors
	HUHR/1602/2021-LPP4-013	Storage of Future	Storage of Future – modular, smart cabinet
	HUHR/1602/2021-LPP4-018	WaSaDrinker	WaSaDrinker: Joint development of water-saving drinkers for animal farms
	HUHR/1602/2021-LPP4-024	Water meter remote monitoring	Water meter remote monitoring system
	HUHR/1602/2021-LPP4-030	ROBINIA	ROBINIA - Joint development of high quality outdoor Robinia pseudoacacia wood-based panels
	HUHR/1602/2021-LPP4-031	Voice-driven password manager	Voice-driven, cloud based password manager service with hardware activation
	HUHR/1602/2021-LPP4-032	ABRASIVE BELTS	Production of innovated high-class abrasive belts for using in wood, metal and automotive industry
	HUHR/1602/2021-LPP4-037	WEE CHEE	Smart line furniture - WEE CHEE SMART TABLE

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Name of the Call for Proposals	Project ID	Project acronym	Project title
	HUHR/1602/2021-LPP4-041	CRO-HUN Gloves	Cross-border cooperation in the creative industry through developing new high quality leather glove brand and innovative IT solutions for it's sales and marketing
	HUHR/1602/2021-LPP4-045	Condensation plant dryer	Development of a condensation dryer for quick and efficient drying of medicinal and aromatic plants
2nd Call for Proposals (2019)	HUHR/1901/2.1.2/0028	Two Rivers one Goal II	Sustainable water tourism along Mura and Drava River II
	HUHR/1901/2.1.2/0061	Hidden landscapes	Hidden landscapes – new wildlife and culture destinations in HU –HR cross – border area
	HUHR/1901/2.1.2/0074	AT@AT.CB	Active Tourism meets Advanced Technology in Cross-Border Area
	HUHR/1901/2.1.2/0096	reVITALize	Wine folklore as the historical identity of Podravina and Pomurje
	HUHR/1901/2.1.2/0107	CSA	CycleSeeing Attractour
	HUHR/1901/2.1.2/0109	EAGLE	Enhancing the Adventure Generating Local Environment Pitomača-Pecs
	HUHR/1901/2.1.2/0111	Aqua Adventures	Connecting and upgrading of water-based tourism offer on lakes by jointly developing new and innovative cross-border tourism product and enhancing the cross-border tourism destinations
	HUHR/1901/2.1.2/0120	VICINaD	Virtual re-connection of industrial nodes along the Drava between Hungary and Croatia
	HUHR/1901/2.1.2/0147	ENERGY TOUR	Traditional energy industry based joint tourism development on the Hungarian and Croatian side of the tri-border area
	HUHR/1901/2.1.3/0051	HITRoute	Cross-border Hlistorical Theme Route of Noble families
	HUHR/1901/2.1.3/0054	Cross-border wine routes 2	From wine routes to joint HUHR tourism brand – creating the recognizable crossborder wine region image
	HUHR/1901/2.1.3/0062	RoutesToRoots	Rural routes of common heritage
	HUHR/1901/2.1.3/0085	Handshake	Handshake of Traditions - Common Heritage Tourism Development of Marok and Novi Bezdán

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Name of the Call for Proposals	Project ID	Project acronym	Project title
	HUHR/1901/2.1.3/0095	WINE TOUR ACROSS BORDERS	WINE TOUR ACROSS BORDERS - UNIQUE WINE TOURISM DESTINATION
	HUHR/1901/2.1.3/0138	Via Saint Martin	Supporting the promotion and development of transnational pilgrimage routes linked to sustainable and cultural tourism
	HUHR/1901/2.1.3/0148	Drava events II	Events of the both side of the Drava River
	HUHR/1901/2.1.3/0153	VUCEDOL	Vucedol Culture – Touristic valorisation of common prehistoric heritage
	HUHR/1901/2.2.1/0117	Eco Bridge	Restauration of ecological diversity in the border area of Međimurje and Zala County
	HUHR/1901/2.2.1/0122	Riverside	Development and Protection of the Transboundary Biosphere Reserve Mura-Drava-Danube
	HUHR/1901/2.2.1/0128	MonMur	Monitoring of surface and underground water in Medimurje and Zala county
	HUHR/1901/3.1.1/0001	ForMURA	Upgrade and development of flood alarm and forecast model of MURA
	HUHR/1901/3.1.1/0019	CO-EMEP	Improvement of cooperation for better energy management and reduction of energy poverty in HU-HR cross-border area
	HUHR/1901/3.1.1/0023	Bright Social Minds	Exchanging experiences and knowledge about social work in segregates of Hungary and Croatia
	HUHR/1901/3.1.1/0024	2RegionsZOOSustain	Fostering use of renewable energy sources and waste to energy concept through targeted actions and raising of environmental awareness
	HUHR/1901/3.1.1/0032	CABCOS3	Analysis of the long term efficiency of vaccinations against infectious diseases in the border regions of Croatia and Hungary
	HUHR/1901/3.1.1/0048	SEPIaM-CC	Raising capacity of cross-border public institutions in sustainable energy planning and management and climate change mitigation
	HUHR/1901/3.1.1/0078	Green AURA	Setting up cooperation of GREEN Communities with AUgmented Reality Assisted living labs

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Name of the Call for Proposals	Project ID	Project acronym	Project title
	HUHR/1901/3.1.1/0102	ADOBE	ACCESSIBLE TOURISM DESTINATIONS AND SERVICES IN BORDER AREAS
	HUHR/1901/3.1.2/0017	CulturCo	Preservation of Intangible Cultural Traditions by Connecting People in the Cross- Border Area
	HUHR/1901/3.1.2/0035	STTARS	The specific role of table tennis in HU-CRO cross border regional sport
	HUHR/1901/3.1.2/0040	CHOIR	Hungarian- Croatian choir workshop
	HUHR/1901/3.1.2/0043	CHP	Culture, heritage and profession – Establishing the professional replenishment of heritage preservation through cultural events
	HUHR/1901/3.1.2/0049	MR-EGTC Heritage	Gastronomical Heritage in the Mura Region EGTC
	HUHR/1901/3.1.2/0053	SHARE MUSIC	Sharing music and connecting people in the cross-border area
	HUHR/1901/3.1.2/0060	CBC-ORIENT II.	Cross-border cooperation in Orienteering II.
	HUHR/1901/3.1.2/0089	BeDrugFree	Talk freely - Connect courageously - Prevent effectively
	HUHR/1901/3.1.2/0092	BRIDGES BETWEEN COMMUNITIES	MINORITIES AS BRIDGES BETWEEN COMMUNITIES
	HUHR/1901/3.1.2/0131	PArts	Promotion of Contemporary Art Across the Border
	HUHR/1901/3.1.2/0159	Cross-Cultural Tool-Kit	Jointly development of new, innovative joined structures and shared processes to ensure the continuity of co-operation in the field of Culture and Tourism in the cross-regions
	HUHR/1901/4.1.1/0008	EDUAGRI	Multilevel education system for agile agri-food chains
	HUHR/1901/4.1.1/0052	IC4HEDS	Intensive Courses for Higher Education Students
	HUHR/1901/4.1.1/0058	GASTROTOP	Comprehensive educational support of food-service providers facilitating demand on emerging special dietary restrictions consumer market
	HUHR/1901/4.1.1/0123	EQUI EDU	Equine Studies Education and Competence centre for development of equestrian tourism in the cross border region

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Name of the Call for Proposals	Project ID	Project acronym	Project title
	HUHR/1901/4.1.2/0006	ROBOTICO	ROBOTics in Interregional COoperation
	HUHR/1901/4.1.2/0011	2M2C	Music moves us – Culture connects us
	HUHR/1901/4.1.2/0015	HU-CRO EXPLORE AND LEARN	EXPLORE AND LEARN gastronomic tradition, sharing knowledge
	HUHR/1901/4.1.2/0031	TaMPeD	Joint elaboration and implementation of a primary school talent management and personality development program
	HUHR/1901/4.1.2/0034	EDU Roma	Education Development for Understanding Roma
	HUHR/1901/4.1.2/0038	CMS together II	Let's grow together with the culture, music and sports II
	HUHR/1901/4.1.2/0055	ECOoperation	Cross-border cooperation of secondary schools in developing common tools in practical training of natural sciences (water, soil, micro-climate)
	HUHR/1901/4.1.2/0068	RobotsConnecting	Robots Connecting High Schools in Cross-border Area
	HUHR/1901/4.1.2/0072	GiftedHUHR	Encouraging and developing gifted kids for more advanced cross border area
	HUHR/1901/4.1.2/0077	TEACH	Transcultural Education Alliance in Croatia and Hungary
HUHR/1901/4.1.2/0116	Knowledge Well	Cross border development of centers of excellence in primary schools	
Strategic Projects (2019)	HUHR/1902/2.1.4/0002	MuKoBridge	Preparation for constructing Mura Bridge and connecting road infrastructure facilities at Murakeresztúr (HU) and Kotoriba (CRO)
	HUHR/1902/3.1.1/0001	CBJointStrategy	Supporting the development of the HU-HR border region by a common strategy jointly formulated by the various actors of the cross-border area

3.2 Performance

Figure 91: Fulfilment of the output programme indicators' target (in 12th February 2024)

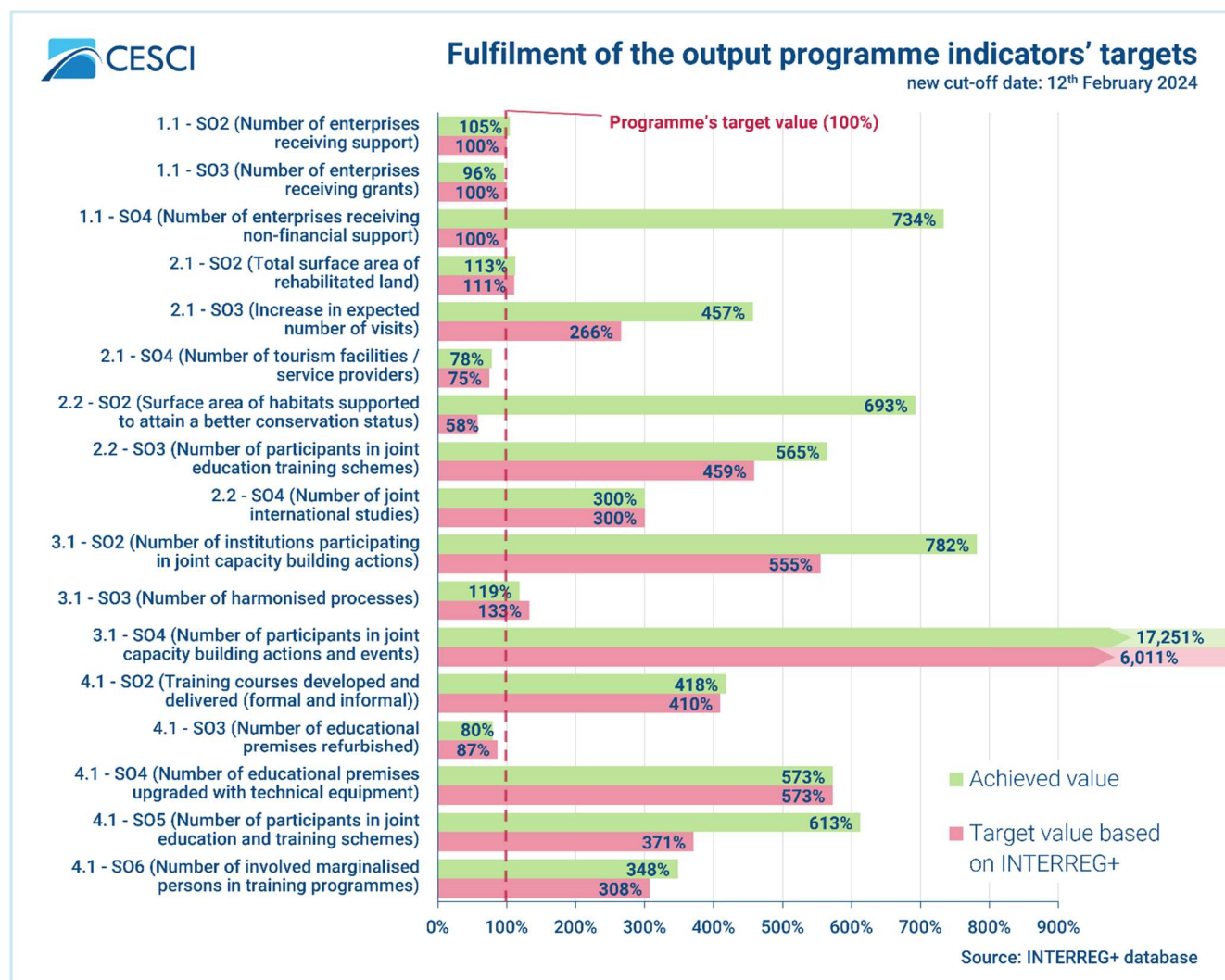


Table 39: Duration of projects previously defined by open CfPs

Project type	PA	Component	Maximum duration in month			
			HUHR/1601	HUHR/1901	1-3 rd Call for Light Project Proposals	4 th Call for Light Project Proposals
normal projects	PA2	2.1.1 Bicycle paths	20	-		
		2.1.2 Tourism attractions	20	24		
		2.1.3 Thematic routes and other tourism products	20	24		

Project type	PA	Component	Maximum duration in month			
			HUHR/1601	HUHR/1901	1-3 rd Call for Light Project Proposals	4 th Call for Light Project Proposals
		2.2.1 Restoring the ecological diversity in the border area	20	24		
	PA3	3.1.1 Thematic cooperation	16	20		
		3.1.2 People-to-people cooperation	16	20		
	PA4	4.1.1 Cooperation in higher education	16	20		
		4.1.2 Cooperation in preschool. primary and secondary education and adult education	16	20		
light projects	PA1	1.1.1 B Light Scheme			18	12

3.3 Project management

Table 40: Authorities and bodies of the Programme

Programme implementing body	Responsible institution	This body is responsible among others for ...
Managing Authority (MA)	Ministry of Foreign Affairs and Trade of Hungary, Budapest	bearing overall responsibility for the management and implementation of the Programme towards the European Commission.
National Authority (NA)	Ministry of Regional Development and EU Funds of the Republic of Croatia, Zagreb	setting up the control system in order to validate the expenditures at national level and for ensuring co-financing.
Certifying Authority (CA)	Hungarian State Treasury, Budapest, Hungary	certifying declarations of expenditure and applications for payment before they are sent to the European Commission.
Audit Authority (AA)	Directorate General for Audit of the European Funds, Budapest, Hungary	verifying the effective functioning of the management and control system.
Joint Secretariat (JS)	In Budapest and Pécs (Hungary), hosted by Széchenyi Programme Office Nonprofit Ltd. (SZPO)	assisting the MA and the MC in carrying out their respective duties.

Programme implementing body	Responsible institution	This body is responsible among others for ...
JS Contact Points	In Osijek and Čakovec (Croatia)	serving of applicants' needs in the entire Hungarian-Croatian border area.
Control Body (HU)	Széchenyi Programme Office Nonprofit Ltd.	carrying out such verifications in relation to beneficiaries on its territory.
Control Body (HR)	Ministry of Regional Development and EU Funds of the Republic of Croatia, Zagreb	

3.4 In-depth analysis of the regional needs' fulfilment

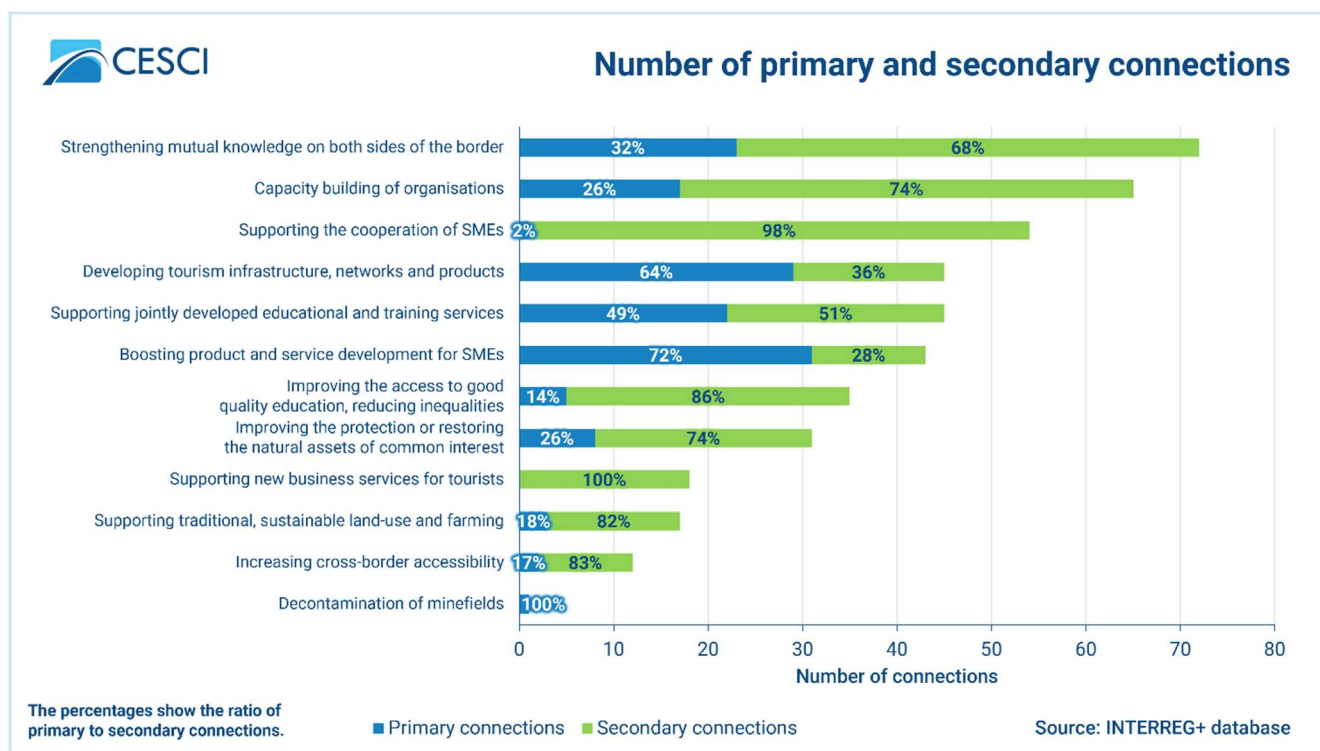
Beside the short territorial analysis below, each project of the Programme was assessed in terms of the **number of connections to the given main challenges** (regional needs)¹⁴¹. In order to understand the contribution and impact of the projects, every project description and activities carried out was analysed. Furthermore, interviews were conducted with the JS and certain beneficiaries, furthermore information gathered on the held workshops were also used. Each project is assessed in accordance with the regional needs.

Three types of connections were identified: '0' – No connection to the challenge; 'A' – primary connection; 'B' – secondary connection. The primary connection means a unique challenge which is the most addressed or tackled by the given project. Each project has one direct connection. The secondary connection, however, means all the possible and relevant – other than primary – challenges that are connected to the given project. This means, theoretically from zero to twelve number of indirect challenges are tackled at a certain level by a project. Usually there are a few other, secondary, tertiary, etc., less dominant challenges which are addressed by the projects.

To sum up, every project was categorised accordingly, with the note that category 'A' was given only once per project, to the most addressed challenge, whereas category 'B' was given to several other challenges that did not fall under the category 'A'.

¹⁴¹ In order to draw conclusions, the challenges included in *Table 1: Justification for the selection of thematic objectives and investment priorities* and described in *Chapter 1.2 Justification for the financial allocation* of the Cooperation Programme were taken into account.

Figure 92: Number of primary and secondary connections

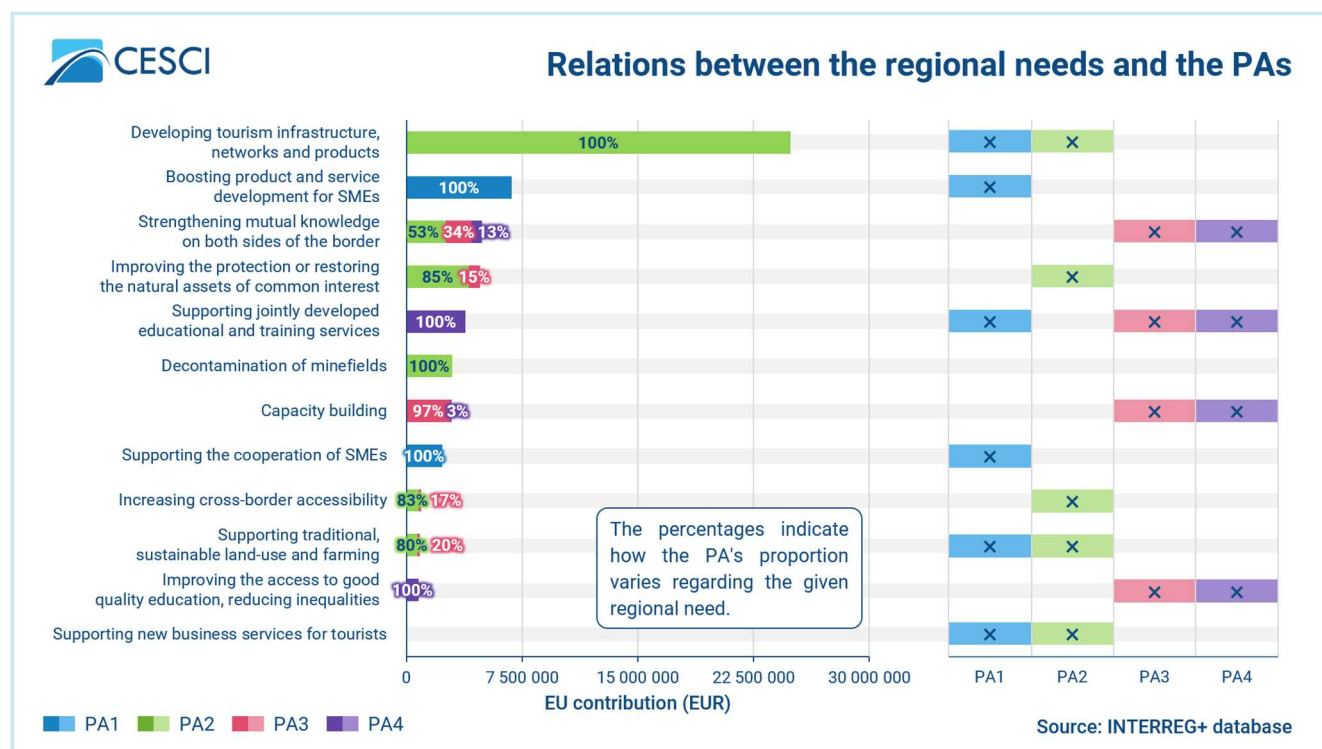


It has to be underlined that there were rather complex projects in terms of impacts on the main identified challenges. Numerous projects addressed more than one challenge. Certain topics were present in a more indirect way. In this aspect, the most outstanding fields regarding total number of indirect connections were supporting the cooperation of SMEs (53), strengthening mutual knowledge on both sides of the border (49) and capacity building (48). Considering the share of indirect ones out of all connections supporting the cooperation of SMEs, improving the access to good quality education, reducing inequalities, increasing cross-border accessibility, and supporting traditional, sustainable land-use and farming stood out. Supporting new business services for tourists was supported exclusively by projects with indirect connections to the need.

When **analysing the EU contribution to the direct challenges and the theoretical connections** based on the intervention logic, differences and specific characteristics can be highlighted. As it can be seen on the figure below, 7 of the 12 identified challenges were addressed by more than one PA (methodological explanation can be found below). In the case of PA1 a relatively large number of challenges were expected to be tackled. There are overlapping contributions anticipated with regard to PA3 and PA4 in particular, where identical challenges were addressed. Compared to theoretical connections, supporting new business services for tourists, supporting traditional, sustainable land-use and farming, supporting jointly developed educational and training services, furthermore developing tourism infrastructure, networks and products are not really supported by PA1 projects. In relation to PA2 non-supported challenge is only supporting new business services for tourists. Considering PA3 supporting jointly developed educational and training services, and improving the access to good quality education, reducing inequalities can be mentioned. At PA4, with differing intensity but all the identified needs are addressed by the projects. In practice, sometimes a PA was involved in financing despite the lack of theoretical connections (e.g., PA2 in strengthening mutual knowledge, PA3 in

protection and restoring natural assets). Considering the EU contribution, the focus is on certain needs at many needs. Developing tourism infrastructure, networks and products, boosting product and service development for SMEs, supporting jointly developed educational and training services, decontamination of minefields, supporting the cooperation of SMEs, and improving the access to good quality education, reducing inequalities are all financed from a single PA exclusively. In contrast, to mutual knowledge, projects of three PAs contribute with relatively high share.

Figure 93: Relations between the regional needs and the PAs



In conclusion, it is also worth checking the **EU contribution based on the primary connections**. In the case of other aspects, when pure quantities are added, the results can be slightly different. Support for tourism far exceeds other challenges with its share in the total related ERDF taking into account developing tourism infrastructure, networks and products (44.5% of the total amount of Category 'A'). In general, there are no major differences, as it can be seen between the first and the second most supported need, among the rest of the challenges.

After a significant gap the second most supported need is product and service development for SMEs (12.2%). Together with the other need that addresses the challenges of SMEs (Supporting the cooperation of SMEs) the allocation is notable for changes in the SME sector (16.2% altogether). Tourism and SMEs are followed by mutual knowledge (8.7%) and improving the protection or restoring the natural assets (8.5%). The least amount of EU contribution is allocated to the needs named supporting new business services for tourists (zero percent), improving the access to good quality education, reducing inequalities (1.4%), supporting traditional, sustainable land-use and farming (1.6%), increasing cross-border accessibility (1.7%).

Taking into account the total costs of projects with primary connection to the challenge (meaning all budget is solely allocated to category 'A', which understandably has interpretations restrains, as many

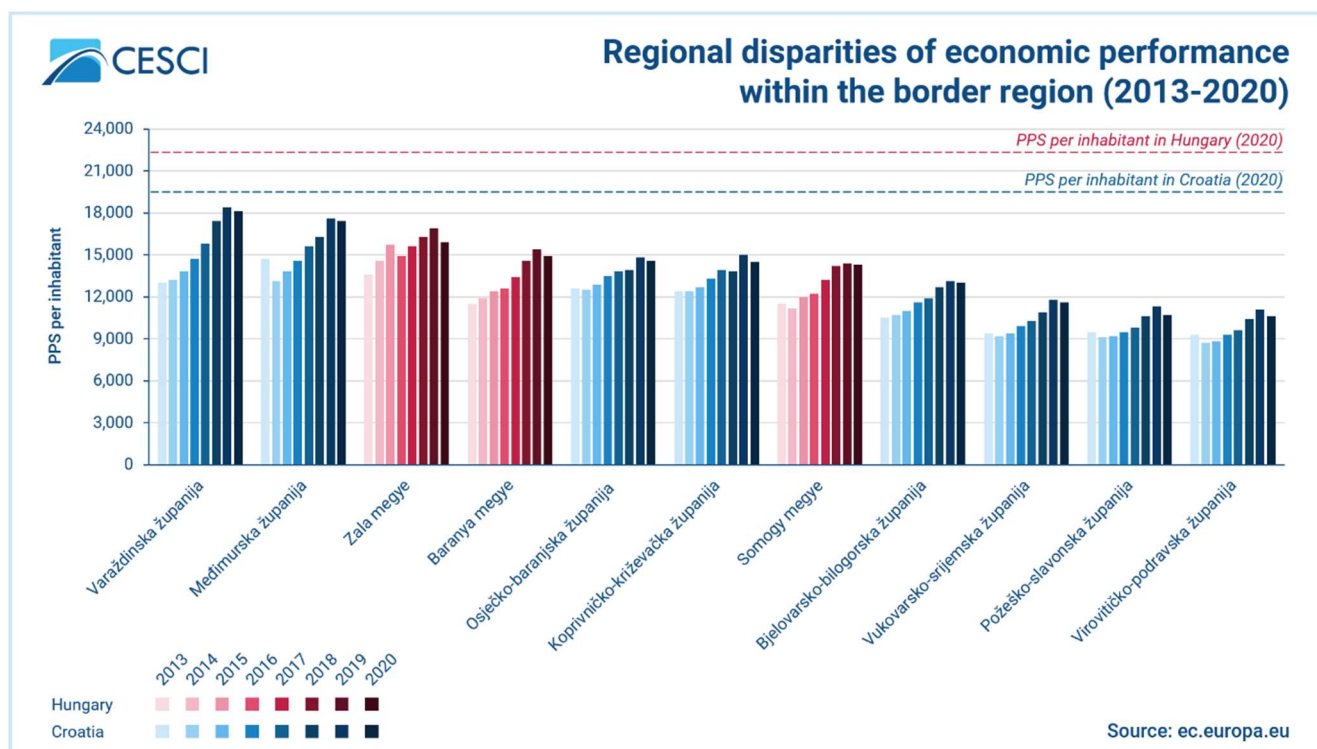
projects are in connection with multiple other challenges that is disregarded in this part of the methodology) compared to the previous order of supported needs educational and training services and capacity building are less highlighted. On the other hand, despite of the single project in decontamination of minefields the large amount of support puts the challenge in the middle of the chart. The strategic project of *De-mine HU-HR II* alone represents 5.3% of the ERDF allocated to projects with direct connections. Furthermore, based on the financial allocation tourism especially tourism infrastructure, networks and products are more outstandingly supported, but product and service development is also notably higher on the list.

3.4.1 SO 1.1 Fostering value added business cooperations between SMEs operating on different sides of the border (SME development)

Regarding PA1, first of all, the evaluation needs to touch on the overall economic performance of the programme area. In order to do that, the evolution of GDP will be analysed based on **changes of PPS per inhabitant** between 2013 and 2020 (latest year with available regional GDP data). It can be said that compared to the baseline year of 2013, a notable growth took place in almost all the concerned NUTS3 regions. *Figure 94* illustrates the trend of sustainable prosperity: except for some Croatian regions with minimal decrease between 2013 and 2014, an increase was registered in every year until the end of 2019. The volume of growth was outstanding in Varaždinska (+39.2%), Bjelovarsko-bilogorska (+23.8%) and Vukovarsko-srijemska (+23.4%), as well as in Baranya (+26.9%) and Somogy (+24.3%). In these territorial units the pace of growth tended to exceed the national averages (Croatia: +21.9%; Hungary: +26.6%).

At the same time, many of the regions underperformed compared to the national averages, especially Požeško-slavonska (+12.6%) and Virovitičko-podravska (+14%). In overall, the majority of the border regions failed to catch-up taking into account that except for Varaždinska (from 81.3 to 92.8% of the national level) what became part of the most developed territory of the programme area with Međimurska and partly Zala. Lagging behind became more severe in relation to Virovitičko-podravska (to 54.4%) and Požeško-slavonska (to 54.9%), in addition some regions experienced a notable drop back in the national ranking according to PPS per capita (e.g. Zala or the aforementioned Virovitičko-podravska).

Figure 94: Regional disparities of economic performance based on PPS per inhabitant



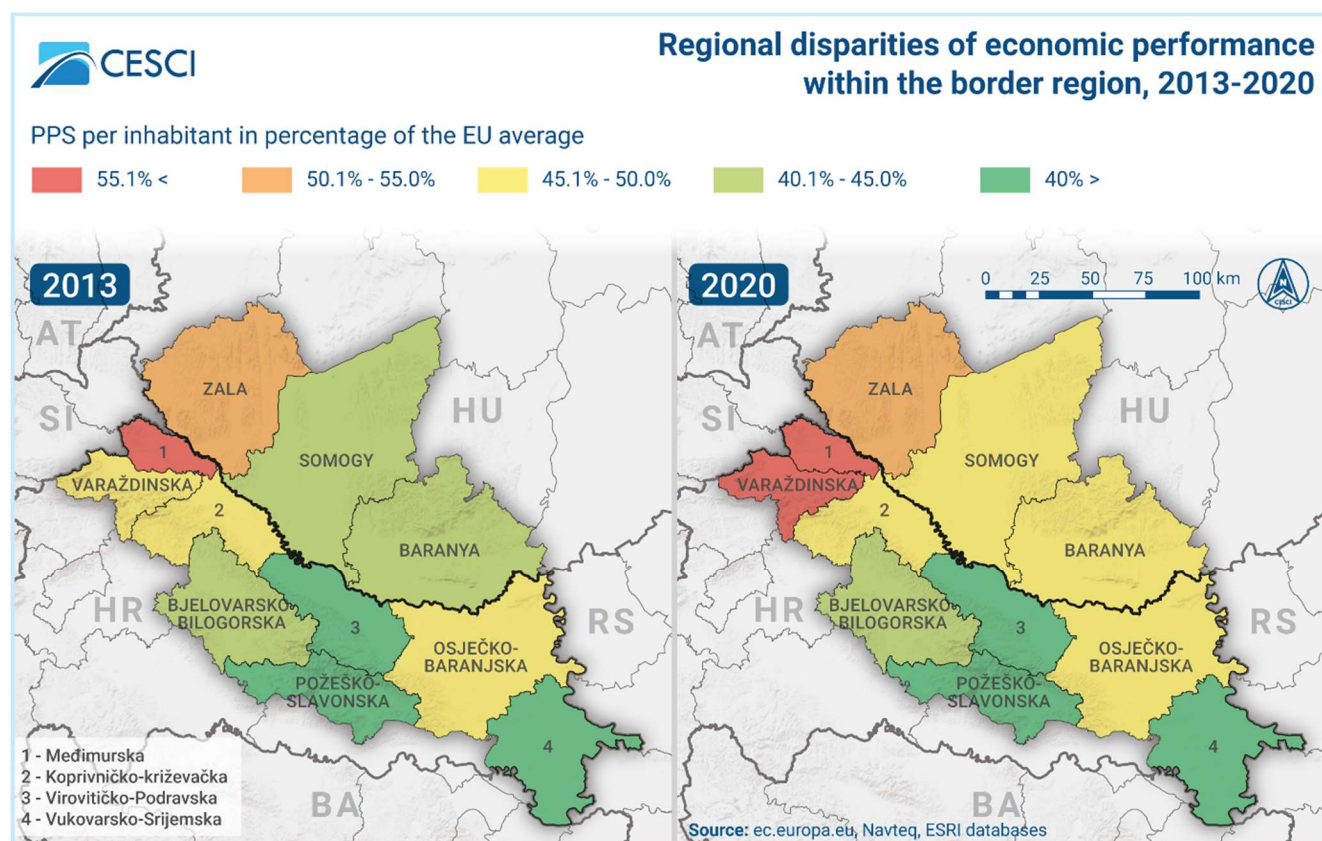
The **COVID-19 pandemic and its consequences** (including the general inflation, the gaps in the global value chains) should also be taken into account that impacted the regional economies. Comparing year 2019 and 2020, in both countries and in each region the former growth was interrupted by different scales of decline. The shrinkage was notable in Zala (-5.9%), Požeško-slavonska (-5.3%) and Virovitičko-podravka (-4.5%), while in the other regions the level of decrease remained around or below 3%. The least affected regions are Somogy (-0.7%), Međimurska (-1.1%), Osječko-baranjska (-1.4%) and Varaždinska (-1.6%). In general, the COVID-19 pandemic hit the border region less severely than the countries (Hungary: -2.2%; Croatia: -6.3%) where the respective regions are situated. This can be reasoned by structural differences (lower share of sectors requiring personal contacts; lower share of sectors dependent on transnational value chains). Taking into consideration year 2021, a favourable picture can be seen for Croatia (+15.9%), Hungary (+8.5%) and the Hungarian NUTS3 regions¹⁴² compared to 2020, the first COVID-torn year. A quick recovery was experienced in Zala (+10.1%) and Baranya (+14.1%), but the PPS per inhabitant also increased (+4.9%) in Somogy.

The effects of the Schengen enlargement are expected to boost the border economies as the major hindering factors to the free movement of capital and goods have been abolished. Stakeholders expect intensifying connections in the fields of agrobusiness, innovative sectors (e.g. IT) or tourism as well. The whole programme area could capitalise from the **integration process of the Western Balkans** where Croatia has already been a member of the EU, the Schengen Area and the Eurozone. Economic recovery is supported by the livelier business compared to the previous programming period. This is reflected even in the latest data (2021) taking into account annual growth rates for the latest year (Hungary: +8.5%, Croatia: +15.9%), where Zala (+10.1%) and especially Baranya (+14.1%) overperforms the

¹⁴² Data is not available for the Croatian NUTS3 regions.

national change. The westernmost regions as well as Baranya/Baranja will experience a positive effect driven by the EU integration where the economic cohesion is already more advanced.

Figure 95: Regional disparities of economic performance based on the PPS per inhabitant in percentage of the EU average



According to the related map, **regional disparities** have been persistent in the border region. The north-western part, consisting of Varaždinska (60.3% of the EU average), Međimurska (58%) and Zala (53%) has the most developed regions, while on the southeastern side the exception is being Baranya (49.7%) and Osječko-baranjska (48.7%) with relatively high values. In the examined period, territorial inequalities were continuously increasing, for instance, the gap between the most and least prosperous regions has deepened. Regional convergence has not been successful across the programme area, as Požeško-slavonska (from 36,54% to 35,67% of the EU average) and Virovitičko-podravska (from 35,77% to 35.33%) lagged behind more in 2020 than in 2013 at EU level.

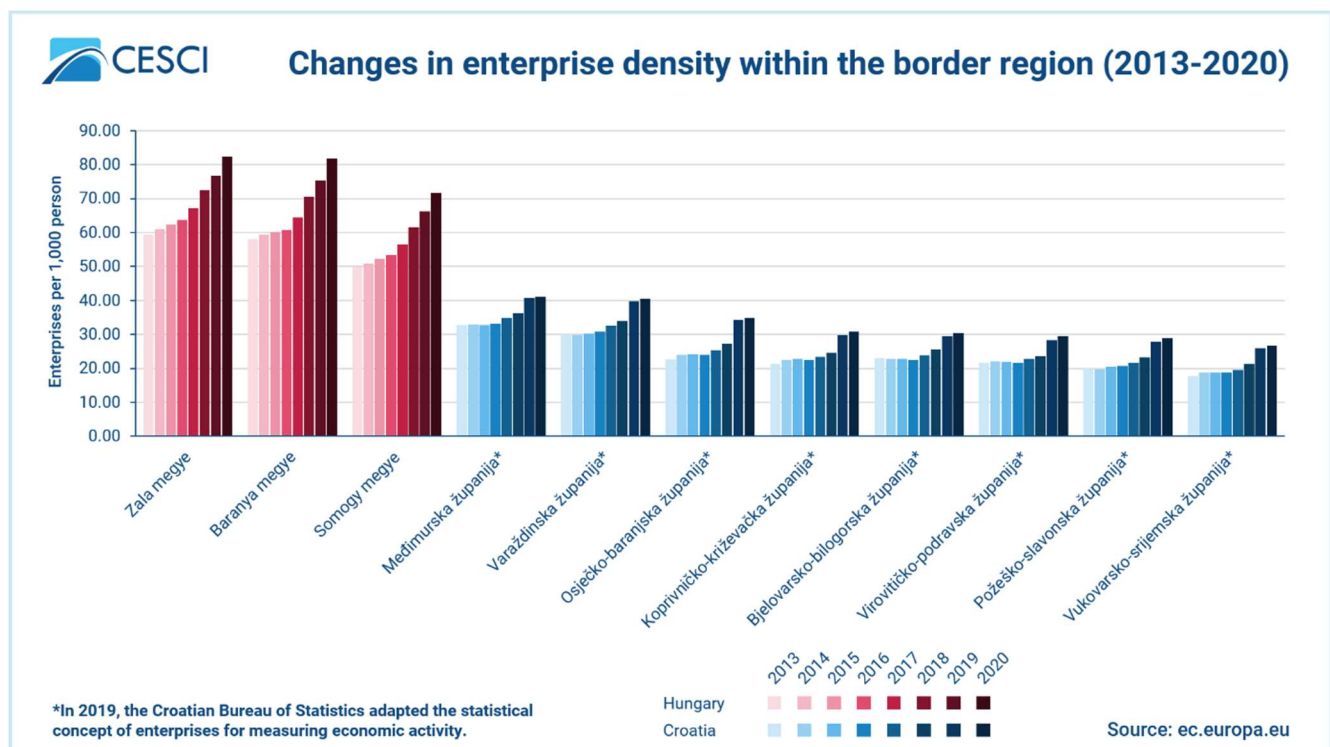
Apart from the overall economic performance, it is worth considering the changes in the **number of enterprises and their density** across the programme area as PA1 targeted mostly small and medium-sized enterprises as (potential) beneficiaries. Because of the modifications in the methodology of data process on the Croatian side, trends can be analysed based on values from 2013 till 2018. The enterprise density increased in all concerned regions, but it was much greater on the Hungarian side where the density was already considerably higher. Regarding the number of enterprises per 1,000 inhabitants, the rate of increase varied between 1.8 to 4.6 on the Croatian side, while in Hungary Zala (+12.9), Baranya (+12.3) and Somogy (+11.6) enjoyed great growth. In Croatia, the reasons behind the limited performance are the decrease in the number of enterprises with a maximum of 9 employees in the earlier years between 2014-2016. On the Croatian side, the total number of enterprises decreased by

0.45% in 2014 and by 1.25% in 2015 compared to the previous year, in parallel with an increase of 1.1% and 0.8% in Hungary for the same years. Consequently, the disparities increased in favour of Hungary. In addition, it can be said that the more developed the region is based on PPS per capita, the higher the enterprise density is. This especially applies for the better-performing regions in GDP per inhabitant.

When the data processed with the harmonised methodology is taken into account for the years 2019 and 2020 the Hungarian side experienced increase rates of 5.3-6.33, while in Croatia the changes were only between +0.3 and +1.3. The negative effects of the COVID-19 pandemic cannot be grasped by statistics as the latest data is from 2020, and every region show an increase in the number of enterprises and their densities. The termination process and the liquidation of companies may take place in 2021 and 2022 as a result of the longer-term impacts of the pandemic.

EU integration processes have encouraged business relations, which have already intensified since the EU accession of Croatia to the European Union. It is not necessarily the number of (joint) enterprises which could increase in the future but the deepening of existing economic ties as well as the creation of new business to business connections in the field of trade and product development cooperations in particular. With the help of Croatia as a relatively new Member State and Schengen country the business demography could turn more favourable (e.g. in the form of less closures and better growth prospects) with new markets and additional demands from the other side of the border. In recent years especially some Croatian cities (Osijek etc.) have been successfully encouraged the establishment of new SMEs and start-ups in innovative sectors such as IT based on the impetus deriving from the EU accession.

Figure 96: Changes in enterprise density



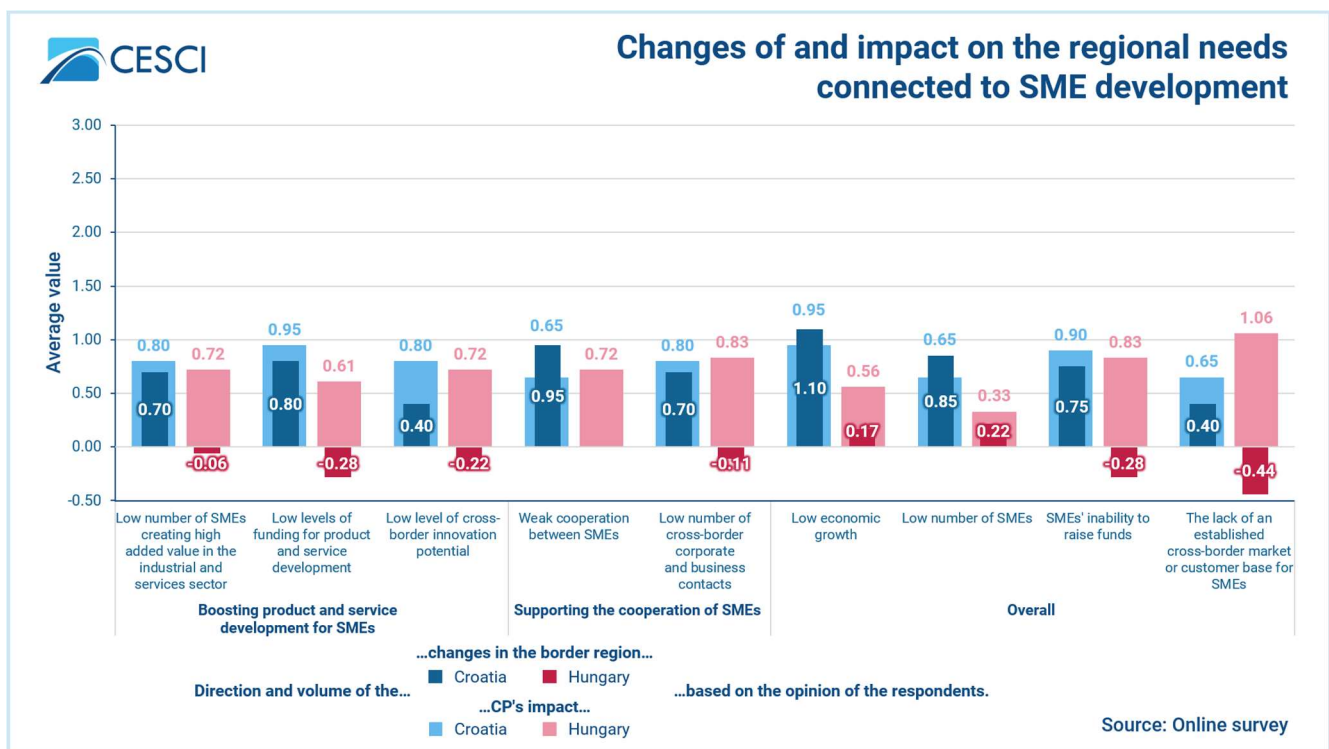
In relation to SME development two needs were identified by the cooperation programme:

1. Boosting product and service development for SMEs;
2. Supporting the cooperation of SMEs.

In the frames of the online survey multiple questions were asked concerning SME development. As it can be seen on the figure, limited volume of change took place. In the frames of these needs the directions of change are non-identical, i.e. the CP managed to improve all the aspects despite the sometimes-negative change perceived by the beneficiaries at some sub-areas. The CP therefore was useful in counterbalancing the otherwise deteriorating or limitedly improving situation. This was especially true at the lack of established cross-border market or customer base for SMEs. Based on the survey the CP managed to initiate relevant volume of impact compared to the rest of the sub-areas in the field of SMEs' inability to raise funds in particular, followed by low number of cross-border corporate and business contacts.

Focusing on **uncovered needs**, according to the results of survey the impact of the Programme is regarded low in the case of low number of SMEs.

Figure 97: Direction and volume of change perceived by survey respondents in relation to SME development



Boosting product and service development for SMEs

The Programme contributed to this need the most by applying the **B Light Scheme**. The scheme has managed to invite SMEs to cooperate as projects partners and to make the private enterprises interested in being beneficiaries of an Interreg programme.

Product development of different kind of products from wood-based panels (*ROBINIA*¹⁴³) to a cloud-based password manager was significantly more relevant compared to introducing new cross-border services. In general, the realised developments were concrete physical products, typically in the field of wood and furniture industry (*Furniture of Drava*¹⁴⁴, *White acacia poles processing*) and in relation to environmental protection (*SMART wastewater*¹⁴⁵). Some projects financed digital, e-products (*Digital signage*¹⁴⁶, *E-FAIRYTALE*¹⁴⁷). With the help of the Programme new products have been created which otherwise would have not been realised.

Oftentimes the different activities are carried out in a coordinated way using the capacities and skills, focusing on joint and complementary features and portfolios of the respective companies. For instance, in *CRO-HUN Gloves*¹⁴⁸ the main task of the Hungarian beneficiary was to carry out the physical product development, while the Croatian partner conducted the visual appearance, communication and the needed special IT and marketing tasks.

The various activities in the frames of product development **initiated new and deepened already existing business-to-business cooperations**. The Programme impacted the most the intensification of business relations in various fields from initial technological description and market research through prototyping and testing to branding, marketing and sales. As a result, cross-border product development chains have emerged among few local-regional SMEs. The Programme helped the involved enterprises in contributing to their growth strategy and business plans, gaining new costumers and markets thus income, gaining new skills required to develop and sell products, as well as in optimising costs with the other beneficiaries. Cross-border innovation ecosystems have been improved by giving support to products developments with **innovation** (*WEE CHEE*¹⁴⁹, *Condensation plant dryer*).

Supporting the cooperation of SMEs

Apart from the activities and added value described above in relation to the other SME-focused challenge, the Programme with this regard initiated several **joint events** where enterprises could cooperate and get connected with each other and the wider business environment. These opportunities include jointly organised contests such as wine contests, study visits, festivals, culinary demonstrations, local markets, invitation of media etc. *Cross-Cultural Tool-Kit* gives an example to such events with 11

¹⁴³ ROBINIA: HUHR/1602/2021-LPP4-030, ROBINIA - Joint development of high quality outdoor Robinia pseudoacacia wood-based panels

¹⁴⁴ Furniture of Drava: HUHR/1602/2018-LPP1-03, Furniture of Drava

¹⁴⁵ SMART wastewater: HUHR/1602/2019-LPP3-008, SMART wastewater treatment plant

¹⁴⁶ Digital signage: HUHR/1602/2019-LPP3-021, Digital signage with AI powered targeting and analytics software

¹⁴⁷ E-FAIRYTALE: HUHR/1602/2019-LPP2-001, E-FAIRYTALE - Joint development of an interactive application based on famous fairytale stories

¹⁴⁸ CRO-HUN Gloves: HUHR/1602/2021-LPP4-041, Cross-border cooperation in the creative industry through developing new high quality leather glove brand and innovative IT solutions for it's sales and marketing

¹⁴⁹ WEE CHEE: HUHR/1602/2021-LPP4-037, Smart line furniture - WEE CHEE SMART TABLE

large-scale thematic events organised during the project where cultural representatives NGOs, associations, sports, crafts and artists could meet and products and services.

Beside the SME-related, mostly B Light Scheme type of projects, it is the field of **tourism** where the most significant impacts have been reached. This is especially true in the case of wine production and tourism (*Cross-border wine routes 2, WINE TOUR ACROSS BORDERS*¹⁵⁰), cycling, and sometimes can be said to heritage tourism (*VUCEDOL*). These few projects managed to bring the regional stakeholders together and make basis for future cooperation. For instance, *ADOBE* appointed accessible tourism coordinators, a cooperation agreement between the partners was created that defined the forms, regularity and channels of cooperation. A network formed from the institutional stakeholders and service providers based on a network foundation document and the criteria and forms of joining the network.

Impacts also include the strengthened cooperation between private sector and higher education institutions (*IC4HEDS*).

One of the biggest impacts in this regard is the **initiation of cross-border cooperation with the better involvement of the private companies**, local, originally very inland-looking entrepreneurs, producers and service providers. Based also on the opinion of the beneficiaries, connection building is one of the main impacts of the Programme with this regard.

Apart from networking and trust-building joint 'external' connections and visibility have also got new impetus by joint presentation at various events (e.g. fairs, exhibitions) and on digital platforms (websites, applications, databases).

None of the projects were primarily aimed at addressing this challenge.

3.4.2 SO2.1 Convert the region's natural and cultural heritage assets to tourism attractions with income generating capabilities (Tourism development)

The main changes regarding the tourism sector can be presented by the **number of guest nights** (see *Table 41*). From 2013 to 2019, increasing number of visitors spent nights in the region, the most intense Croatian growth happened in Bjelovarsko-bilogorska (+138%-points), Međimurska (+99%-points) and Požeško-slavonska (+85%-points). At the same time, the observed change in Somogy was only +7%-points. The year of **COVID-19** (2019) hit hard the positive tendencies and a complete recovery has not taken place yet. The deficit between 2019 and 2021 is around 20-40%-points; Požeško-slavonska (9%-points) is the closest to the pre-pandemic level, while Virovitičko-podravaska (53%-points) is the furthest.

¹⁵⁰ WINE TOUR ACROSS BORDERS: HUHR/1901/2.1.3/0095, WINE TOUR ACROSS BORDERS - UNIQUE WINE TOURISM DESTINATION

Table 41: Number and change of guest nights (Source: KSH, DZS)

Regions	2013	2019	2021	Change between 2013 and 2019 (%-points) ¹⁵¹	Change between 2019 and 2021 (%-points) ¹⁵²	Change between 2013 and 2021 (%-points) ¹⁵³
Zala vármegye	2.122.055	2.743.084	1.556.518	29%	-43%	11%
Baranya vármegye	621.056	846.714	552.645	36%	-35%	12%
Somogy vármegye	1.639.721	1.756.080	1.190.324	7%	-32%	8%
Varaždinska županija	111.549	184.409	148.509	65%	-20%	75%
Koprivničko-križevačka županija	28.337	35.010	27.561	24%	-21%	54%
Bjelovarsko-bilogorska županija	32.565	77.513	49.042	138%	-37%	42%
Virovitičko-podravska županija	32.406	44.744	20.992	38%	-53%	49%
Požeško-slavonska županija	22.376	41.486	37.669	85%	-9%	76%
Osječko-baranjska županija	169.952	217.692	161.056	28%	-26%	65%
Vukovarsko-srijemska županija	75.606	134.308	67.903	78%	-49%	43%
Međimurska županija	99.182	196.922	144.061	99%	-27%	51%

Comparing the guest nights to the population (the **number of guest nights per 1000 inhabitants** see [Figure 98](#)), the highest values were registered in the Hungarian part of the programme area (the values are above 1 million guest nights per thousand inhabitants), only Baranya was below the national average in 2021. The Croatian side stayed far below the national average (especially Koprivničko-križevačka and Virovitičko-podravska), while Međimurska is the closest to the Hungarian counties' performance.

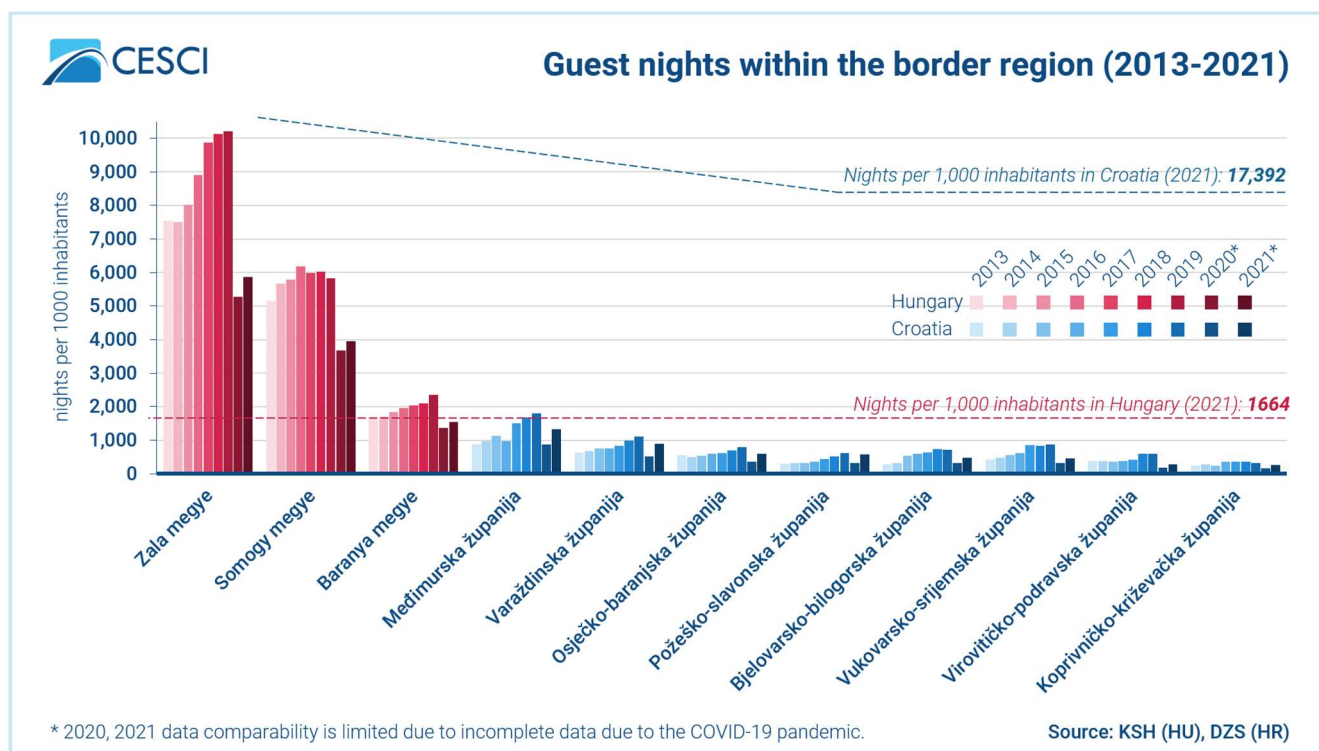
Although the impact of the pandemic is still being felt in the tourism sector, Croatia's accession to the **Schengen zone** may contribute to the recovery process, as the border crossing has been simplified and the administrative controls have been removed.

¹⁵¹ Values higher than 50%-points are marked in green colour.

¹⁵² Values between -30%-points and -50%-points are marked in yellow, those lower than this are marked in red.

¹⁵³ Values higher than 50%-points are marked in green colour.

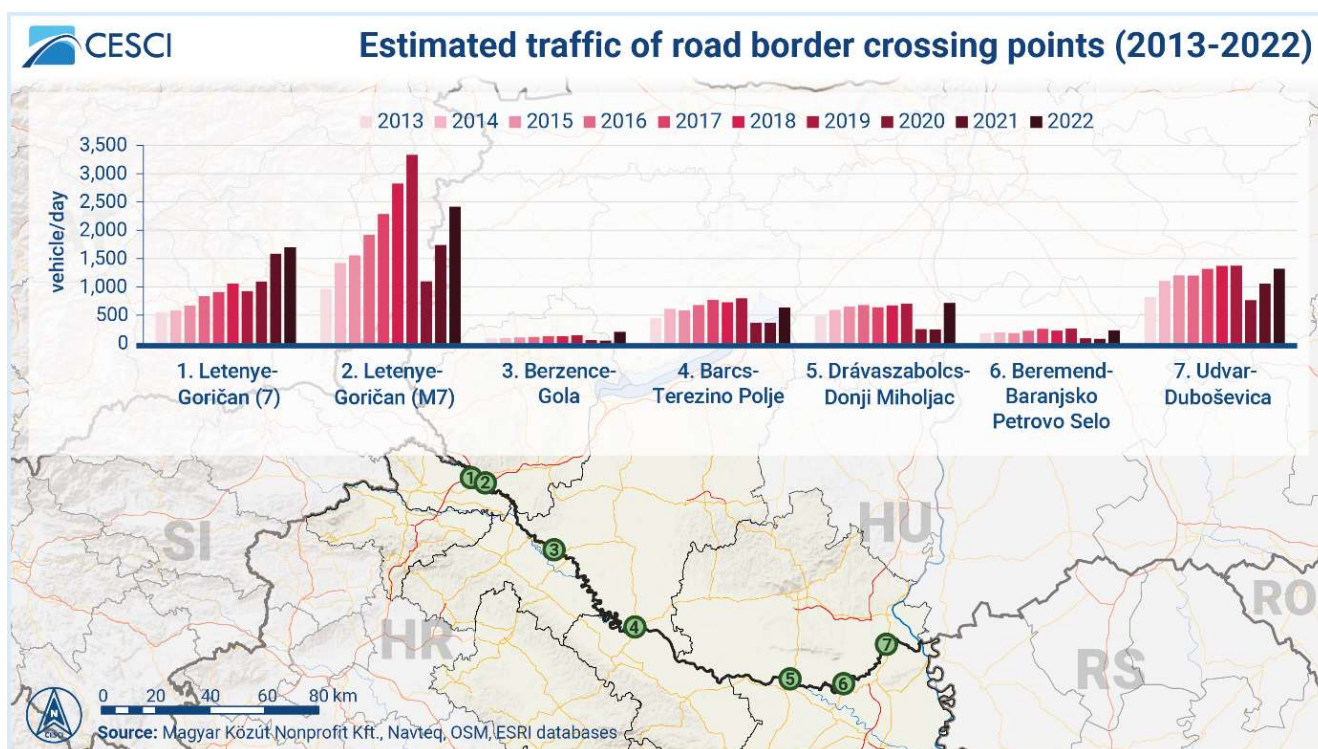
Figure 98: Number of guest nights per 1000 inhabitants between 2013 and 2021



The volume of cross-border tourism can be partly detected by the **increase of border traffic** (see [Figure 99](#)). At the same time, the permeability and “crossedness” of the border basically determines the integrated use of joint tourism facilities. The main observed change since 2013 had been the constant growth of border crossing vehicles until 2020, when – due to the **COVID-19 pandemic** – the border crossing was strongly restricted. The backsliding between 2019 and 2020 was 60%-points or more in the case of 4 border crossing points (out of 7). These crossing points are the Letenye-Goričan with motorway connection (the decrease is 67%-points), Beremend-Baranjsko Petrovo Selo (66%-points), Drávaszabolcs-Donji Miholjac (63%-points) and Berzence-Gola (60%-points). The only exception is the Letenye-Goričan with public road connection, where 19%-points increasement was measured.

After the most critic year (2020), the restrictions were ceased or eased, what led to a sharp bounce-back in the volume of border crossing vehicles per day. By 2022, border flows had normalised and mostly reached (Berzence-Gola, Drávaszabolcs-Donji Miholjac, Beremend-Baranjsko Petrovo Selo, Udvar-Duboševica) or exceeded (Letenye-Goričan with public road connection) the volume of the last year before the pandemic. In the case of Letenye-Goričan with motorway connection and Barcs-Terezino Polje, the crossings have also seen a significant increase in daily vehicle traffic, but are still below the previous trend. **The enlargement of Schengen zone** with Croatia could give a new impetus to the growth of border traffic, which is expected to lead to the full use of existing capacities and to the exploration of the limitations of existing infrastructure.

Figure 99: Increase of border traffic between 2013-2022 (vehicle per day)



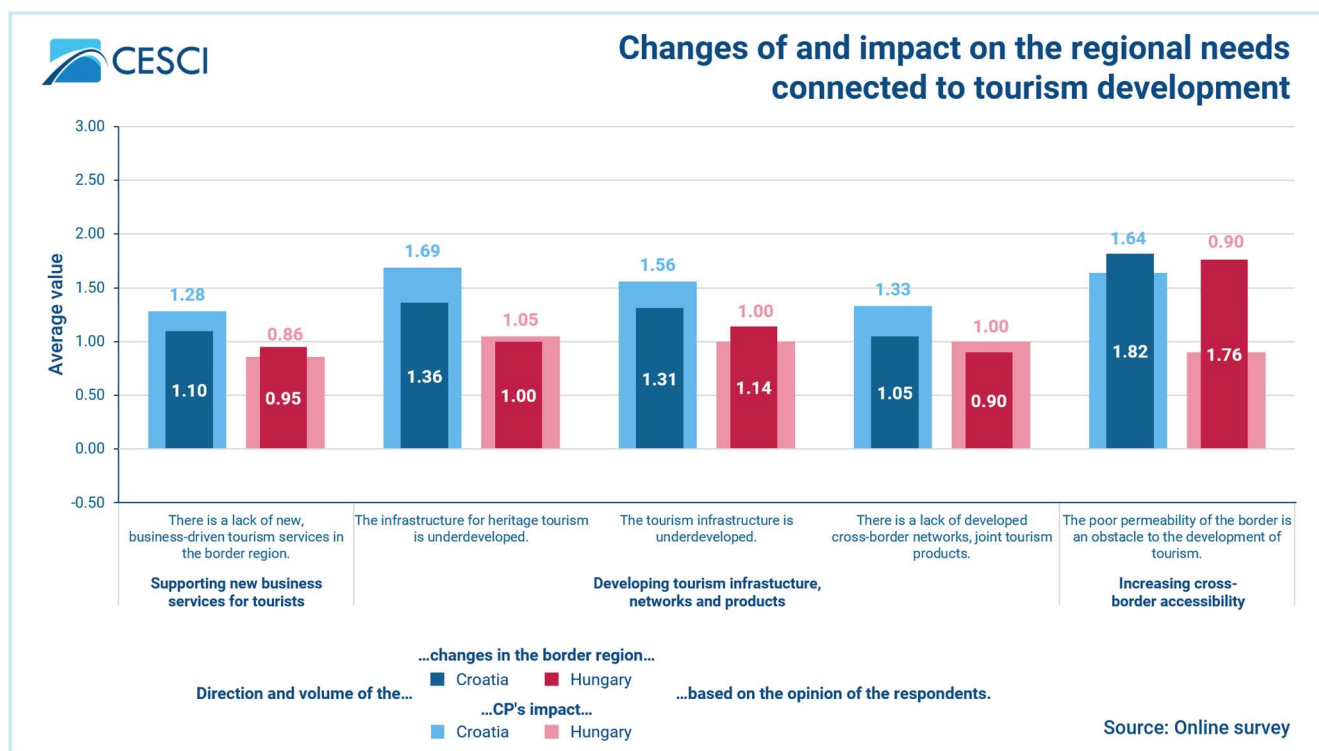
In relation to tourism development three needs were identified by the cooperation programme:

1. Supporting new business services for tourists;
2. Developing tourism infrastructure, networks and products;
3. Increasing cross-border accessibility.

In the frames of the online survey multiple questions were asked concerning SME development. As it can be seen on the figure relatively high average value of change took place owing to the CP. Except for cross-border accessibility the impact of the CP exceeded the general changes in the border region according to the beneficiaries. Based on the survey the CP managed to have outstanding impact in the field of infrastructure for heritage tourism, tourism infrastructure in general, and in relation to permeability of the border.

Focusing on **uncovered needs**, according to the results of survey the impact of the Programme is perceived relatively low in the case of supporting new business services for tourists (there is a lack of new, business-driven services in the border region). Based on the interviews water tourism would need more support, especially in the light of the Schengen enlargement and the still existing bottlenecks and obstacles.

Figure 100: Direction and volume of change perceived by survey respondents in relation to tourism development



Developing tourism infrastructure, networks and products

First of all, many projects that have tried to analyse and collect a part of the heritage can be found in the respected territories of the beneficiaries and their area of operation. **Joint information bases** have been created as part of heritage projects (e.g., *Aqua Adventures*¹⁵⁴, *VUCEDOL*).

Considering the branches of tourism, **wine tourism** is one of the fields where outstanding change took place with regard to infrastructure, networks and products as well. This is underlined by the interviewees concerned as well. The most vivid connections have created with the involvement of the Siklós-Villány and the Croatian Danube and Slavonia wine regions. Apart from thematic routes complex cross-border impacts were reached in relation to skills development of winemakers, service providers, branding and marketing strategic thinking. The establishment of network between wine producers, tourist and hospitality operators, destination management capacity building, transfer of know-how, integration and joint promotion of cross-border wine tourism offer on local, regional and international market is an important outcome. Projects *Cross-border wine routes 2*, *HU-CRO Wine Stories II*¹⁵⁵ and *WINE TOUR ACROSS BORDERS* stand out with all these regards.

The other branch of tourism where significant added value can be detected is **water tourism**. It has a strong spatial structure: it is focused on the water tourism along the Mura and the Drava. The projects

¹⁵⁴ Aqua Adventures: HUHR/1901/2.1.2/0111, Connecting and upgrading of water-based tourism offer on lakes by jointly developing new and innovative cross-border tourism product and enhancing the cross-border tourism destinations

¹⁵⁵ HU-CRO Wine Stories II: HUHR/1601/2.1.2/0013, Hungarian-Croatian Wine Stories II

successfully impacted the riversides areas by connecting and developing joint water-based tourism products (*Two Rivers one Goal*, *Two Rivers one Goal II*, *Bike&Boat*¹⁵⁶, *DRAWA*¹⁵⁷). The territory of Mura Region EGTC is now a focal point for cross-border water tourism.

Tourism routes impacted the tourism flows in the border region with differing results. Still, these routes impacted the interconnectedness and the creation of joint products and offers across the border. The routes that should be listed are as follows: Historical Theme Route of Noble families between Virovitica and Szentlőrinc (*HITRoute*¹⁵⁸); further development of the already networked wine routes Križevci-Kalnik-Orehovec and Villány-Siklós; Cross-border bee safari tour of Virovitica-podravina County and Baranya County (*Bee2Be*¹⁵⁹); 1 sacral-wine thematic route involving Koprivnica, Tótszentmárton; *Cross-border wine routes 2*; *WINE TOUR ACROSS BORDERS*, and *Via Saint Martin*.

An important contribution of the Programme is connected to the **extension and development of bicycle routes** across and in both sides of the border. Beneficiaries as interviewees also highlighted bicycle infrastructure as one of the most apparent impacts and results of the Programme's projects in terms of tourism infrastructure. The most relevant added value here is the creation of missing links both in terms of infrastructure and networking among stakeholders.

With regard to physical infrastructure construction of new sections and upgrade as well as signposting of already existing ones the initiatives focus on the completion of the cross-border sections of EuroVelo 13 (e.g., between Drávamási and Virovitica, see *EV13 Gap*) and EuroVelo 6. Thanks to an important impact many new sites and points of interest have been interconnected as secondary linkages from the main routes have been developed. Geographically two areas developed the most: the border strip from Drávamási and Virovitica to Batina (by e.g. the construction of bicycle road section Drávamási-Barcs) and the territory between Pécs and Osijek, in and around historical Baranja (Siklós, Harkány, Mohács, Sátorhely, Donji Miholjac, Beli Manaštir, Batina etc.). Signing existing bicycle route between Siklós and Donji Miholjac (*BYPATH*¹⁶⁰) can also be mentioned. Another microregion with improved connections include south Zala and Međimurje (around *Cycle in a network 2.0*). Many smaller and larger infrastructural developments have taken place. In the absence of funds, these would not have been realised if the program had not provided funds for e.g. cyclist centres (e.g., *Happy Bike*¹⁶¹), repair stops (*EV13 Gap*), resting places, info points and installation of information boards alongside the routes.

An important added value is that the Programme financed activities that were based on former projects, often ones from the previous Interreg programme. Examples are *Cross-border wine routes 2*, *EV13 Gap* and *Cycle in a network 2.0* which are utilising and further improve the cross-border cycling in the cross-border context.

¹⁵⁶ Bike&Boat: HUHR/1601/2.1.1/0003, Cross-border cooperation in multimodal tourism

¹⁵⁷ DRAWA: HUHR/1601/2.1.3/0010, Development of touristic navigation on Drava waterway between sections of 0+000 – 198+600 rkm

¹⁵⁸ HITRoute: HUHR/1901/2.1.3/0051, Cross-border Historical Theme Route of Noble families

¹⁵⁹ Bee2Be: HUHR/1601/2.1.3/0008, Cross-border touristic routes of honey & bees

¹⁶⁰ BYPATH: HUHR/1601/2.1.1/0008, Bicycle PATH that connects Mailath castle and Siklos fortress

¹⁶¹ Happy Bike: HUHR/1601/2.1.1/0009, Unlimited bicycle experience along the Mura and Drava rivers

Cross-border impacts include **networking and building partnerships** among certain stakeholders apart from bicycle tourism. The Programme contributed to numerous newly established and extended partnerships and (future) longer term cooperation forms, especially concerning cultural and natural heritage sites and the connected stakeholders. Some such activities aimed at signing a long-term cooperation agreement signed between LB, Bs and tourist boards and tourism-oriented organisations from both countries serving for ensuring a long-lasting impact of the project on the target area (*Two Rivers one Goal*). In some projects the networking with the involvement of tourist boards and tourism-oriented organisations in the target area was to be involved, sometimes with the creation of a joint strategy (*Two Rivers one Goal II*).

Several related projects tried to deal with **branding and marketing**, therefore the visibility, attractiveness and popularity of the given cultural and natural heritage sites have increased at various levels. Study tours for tourism stakeholders, service providers, media and professionals, free bike and boat trips as well as events of various kinds contributed to this goal. Participation on fairs also increased the visibility (*WINE TOUR ACROSS BORDERS*).

Some other added values and impacts could also be mentioned. Apart from research, branding (and strategic planning the implementation of the ETIS system (EU Tourism Indicators System for sustainable destination management) can be highlighted. Cyclist Welcome (CW) certification system already introduced in Međimurje was extended to south Zala (*Bike&Boat*). Skills development of guides took place, as training of tourist guides is addressed by some projects (*Green Baranja / Baranya*¹⁶², *Attractour*, *HITRoute*). Joint Cultural Tourism Communication and Promotional Strategy (*Cross-Cultural Tool-Kit*) played an important role in laying the foundations of a longer-term strategic approach in the field of cultural tourism.

Supporting new business services for tourists

First of all, direct service developments especially on for-profit basis are rarely supported by the Programme. Especially regarding **bicycle tourism** new additional services have been created such as fixing, storage, wine bar, wellness services (*EV13 Gap*). **Tourist/visitor/information centres** were relatively popular developments where certain services (exhibitions and museums, loaning/hiring transport vehicles, booking, accommodation, catering) were offered (*EAGLE*, *Hidden landscapes*, *Happy Bike*, *Tourism 4 All*, *Green Baranja / Baranya*).

Skills development of (potential) service providers has taken place some cases. Few projects address the lack of adequate service provider education. *GASTROTOP* and *Eat Green* were to develop comprehensive educational support for food tourism providers as a respond to the common problem of insufficient food tourism offer in the region. *ADOBE* helped providing accessible tourism services and developing such services in Baranya/Baranja. Some other projects focused on wine tourism offers: they targeted the training of winemakers, tourist service operators, improvement of service staff (*Cross-border wine routes 2*, *WINE TOUR ACROSS BORDERS*). In the row of educational activities ecotourism

¹⁶² Green Baranja / Baranya: HUHR/1601/2.1.2/0016, Green Baranja / Baranya - greening the tourism through innovative products in joint nature and landscape heritage

can also be mentioned as an area of intervention as life-long learning opportunities and business management was supported too (*ECOTOP2*).

With a very limited extent the Programme supported the increase of for-profit services which resulted in more income through diversifying and expanding the consumer base, attracting more visitors and users. Some enterprises established new facilities, launched new services that had not been part of their original offers. Relatively small number of projects supported the fulfilment of this regional need. All the related projects have only secondary/additional connection with the need.

Increasing cross-border accessibility

The project titled Preparation for constructing **Mura Bridge** and connecting road infrastructure facilities at Murakeresztúr (HU) and Kotoriba (CRO) (*MuKoBridge*). The need for the bridge had been justified; its construction would ease the peripheral location and catching-up character of Kotoriba and Murakeresztúr by strengthening cohesion and integration with regard to tourism and culture among others. Also, it would increase the use of urban functions and services. The project serves as the base for establishing a new border crossing point resulting in eliminating territorial barriers and bottlenecks by elaborating the required feasibility study and environmental impact study for the missing Mura bridge.

Furthermore, cross-border accessibility has been improved with regard to **bicycle traffic**. Projects such as *EV13 Gap* or *BYPASS* (BicYcle PATH that connects Mailath castle and Siklós fortress) supported accessibility by construction and reconstruction, signing of bike routes of either transnational (EuroVelo 6 and 13) or cross-border relevance. Cross border action plan was created on developing cycling across the joint border (*EV14 Gap*). These developments encourage cross-border travels using the extended networks and routes for cyclists in particular (*Cycle in a network 2.0*).

*VICINaD*¹⁶³ elaborated draft planning documents for development of **ports** and passenger terminals on the river Drava. Project documentation for passenger terminal in Belišće town, river cruising potentials study, cross-border navigation potentials analysis and handbook, study of environmentally friendly vessels concept were carried out forming a basis for future river transport and water tourism developments.

Non-infrastructure and transport infrastructure related progress can be detected in relation to *ADOBE* that supported the accessibility of tourist sites for people with movement disabilities. As a result, the knowledge-base on accessibility tourism has been developed, and credible information for tourists with reduced capacities about the accessibility characteristics of tourism and related services has been provided. In addition, institutional cooperation in the form of an Accessible Baranya-Baranja Centre of Excellence for Accessible Tourism has served accessibility too.

With limited impact *De-mine HU-HR II* contributed to safe walkability of the formerly mine contaminated border zone.

¹⁶³ VICINaD: HUHR/1901/2.1.2/0120, Virtual re-connection of industrial nodes along the Drava between Hungary and Croatia

Consequently, impacts mainly include improved tourism-centred connections including bicycle transport infrastructure and water transport, ecotourism (*Bike&Boat, Two Rivers one Goal*) in particular. An important step was taken to reduce the travelling times and detours because of lack of border crossing possibilities.

To this regional need only as few as two projects contributed primarily. However, out of them volume and impact were notable considering *MuKoBridge*. Taking into account the financial allocation to this project with the total cost of EUR 920,394.3 and the EU contribution of EUR 782,335.15 the project had great positive impact.

3.4.3 SO2.2 Restoring the ecological diversity in the border area (Ecological topics)

According to *Figure 101*, minor change has happened in the number of bird species and number of habitats with excellent conservation status. The number of habitats and bird species is weighted¹⁶⁴ by the percentage of the Natura 2000 site's and the programme area's coverage.

The programme area is covered by altogether **146 protected areas** (Natura 2000), which are **under the Habitats Directive**¹⁶⁵. In 2013, 21% of these areas (31 sites) had habitats with excellent conservation status, which has increased to 25% (36 sites) until 2021/2022. In the last reported years (2021/2022) the highest number of such habitats was in Papuk site (on the border of Požeško-slavonska and Virovitičko-podravaska), which possessed 5 habitats. However, during the programming period the number of habitats with excellent conservation status has been changed only in 16 cases (11% of the sites). Out of these 16 areas, a positive change happened in 11 cases, while in the 5 areas the number of habitats with excellent conservation status decreased. The greatest positive change was registered in the Keszthely-hegység site (+1.9 habitats), while the biggest drop was in the Nyugat-Göcsej site (-2 habitats), both of them are located in Zala.

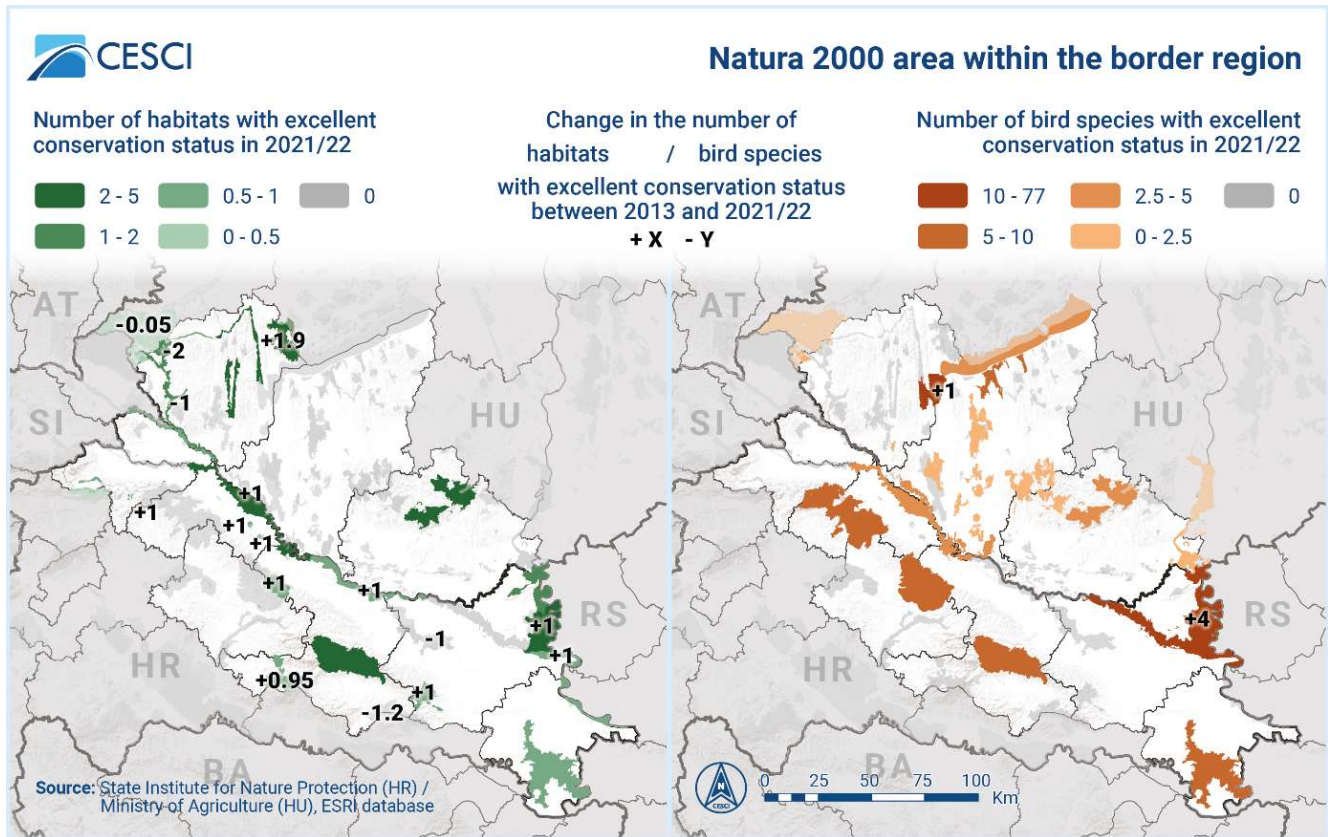
Regarding the protected areas **under the Birds Directive**¹⁶⁶, **27 sites** belong to the programme area, out of which 63% (17 sites) had bird species with excellent conservation status in both 2013 and 2021/22. The biodiversity and the condition of the ecosystem along the Drava River in unique, as in the river mouth of the Drava (Podunavlje i donje Podravlje site) 77 bird species were registered in 2021/22 with excellent conservation status. The number of bird species (with excellent conservation status) did not decline anywhere during the programming period, but there were only two sites where positive change happened: Podunavlje i donje Podravlje site (Osječko-baranjska) by +4 species and Kis-Balaton site (Zala) by +1 species.

¹⁶⁴ If only half of the Natura 2000 site is covered by the programme area, the number of habitats/bird species is multiplied by 0.5.

¹⁶⁵ Habitats Directive: https://environment.ec.europa.eu/topics/nature-and-biodiversity/habitats-directive_en

¹⁶⁶ Birds Directive: https://environment.ec.europa.eu/topics/nature-and-biodiversity/birds-directive_en

Figure 101: Change in the number of bird species and number of habitats with excellent conservation status between 2013 and 2021/2022



As Croatia has not been part of the **Schengen zone** until 2023, the protected areas along the Drava and the Mura rivers (which are also geographical and political borders) have not been disturbed and the mass tourism has avoided the region. After joining to the Schengen zone, the availability of these natural heritages has increased and the reputation and visibility of the protected areas became attractive not just for locals but also for tourists living outside the programme area. The border region has a high potential for outdoor activities, especially water tourism, which has only been partially exploited. Owing to the **COVID-19 pandemic**, people are once again paying more attention to outdoor activities, which could lead to the emergence of new services in disadvantaged areas (with natural assets) where livelihoods are scarce.

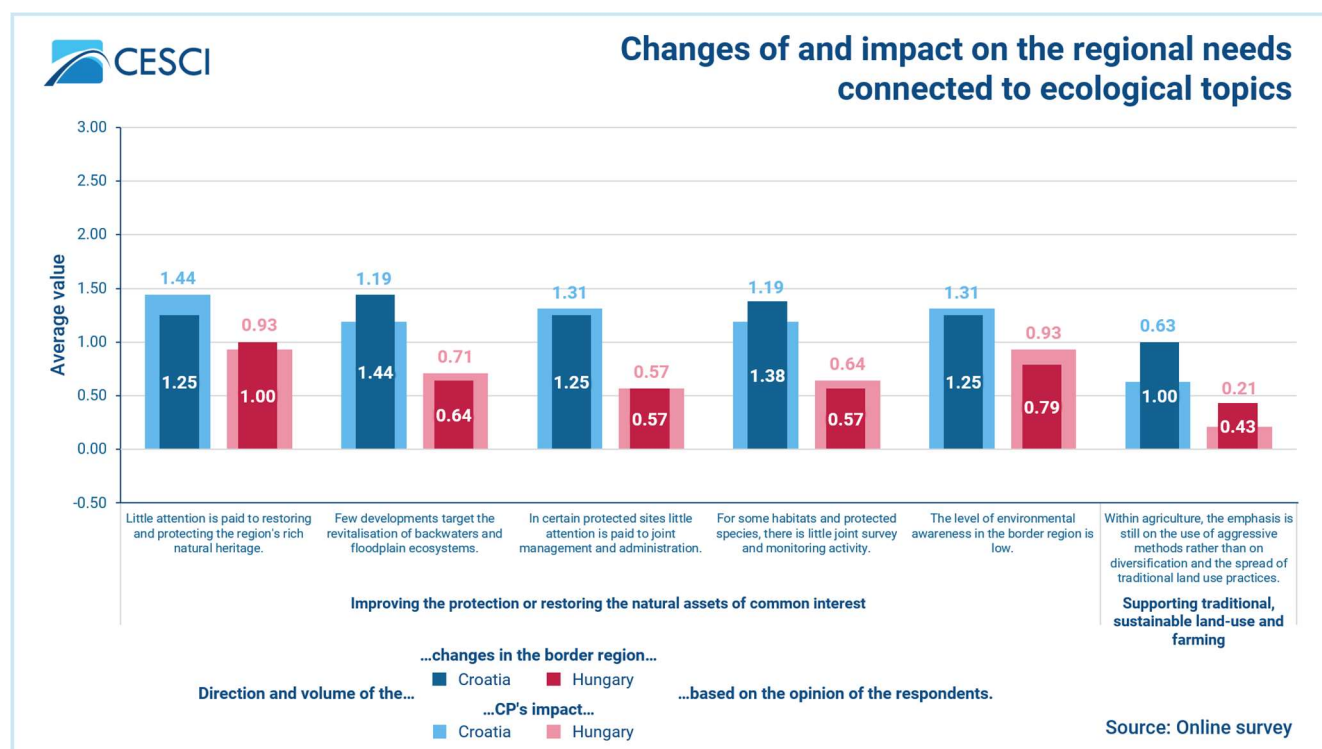
In relation to SME development two needs were identified by the cooperation programme:

1. Improving the protection or restoring the natural assets of common interest;
2. Supporting traditional, low-intensity and ecologically sustainable land-use and farming.

In the frames of the online survey multiple questions were asked concerning ecological topics. Croatian beneficiaries valued the changes in the border region as well as the CP's impact notably higher than the Hungarian ones. The margin between the overall changes in the border region and the impacts of the CP significantly differs unfavourably for the CP when it comes to the second need, supporting traditional, low-intensity and ecologically sustainable land-use and farming. Based on the survey the CP managed to initiate relevant value of impact compared to the rest of the sub-areas in the field of restoring and protecting natural heritage in particular, followed by environmental awareness-raising.

Focusing on **uncovered needs**, according to the results of survey the impact of the Programme is regarded relatively low in the case of attention to joint management and administration. Other sub-area with lower value includes joint survey and monitoring activity.

Figure 102: Direction and volume of change perceived by survey respondents in relation to ecological topics



Based on the survey and the interview with beneficiaries, energy-related developments, energy efficiency, renewable energy and circular economy could have gained more direct and bigger support. There was a clear need for more (complex) water management related developments and cooperation could have covered more sub-topics.

Improving the protection or restoring the natural assets of common interest

Project *Riverside* stands out in terms of cross-border added value. It is based on the need for an overall, **harmonised management** for the protection of the Transboundary Biosphere Reserve Mura-Drava-Danube. The Joint Nature Conservation Policy has been created that contains recommendations and practices, which could be utilised in planning of habitat restorations, water management policies, master plans, etc. The joint action plan for the protection of habitats of the white-tailed eagle is another added value.

Another contribution to the need is the **joint surveys and monitoring** results on selected Natura2000 species and habitat types, like Odonata, Trichoptera, Ephemeroptera, Coleoptera, rare and endangered macrophyte aquatic plants, amphibians, mammals, fish, mushrooms and a large number of bird species (*Riverside*), or, in general, indicator species (*Aljmaski rit&Boros Drava*). Monitoring forested areas with

airborne imaging technologies has been supported (*RED FAITH*¹⁶⁷). Joint implementation and installation of a joint groundwater (*Oak protection*¹⁶⁸, *MonMur*¹⁶⁹) and surface water (*MonMur*) monitoring can also be listed here. Such data could impact the planning, environmental management and future interventions in water management, habitat reconstruction especially. **Databases, surveys** could be usable for scientific aims and water management organisations too as well as farmers (such as the WebGIS database in *Oak protection*).

A special and outstanding project created real added value by renewing and further developing the **flood alarm and forecast system** on the joint section of the Mura (*ForMURA*) which had been targeted by other Interreg projects as well. It is also a part of the bigger transnational cooperation of Austria and Slovenia too, where the project in harmony with the wider regional system contribute to the Croatian and Hungarian upgrade of the whole forecasting initiative. All in all, water management cooperation has been positively affected, and this is in line with the thinking of the beneficiaries interviewed. According also to beneficiary responses, flood forecasts have become much more accurate and risks can be assessed much better. One can more precisely follow situation regarding the tidal wave on the Croatian-Hungarian section of the Mura. With the introduction of forecast scenarios, the certainty of the forecast increased.

Typical nature protection activities include the **restoration and conservation of Natura2000 areas**, with special attention to floodplains, river branches and tributaries (*Aljmaski rit&Boros Drava, Riverside*) in the frames of the Programme.

Activities of great contribution to the need include the **joint tackling of environmental challenges** that arise on both sides of the border, or at transboundary landscape units and habitats. Deforestation, shrinking groundwater (*Oak protection*), flooding (*ForMURA*), eutrophication (*Aljmaski rit&Boros Drava*) could be mentioned which are addressed by projects. Suppressing invasive species in both countries can also be listed here (*Oak protection, RED FAITH*). Many related projects deal with **climate change** and its mitigation possibilities (*SEPlam-CC*¹⁷⁰).

The identification of common regional needs and mutual development interests contributes to laying the foundations of the growth of mutual relationship between responsible institutions such as Duna-Drava National Park Directorate, water directorates as a prerequisite of further joint activities in the field of specific habitats, species and water bodies. This inter-institutional cooperation, and moving to the direction of long-term cooperation is an important impact of the Programme with this regard. The CP laid the foundations of activities that can be further developed and expanded to other fields of joint interest, according to couple of beneficiaries interviewed. Building of connections and cooperation of relevant stakeholders in **waste management** was another but less articulated area of networking

¹⁶⁷ RED FAITH: HUHR/1601/2.2.1/0004, Restoring Ecological Diversity of Forests with Airborne Imaging Technologies

¹⁶⁸ Oak protection: HUHR/1601/2.2.1/0002, Protection of the English oak in the cross-border area

¹⁶⁹ MonMur: HUHR/1901/2.2.1/0128, Monitoring of surface and underground water in Medimurje and Zala county

¹⁷⁰ SEPlam-CC: HUHR/1901/3.1.1/0048, Raising capacity of cross-border public institutions in sustainable energy planning and management and climate change mitigation

(*2Regions2Sustain*¹⁷¹). Another area that should be highlighted is **flood forecasting** where past initiative has gained new impetus (*ForMURA*). To ensure the sustainability of the cooperation and the project results, intranet was set up where forestries share experiences on airborne monitoring and updating knowledge of forest managers. A cross-border action plan was planned to be elaborated, which would define airborne vegetation monitoring for the forestries (*RED FAITH*).

More indirectly the impacts affected the strengthening of **environmental awareness** in relation to environmental problems, waste production, water pollution and forest-related issues mainly. Much needed knowledge and experience have been transferred and gained with the help of the Programme according to the beneficiary interviews too. Consequently, the Programme contributed to raising the level of knowledge and education of the general public about the importance of preserving natural values.

Supporting traditional, low-intensity and ecologically sustainable land-use and farming

One of the most relevant added values with regard to this challenge is the joint, mutual awareness raising and knowledge exchange with regard to **local products** that can be considered rather small-scale, eco-friendly and traditional in the given target areas. Trainings, ad hoc agricultural schools, nature camps helped local people and producers to get acquainted with the techniques and to increase their knowledge especially with regard to winemaking (*HU-CRO Wine Stories II*), beekeeping (*Bee2Be*), environment conscious gardening and forestry. *Eat Green* project stands out which focuses on wild edible plants, medicinal plants, wild mushrooms. Participants could learn about the basics of foraging (how to collect without damaging natural habitats), get acquainted with the use of the collected plants and the process of how to convert them into marketable products. The concept of sustainable table was also introduced.

Oftentimes projects contributed to cross-border **research and information collection of products** that are related to traditional, low-intensity and ecologically sustainable ways. Apart from concrete products gastronomic heritage of a wider region has also been partly collected thank to the Programme.

Indirect impacts include the popularising and reintegration of traditional, artisan, eco products that have been produced and cultivated, processed within the given landscape units. The long-lasting traditions in farming and gastronomy received support to remain sustainable on a longer term (*MR-EGTC Heritage*). Some projects affected the need by supporting the increase of demand and selling of such products (*Local products for the people*¹⁷²). Furthermore, indirect impacts include the contribution to the growth of eco-consciousness, environmentally conscious behaviour and healthy living (*Eat Green*).

Low number of projects has direct connection with this regional need, and the secondary connection number is also rather low.

¹⁷¹ 2Regions2Sustain: HUHR/1601/3.1.1/0032, Cross-border Co-operation on Creating Sustainable Region and Source Efficient Society

¹⁷² Local products for the people: HUHR/1601/3.1.1/0023, Thematic cooperation to make a joint method for more efficient use of local products

3.4.4 SO 3.1 Involvement of more social and institutional actors in cross-border cooperation (Institutional cooperation)

It is important to remember, the Mura and the Drava rivers has been forming a quite hard border between the two countries with regard to PA3 issues. The main separating factors have not changed notably: limited number of border crossings; mental maps dividing the two nations; low level of mutual knowledge of each other's language; no populous ethnic minorities that could create bridges across communities except for some small distinct areas; rather strong governance division on the two sides of the rivers dating back to historical times as well; weak economic relations especially in the central part of the programme area.

The institutional type of cooperation forms has experienced limited positive change disregarding the role of the programme. What can be underlined is that many existing cooperation initiatives have been cemented and reinforced during the programming period. This is especially true in the case of higher education institutions (e.g. from Pécs and Osijek) and intermunicipal relations (twinning) based on cultural exchange mainly. Most connections have remained non-institutionalised, rather informal, or formal, but with very focused content. Regarding cultural connectivity, apart from intermunicipal cooperations, the cultural exchanges based on ethnic minorities living on either side of the border can be mentioned who keep creating and deepening intercultural and interethnic relations in the programme area.

The COVID-19 pandemic had a negative effect on both institutional and social connections (for further details please check the chapter *2.1.3 Influence factors of the implementation*).

To conclude, limited changes took place overall. For further details on the changes regarding cross-border institutions and social connectivity see the chapter *2.3.5 The Programme's borderscape impact*. It can also be said that the role of the CP is crucial in involving institutional and social actors in cross-border cooperation.

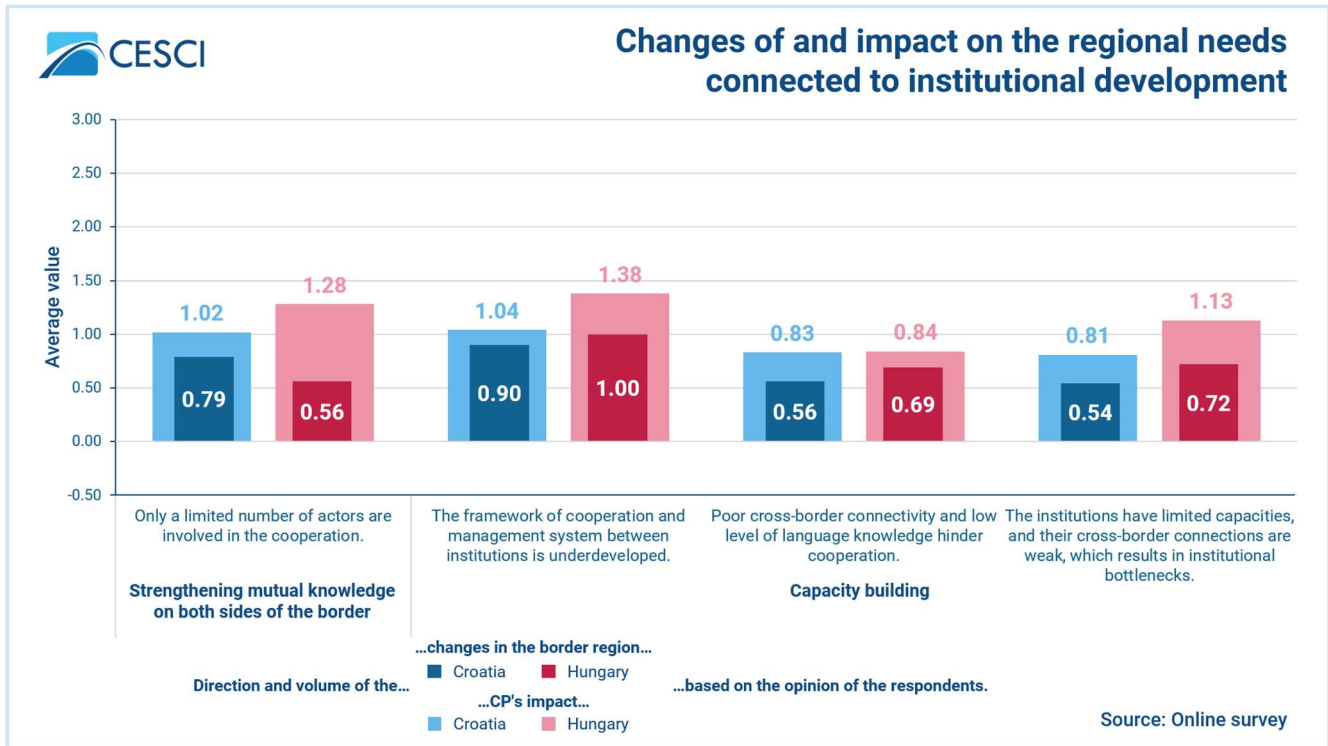
In relation to educational topics two needs were identified by the cooperation programme:

1. Strengthening mutual knowledge on both sides of the border;
2. Capacity building.

In the frames of the online survey relatively low number of questions were asked concerning institutional topics. CP's impact exceeded the volume of changes in the border region at all sub-areas, according to the beneficiaries. This is especially apparent in the case of number of actors involved in cooperation, and limited capacities, weak cross-border connections resulting institutional bottlenecks. The first need listed, i.e. strengthening mutual knowledge, gained higher volumes from the respondents. Based on the survey the CP managed to initiate relatively high volume of impact in the field of number of actors involved in the cooperation, and in relation to framework of cooperation and management system between institutions.

Focusing on **uncovered needs**, according to the respondents of the survey, none of the needs are seen as unimpacted. Based on the results language knowledge is regarded as an area where the CP's impact is the lowest.

Figure 103: Direction and volume of change perceived by survey respondents in relation to institutional development



Strengthening mutual knowledge on both sides of the border

One of the most apparent fields of cross-border added value is the **cultural heritage** sphere. This is also affirmed by the interviewees that mutual knowledge on the cultural heritage of the two nations could be obtained with the help of events of various kinds. The Programme has therefore in many cases contributed to the mutual learning of each other's cultural values, folk customs, and language. Many events were held that could not necessarily have taken place without the support taking into account the underfinanced character of culture. Some project resulted in a cross-border social network involving the Croatian communities from both sides that, even after the end of the project, transmits everything that happens on both sides of the border in three languages (*BRIDGES BETWEEN COMMUNITIES*).

Music was one of the important fields of cultural exchange and understanding. With the help of the Programme increased awareness among children on common musical and cultural values of the cross-border region and development of higher sense of belonging to (border) community has been reached. Thanks to the Programme joint workshops, choirs, music productions are organised (*E.B.M.*¹⁷³). Based also on interviews, the mutual knowledge grew and extended in relation to the cities of Pécs and Osijek, as well as regarding couple of institutions such as cultural centres, theatres and so on.

Cultural diversity was jointly supported by project such as *Sokci*. Developing relationships between Croats from both side of the Drava is an added value of the Programme (*Drava events II*¹⁷⁴). Local

¹⁷³ E.B.M.: HUHR/1601/4.1.2/0001, Erasing Borders with Music

¹⁷⁴ Drava events II: HUHR/1901/2.1.3/0148, Events of the both side of the Drava River

Croatians living in the border area got access to cultural events on Croatian heritage of folk music and dance across borders, so Croatian communities have been brought closer together regardless their citizenship (*CHP*). According to beneficiaries the Programme contributed to the further strengthening of the institutional ties of Croatia with the Croatian minority in Hungary.

Bilingualism and the abolition of language barriers have been supported by a couple of projects. Croatian and Hungarian linguistic heritage has been jointly preserved cultivating also the shared regional heritage (*Part, BRIDGES BETWEEN COMMUNITIES, MR-EGTC Heritage*¹⁷⁵).

Another less pronounced field of cross-border added value was realised in the frames of **sports**. The various programmes not only popularise healthy lifestyle, but provide opportunity for getting to know neighbouring and minority cultures on both sides of the border. The Programme managed to improve the level of mutual understanding and acceptance, demonstrating positive social experiences through the organisation of sport events. With support the clubs are now able to organise and host cross-border competitions, leagues, trainings. Affected sports include wrestling (*Revive*¹⁷⁶), orienteering (*CBC-ORIENT*¹⁷⁷, *CBC-ORIENT II.*¹⁷⁸), table tennis (*STTARS*¹⁷⁹), and football (*CMS together II*).

People-to-People relations has been initiated and extended in the frames of the Programme. The CP helped launching and deepening cooperation among municipal, cultural and sports organisations as well as non-governmental, civic organisations. People, institutions, organisations, groups of stakeholders especially from the aforementioned field got to know each other better resulting in joint activities, present and potential future CBC projects. Certain organisation such as the Mura Region EGTC became means and tools for initiating people-to-people cooperation in the programme area. Furthermore, apart from culture, the Programme impacted the establishment of links in the field of tourism, civil society and media networks that provide additional value not only to target groups but also to the inhabitants of the cross-border area.

Capacity building

First of all, one of the greatest impacts was connected to creating new personal and institutional connections across borders. The Programme via partnerships and projects created **mutual trust** in the achievement and implementation of common goals. Social capital has been improved among cross-border stakeholders participated in the Programme.

The Programme contributed to increased capacities related to **joint (sectoral and spatial) planning** through joint development of common analyses, methodologies and strategies to identified common challenges.

¹⁷⁵ MR-EGTC Heritage: HUHR/1901/3.1.2/0049, Gastronomical Heritage in the Mura Region EGTC

¹⁷⁶ Revive: HUHR/1601/3.1.2/0002, REVIVE OLD WRESTLING STYLES THROUGH LONG -TERM AND SUSTAINABLE COOPERATION

¹⁷⁷ CBC-ORIENT: HUHR/1601/3.1.2/0004, Cross-border cooperation in Orienteering

¹⁷⁸ CBC-ORIENT II.: HUHR/1901/3.1.2/0060, Cross-border cooperation in Orienteering II.

¹⁷⁹ STTARS: HUHR/1901/3.1.2/0035, The specific role of table tennis in HU-CRO cross border regional sport

One of the most outstanding contributions was the project titled *CBJointStrategy*. The **strategic project** supported outlining complex cross-border strategic project ideas serving the shared programme area. Apart from elaborating a joint strategy capacity building enhanced the HR capacities of the EGTC, and initiated organisational development and partnership building. The financed strategy with its analysis and goals lay foundation for the CBC programme of the next (current) period of 2021-2027. The Programme through this project results in the active involvement of various stakeholder groups (public bodies at every administrative level, authorities, local institutions, NGOs, businesses and others) in the planning process of the programming area. The tools, partner relations and shared processes created in the frame of the project support the development agency type of and project management role of the EGTC. Another planning-related outcome is connected to *DESCO*¹⁸⁰. It was based on municipality level strategy development cooperation and institutional capacity building. Transfer of good practice from Hungarian methodology took place. Improving efficient public administration was supported also in this project.

CATCH project addressed the lack of capacity in terms of knowledge and experience on how to manage cross-border procedures and services efficiently by public institutions. The most important cross-border impact of the project is the availability of and easier access to a number of services and better information for citizens and enterprises from the neighbouring country.

Considering capacity building related to sectoral planning and development, **tourism management and development** is one of the outstandingly impacted areas. *ATDS II* project supported the establishment of efficient basis for further tourism and economic development in the cross-border region though enhanced institutional capacities and joint better harmonised sectoral planning. It further deepened the relations and helped to form joint territorial governance frameworks for coordinated actions related to strengthening of tourism sector. Relatively large number of projects contributed to capacity building, joint planning and partnership building in the field of ecotourism (*ECOTOP2*), joint management and promotion of certain products e.g. in the field of ecotourism and wine tourism (*Two Rivers one Goal II, WINE TOUR ACROSS BORDERS*).

Capacity building was also relevant in the field of **nature conservation and water management**. (*ForMURA, Riverside*). Information exchange and knowledge transfer was important; thus, partners have gained capacities to better cooperate with each other in the future period.

Another impacted area is the **energy sector** and **environmental issues** where main challenges and needs and strategic directions, methodologies have been outlined. Energy management and reduction of energy poverty (*CO-EMEP*¹⁸¹), sustainable energy planning (*SUECH, SEPlAM-CC*), energy efficiency of building stock (*EE SUN*¹⁸², *RefurbCulture*¹⁸³), capacity building in the field of waste management

¹⁸⁰ DESCO: HUHR/1601/3.1.1/0027, Development of strategic cross - border cooperation between Letenye, Ludbreg and Prelog

¹⁸¹ CO-EMEP: HUHR/1901/3.1.1/0019, Improvement of cooperation for better energy management and reduction of energy poverty in HU-HR cross-border area

¹⁸² EE SUN: HUHR/1601/3.1.1/0004, Energy Efficient Sustainable Urban Neighborhood

¹⁸³ RefurbCulture: HUHR/1601/3.1.1/0016, Energy efficient refurbishment in cultural heritage buildings

(*EcoSmartCities*¹⁸⁴), electromobility (*EVcc*¹⁸⁵) can be listed here. Policymaking in the field of nature conservation was encouraged as well with regard to the Transboundary Biosphere Reserve Mura-Drava-Danube in the form of the development of the Joint Nature Conservation Management Policy (*Riverside*).

Ownership and visibility of the Programme as well as the **partnership building** capacities have all been facilitated in many fields including EGTCs and their members, schools, water management bodies, organisations responsible for nature protection, forestry organisations, also based on the conducted interviews. Last but not least, the Programme's impacts resulted in strengthening the links and partnerships between local governments, civil society, SMEs, and citizens on both side of the border. The CP contributed to connecting of the relevant stakeholders in resolving the identified issues, or at least they have created opportunities to establish cross-border joint databases/list of stakeholders (*DESCO*), knowledge transfer, exchange of best practices and networking (*DUO PACK*¹⁸⁶) to tackle the joint challenges and opportunities of the programme area.

Decontamination of minefields

This regional need is addressed under tourism as it was supported in the frames of PA2 SO2.1.

This regional need fulfilled specifically and in a much-targeted way by the project titled '**Decontamination of war-affected territories**' (*De-mine HU-HR II*). The project can be regarded as the continuation of the one from the previous programme. This second project focus on determining and clearing the rest of the UXO suspected areas. On both sides along the border strip the mine contaminated areas (Draž, Belišće, Kölked, Udvar, Sátorhely) were targeted as a cross-border added value.

The impacts include that safe usage of all bordering territories is ensured now. With demining local population as well as tourists will be able to reclaim the cleared land for their activities such as rural farming, hunting, fishing and ecotourism. The permeability of the border could increase as mines and UXOs do not mean a threat to human health and the nature anymore.

Given that it is dedicatedly a strategic project, a high amount of financial support was allocated to this project, almost EUR 3 million EU contribution.

To conclude, significant changes have taken place as by the end of the project implementation period the Hungarian territories could be regarded as mine-free. Consequently, a cross-border project in this topic is not eligible anymore owing to the one-sided character of the still affected areas. The positive effect of the still recent Schengen enlargement could be enjoyed along longer border sections.

¹⁸⁴ EcoSmartCities: HUHR/1601/3.1.1/0012, Ecological Smart and Sustainable Cities

¹⁸⁵ EVcc: HUHR/1601/3.1.1/0015, Electric vehicle competence and experience centre

¹⁸⁶ DUO PACK: HUHR/1601/4.1.2/0032, DUAL EDUCATION - Practical Approach to Concrete Knowledge

3.4.5 SO4.1 Improve the role of educational institutions as intellectual centres for increasing the specific local knowledge-base in the region (Educational topics)

The improvement of the specific local knowledge-base can be detected through the percentage of **unemployed persons compared to the total population** (see *Figure 104*). As unemployment is a sign of low level of education in society, it refers to the role and importance of educational institutions and intellectual centres within the local society. If these institutions were not able to keep as many students as it possible (preventing early school leaving), the phenomenon of unemployment would strengthen.

The unemployment has significantly decreased since 2013 and the year of pandemic could not alter this trend, only slight peaks were registered in 2020. Between 2013 and 2022 the percentage of unemployed persons decreased averagely by 5.4%-points. The reduction was more considerable in the Croatian part (-6.7%-points) of the programme area as in the Hungarian one (-2.2%-points), but the baseline values on the Croatian side were much higher. However, it is worth to mention that the public works program on the Hungarian side is most prominent in the most backward regions, in many cases this is not reflecting real productive employment. The most favourable change happened in the most disadvantaged counties, such as in Vukovarsko-srijemska (-8.1%-points), Virovitičko-podravska (-7.7%-points) and Bjelovarsko-bilogorska (-7.7%-points).

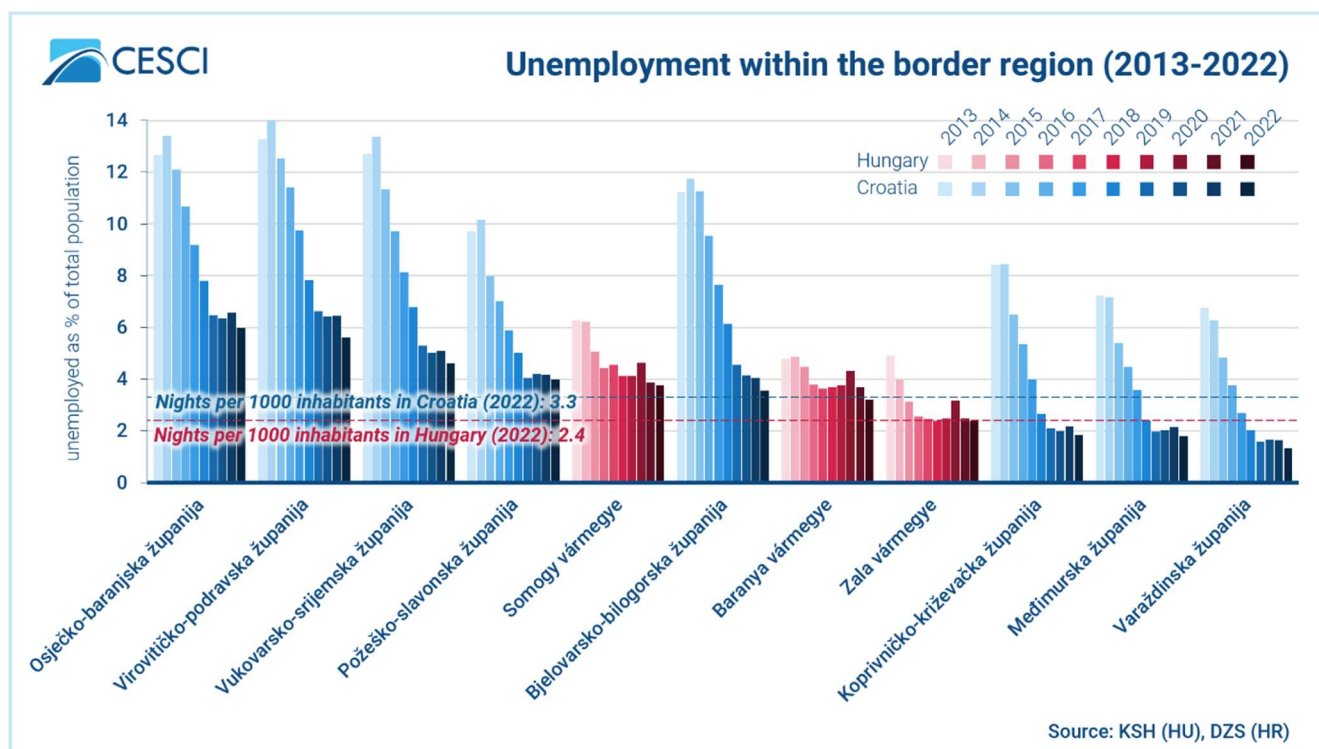
Despite of the positive tendency, the territorial pattern of unemployment has not changed significantly, as the easternmost Croatian counties have tackled with the highest rate of unemployment in 2013 and 2022 as well (such as Osječko-baranjska, Virovitičko-podravska, Vukovarsko-srijemska). Massive gap can be observed between the westernmost and easternmost Croatian counties, as Varaždinska, Međimurska and Koprivničko-križevačka are in the top position, ahead of the three Hungarian counties, during the programming period.

Due to the **COVID-19 pandemic**, the ratio of unemployed persons increased in 6 counties¹⁸⁷, while in the case of the other 5 counties the decrease has continued (by slower pace). By 2022, the values had normalised and the ratio of unemployment was at or below the 2019 level in all counties. The greatest recovery happened in Bjelovarsko-bilogorska and Virovitičko-podravska, there was a 1%-point decrease compared to 2019.

In 2023 Croatia entered the **Schengen zone**, which provides a great opportunity to enhance the cross-border mobility of the labour force and to further reduce the number of unemployed persons in the region. However, the utilisation of this asset is questionable, as the border crosses areas with the same economic potential, so cross-border commuting is not yet a common phenomenon in the region. In the near future the student mobility could significantly increase based on the already established relations between certain higher education institutions.

¹⁸⁷ Požeško-slavonska, Međimurska, Varaždinska, Somogy, Baranya, Zala

Figure 104: Regional distribution of unemployment (compared to total population)



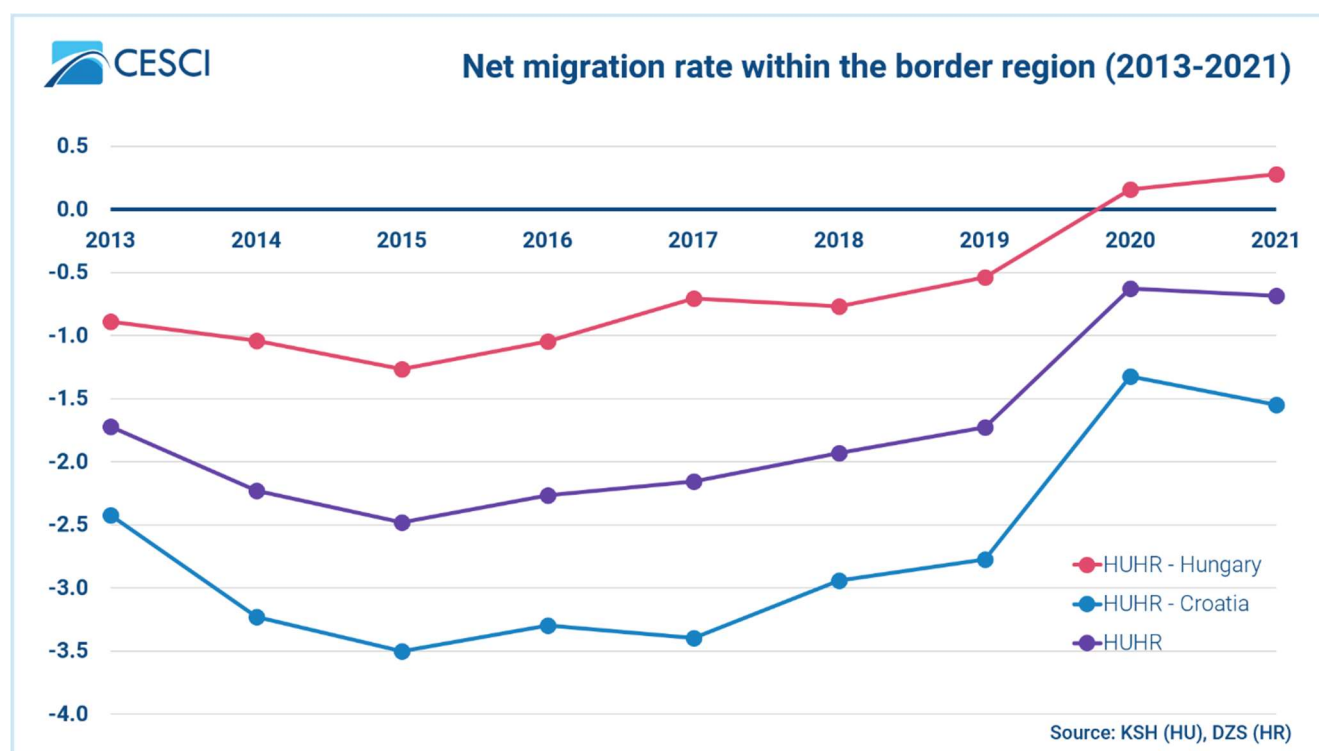
Although the ratio of unemployed persons has decreased significantly, the retention of skilled labour force (and reduction of the outmigration flow) is also inevitable to utilise the local resources. If competitive skills were not obtainable in the region (the education profile and education level of the region is low), the region would be becoming particularly vulnerable to the phenomenon of 'brain drain'. Since 2015, the **internal net migration** (compared to the total population) of the programme area (see [Figure 105](#)) has been increasing, the number of residents moving elsewhere in the country has been falling (the only exception is the following year of the COVID-19). The greatest change between 2013 and 2021 was measured in Vukovarsko-srijemska (+2.6 units) where net migration moderated from -5.3 to -2.7 (in the case of Zala and Somogy, the volume of change also achieved +2 units). During the programming period, only two counties experienced a decrease in the migration indicator: Baranya (-0.2 units) and Koprivničko-križevačka (-0.7% units).

The retention force of the Hungarian counties is better (0.3 in 2021), as more people migrate to these territories than leave (this positive tendency links to Zala and Somogy, where the net migration is more than 1). On the Croatian side the outmigration is still the dominant trend (-1.5 in 2021), especially in Požeško-slavonska (-3.4), Bjelovarsko-bilogorska (-2.9), Vukovarsko-srijemska (-2.7) and Virovitičko-podravska (-2.7).

The COVID-19 pandemic minimalised the mobility of the residents, therefore the outmigration was also reduced. A sharp rise was observed between 2019 and 2020, which was more intense in the Croatian side of the programme area (HR: +1.5 units; HU: +0.7 units). The areas most sensitive to change were Virovitičko-podravska and Vukovarsko-srijemska, where the change was close to +3 units, while decline was measured only in the westernmost counties (in Zala and Međimurska). After the pandemic, the net migration on the Croatian side turned to a negative tendency again, while on the other side of the border, the values improved even further compared to 2020.

As Croatia has been a full member of the **Schengen zone** since beginning of 2023, there are no longer any obstacles to the migration of Croatia's residents. As the retention force of the programme area is moderate, outmigration remains a challenge, especially in the Croatian regions. Educational institutions will remain of utmost importance in supporting the knowledge base of the region and decreasing the level of outmigration from the programme area to external centres.

Figure 105: Change of domestic net migration rate in the programme area between 2013 and 2021



In relation to educational topics two needs were identified by the cooperation programme:

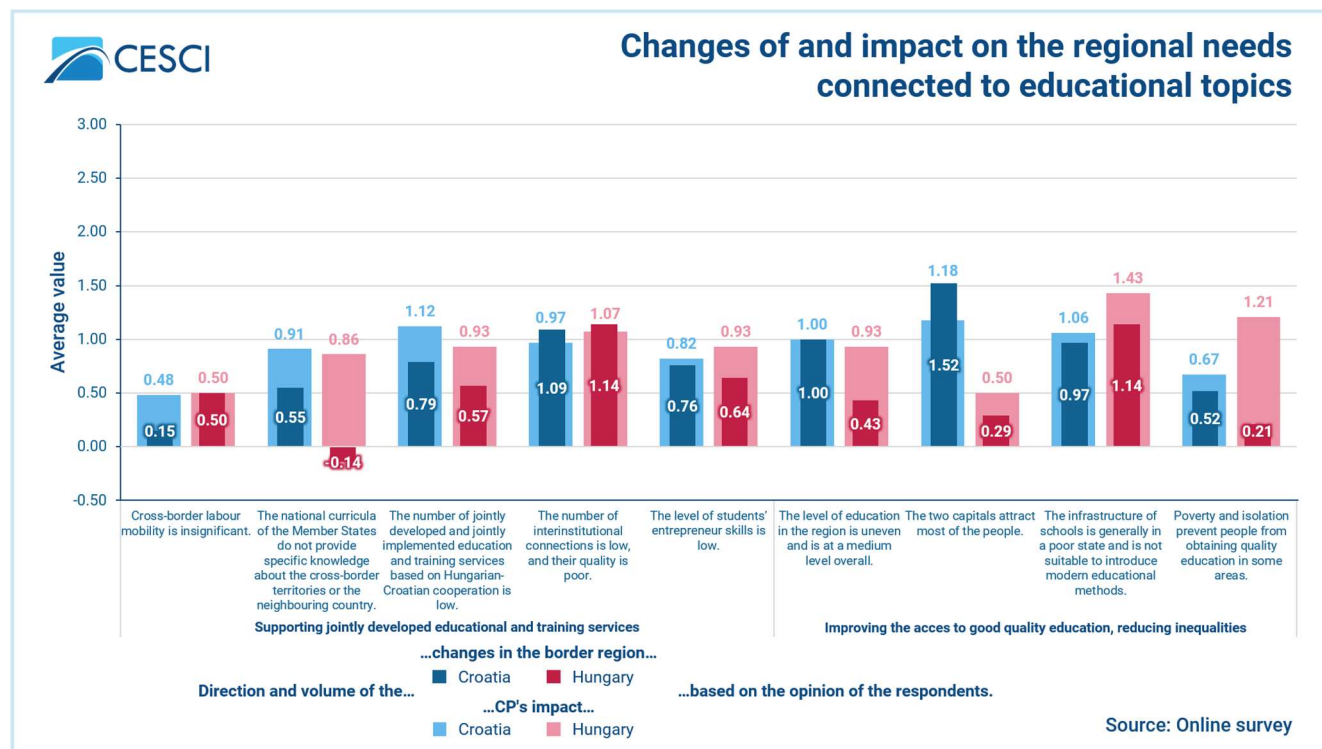
1. Supporting jointly developed and jointly delivered educational and training services;
2. Improving the access to good quality education, reducing inequalities.

In the frames of the online survey the highest number of questions were asked concerning educational topics. The margin between the overall changes in the border region and the impacts of the CP is favourable for the CP's impacts, i.e. the improvement was perceived as more significant in relation to the CP compared to overall changes in the border region. This is especially true in the case of providing specific knowledge about the cross-border territories, and in relation to poverty and isolation that prevent people from obtaining quality education. Based on the survey the CP managed to initiate relatively high volume of impact compared to the rest of the sub-areas in the field of state of infrastructure and modern educational methods in schools in particular. Several other areas were also impacted, at a lower but notable level such as number and quality of interinstitutional connections, or jointly developed and jointly implemented education and training services.

Focusing on **uncovered needs**, according to the respondents of the survey, cross-border labour mobility was regarded as an area where the CP's impact is low. Regarding other sub-areas often the

impact was perceived differently, e.g. the volume for the CP is low at the attraction force of the two capitals in Hungary, and for poverty and isolation in Croatia.

Figure 106: Direction and volume of change perceived by survey respondents in relation to educational topics



Supporting jointly developed and jointly delivered educational and training services

The Programme clearly contributed to various **jointly developed curricula and trainings**. Out of the several topics ecotourism, food industry and gastrotourism was particularly affected by newly supported learning materials and trainings carried out (*ECOTOP2*, *GASTROTOP*, *EQUI EDU*¹⁸⁸, *EDUAGRI*¹⁸⁹, *HU-CRO EXPLORE AND LEARN*). Another standout area of knowledge exchange and transfer was robotics extracurricular programmes for primary and secondary school pupils (*RobotsConnecting*¹⁹⁰, *RoboTech*¹⁹¹, *ROBOTICO*¹⁹²). In various fields the number and the level of cross-border interinstitutional cooperation

¹⁸⁸ EQUI EDU: HUHR/1901/4.1.1/0123, Equine Studies Education and Competence centre for development of equestrian tourism in the cross border region

¹⁸⁹ EDUAGRI: HUHR/1901/4.1.1/0008, Multilevel education system for agile agri-food chains

¹⁹⁰ RobotsConnecting: HUHR/1901/4.1.2/0068, Robots Connecting High Schools in Cross-border Area

¹⁹¹ RoboTech: HUHR/1601/4.1.2/0011, Cross border development of robotics in primary schools

¹⁹² ROBOTICO: HUHR/1901/4.1.2/0006, ROBOTics in Interregional COoperation

has been improved, from healthcare (*ImproveMED*¹⁹³) through engineering (*I-DARE*¹⁹⁴) to robotics (*RoboTech*).

The joint activities facilitated **cross-border and inter-institutional cooperation with the involvement of primary and secondary schools** the most frequently. This impact of the Programme is underlined by the interviewees as well. Apart from the school system partners, stakeholders such as members of the academic community, higher educational institutions, business support institutions (chambers) were also encouraged to cooperate (*GASTROTOP*, *IC4HEDS*). In some cases the Programme successfully contributed to the continuation and deepening of already existing project partnerships (*IC4HEDS*).

Cross-border added value include that not only educational programmes and learning methods and materials have been elaborated jointly but these were shared with the partners, and sometimes students could attend the courses regardless their country of origin (*IC4HEDS*). **Bilingualism** has been respected many cases by making the knowledge transferable and applicable on both sides of the border. Another relevant field in a cross-border context was the development of offers that were missing from the programme area (*ISD Uni*¹⁹⁵). Few projects also reflected on the labour market needs e.g. in the field of metal or electrical engineering professions. Therefore, the increasing the number of skilled workforces is an impact worth mentioning (*VEC Sharing*, *I-DARA*).

One of the outstanding projects with regard to the challenge is **EDUAGRI**, where beneficiaries jointly developed and delivered a multi-level educational and training package in the specific field of agile agri-food chain management. The package included the development of curricula and course descriptions of a full bachelor study programme, a full master study programme, a bachelor minor specialisation, a full postgraduate professional specialisation study programme, furthermore a short-cycle LLL training programme for agri-food SMEs. A programme was realised in one partner institution each case, with the professional support and assistance of the other.

Both the **skills and competences of the students and the teachers** were affected positively by the Programme. The teaching of teachers, the application of new teaching methods was encouraged (*HU-CRO EXPLORE AND LEARN*). Projects gave space for best practice and exchange of experience for teachers as well. Consequently, the competences of professionals have also been improved. From methodological point of view relevant exchanges have taken place. For instance, *I-DARE* involved the 'Pécs-Osijek-Virovitica' triangle to set up a virtual, cross-border business training and entrepreneurial methodology centre.

In addition, the Programme provided support for the **development of learning and teaching infrastructure and materials** including course materials, laboratory equipment, designated learning spaces.

¹⁹³ ImproveMED: HUHR/1601/4.1.1/0009, Improved Medical Education in Basic Sciences for Better Medical Practicing

¹⁹⁴ I-DARE: HUHR/1601/4.1.2/0006, „Development of dual training and introduction of tertiary systems in the field of mechanical engineering and electrical engineering professions”

¹⁹⁵ ISD Uni: HUHR/1601/4.1.1/0001, Integrated Settlement Development Knowledge Centres in the HU-HR border zone

The impacts of the Programme target business development and employment too. Several projects supported skills development regarding entrepreneurship spirit and business models (*GASTROTOP*, *ECOTOP2*, *RobotsConnecting*). Direct and indirect support for SME growth has gained support too (*EDUAGRI*). Couple of times the Programme contributed to employment and self-employment (*EQUI EDU*).

Pupils from early age have also been motivated by **common educational activities and exchange events** that increase positive attitude to cross-border cooperation and which will develop a sense of belonging to the broader community of the region (*HU-HR Fruit Trees*¹⁹⁶). Specific knowledge on the border region and people has been gained by the participants (*JOLLIZ!*¹⁹⁷, *STILL*).

Improving the access to good quality education, reducing inequalities

The quality of education has been improved on both sides of the border by the **financing of upgraded educational facilities and technical equipment** in particular that would have been difficult to purchase by individual institutions separately. Oftentimes existing facilities were upgraded to increase quality and updatedness of the teaching process (*EQUI EDU*). The sharing and joint use of purchased toys and tools is another cross-border aspect enhanced (e.g. share of logopediatric development toys, *2M2C*¹⁹⁸).

The Programme contributed to the reduction of inequalities in various ways. Cross-border impact includes that in a couple of cases the **joint study programmes** developed were made open for potential applicants from both side of the border. The availability of learning materials and courses in the respective two languages and also often in English was another result worth mentioning. Open and free access to certain educational offer is an important result of the Programme, which enabled participants to attend theoretical and practical trainings as well (*RE.M.I.S.E*¹⁹⁹).

The Programme contributed to the **social inclusion of disadvantaged and marginalised groups** (*ISD Uni*, *Gifted HUHR*). Impacts include the increased involvement of disadvantaged groups and individuals in education and training activities through education of **Roma** children by newly developed curricula (*EDU Roma*²⁰⁰). Thus, some projects helped the Roma population on both sides of the border to enter the educational system and get specific educational services. Children with disabilities are another group who were positively affected (*STILL*, *2M2C*). Projects addressed the inclusion of the mentally and physically ill population too, however mostly in a way of elaborating studies (*ECOTOP2*). Furthermore, multiple studies have been carried out that deal with the inclusion of the Roma population and other minority population (*TEACH*²⁰¹, *GASTROTOP*).

¹⁹⁶ HU-HR Fruit Trees: HUHR/1601/4.1.2/0013, The Forgotten Forest Fruit Trees

¹⁹⁷ JOLLIZ!: HUHR/1601/4.1.2/0029, Joint Learning Legrad i Zákány

¹⁹⁸ 2M2C: HUHR/1901/4.1.2/0011, Music moves us – Culture connects us

¹⁹⁹ RE.M.I.S.E: HUHR/1601/4.1.2/0008, Cross-border co-operation for the development of social and solidarity economy through the elaboration and implementation of a joint adult education training programme

²⁰⁰ EDU Roma: HUHR/1901/4.1.2/0034, Education Development for Understanding Roma

²⁰¹ TEACH: HUHR/1901/4.1.2/0077, Transcultural Education Alliance in Croatia and Hungary

Another area where cross-border cooperation was initiated was the **talent management** as well as excellence support which have been more unified and harmonised by now with filling the gaps in the educational offer (*TaMPeD, Knowledge Well*²⁰²).

An important impact is that the competences and knowledge of teachers and trainers have also been improved with the help of the Programme. By now more local stakeholders and institutions have **knowledge and skillset to support social inclusion** and higher quality educational programmes.

The projects supported resulted in higher performance of students and teachers in several areas: improved academic achievement, social skills development, motivation, positive attitude and increased effectiveness of teaching.

In addition, the projects contributed to tackling of intolerance, prejudices, ignorance and fear of differences including ethnic and language differences. The Programme had a role worth underlining in developing cross-cultural competences to promote diversity, acceptance, understanding, mutual growth and open mentality (*TEACH*). It was supported to learn how to learn from each other and how to connect the two bordering nations (*2M2C*).

Indirectly the Programme supported the positive change in employability and income of certain strata of population through **strengthening of human capacities and entrepreneurship skills** at social enterprises. For instance, a jointly developed training curriculum, organisational development training, personal consulting, coaching services have been provided (*RE.M.I.S.E*). The Programme has contributed to better labour market (re)integration of people with disadvantages and originally less demanded skills.

²⁰² Knowledge Well: HUHR/1901/4.1.2/0116, Cross border development of centers of excellence in primary schools